



CITY OF LONG BEACH

C-16

DEPARTMENT OF PUBLIC WORKS

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November 8, 2011

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute the First Amendment to Lease No. 30853 with Bay Shore Community Congregational Church for the shared use of the City-owned parking lot at the intersection of The Toledo and Livingston Drive. (District 3)

DISCUSSION

On August 19, 2008, the City Council authorized the execution of Lease No. 30853 (Lease) with Bay Shore Community Congregational Church (Bay Shore) for the shared use and improvement of the City-owned parking lot (Lot) at the intersection of The Toledo and Livingston Drive. The Lease provides Bay Shore with the exclusive use of the Lot weekly from noon on Saturdays to noon on Sundays, at a specified monthly rate. In addition, Bay Shore agreed to construct improvements (Project) to the Lot for the benefit of the greater community, under the agreement that the cost of the Project could be utilized to offset monthly rent for the Lot. The Lot is available, free of charge, to any member of the community on a first come, first serve basis, except for the time period rented by Bay Shore.

Although the Lease commenced September 2008, the Project was not fully completed until October 2009. The Project included repaving and striping of the parking lot, the addition of drought-tolerant landscaping and an associated irrigation system for both the Lot and adjoining parkways, the import of gravel for ground stabilization due to unknown soil conditions, and the widening of the adjacent alley and reconstruction of the curb to provide for safer access to the Lot and alley. The cost of the Project was originally estimated at between \$75,000 and \$100,000. The final cost was \$113,306.

Under the terms of the Lease, the initial rent was identified as \$300 per month with three percent annual increases. Bay Shore paid \$4,200 in rent for an approximate 14-month period before the Project was completed and before the cost of the Project could be used to offset monthly rent. Based on the concept of a City and community partnership, the intent of the Lease was to provide Bay Shore with a long-term agreement for exclusive use of the Lot, as specified, in exchange for completion of the Project on the City's behalf for the benefit of the surrounding community and visitors. In order for Bay Shore to fully realize its cost for the Project, the Lease requires an amendment to further extend the term.

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The proposed First Amendment to Lease No. 30853 will contain the following major terms and provisions:

- Term: The existing 10-year initial term with two 5-year options to renew shall be modified to include a third option for an additional 3-year and 1-month term.
- Exhibit "B": Exhibit "B" of the Lease shall be replaced with a new exhibit, which will update the actual cost of the Project and the amount of rent paid by Bay Shore and will incorporate the additional third extension option.

All other remaining terms of provisions of the Lease shall remain in full force and effect. This letter was reviewed by Deputy City Attorney Richard F. Anthony on October 4, 2011 and Budget Management Officer Victoria Bell on October 18, 2011.

TIMING CONSIDERATIONS

City Council action on this matter is requested on November 8, 2011, in order to formalize and execute the First Amendment in a timely manner.

FISCAL IMPACT

There is no fiscal impact and no known jobs impact associated with the recommended action.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

MPC:JMLR
11.08.11 First.Amend BSCCC v3

APPROVED:



PATRICK H. WEST
CITY MANAGER