

EXHIBIT "A"

CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

C-9

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

December 7, 1999

RECEIVED  
CITY OF LONG  
BEACH, CALIF.  
99 DEC -2 AM 8:45

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

SUBJECT: Lease With Kan International, Inc., for Office Space at 333 West Broadway, Suite 308, for the Long Beach Police Department, Information Technology Division (District 1)

DISCUSSION

Since 1958, the Long Beach Police Department has been headquartered at 400 West Broadway. The Police Department currently has over 1,000 sworn and civilian employees assigned to this location.

As the demand for services continues to increase, the Police Department is unable to provide adequate office space for its personnel in the 40-year old Public Safety Building. The overcrowded staffing conditions and continual 24-hour use of the facility have caused it to become dilapidated and obsolete.

In light of the above situation, the Police Department has surveyed the downtown area for additional office space that meets its requirements and is cost-effective. The most satisfactory office site identified is at 333 West Broadway, also known as Seaspray Gardens. The property is conveniently located across the street from the Public Safety Building and already houses the Police Department's Community Relations Division and Internal Affairs Division. Seaspray Gardens' close proximity to the Public Safety Building makes it possible for the transfer of a third unit, the Information Technology Division, without any interruption in services.

The Information Technology Division is responsible for the development and maintenance of the Police Department's computer networks and technology infrastructure. The Division also provides departmental crime analysis information and State and Federal uniform crime reports. Currently, staff is housed in separate offices on three floors within the Public Safety Building. By combining all of the Division's resources at one office site, program management and services will be enhanced.

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To accommodate the Police Department's space needs, a new lease has been negotiated for approximately 3,318 rentable square feet of office space at 333 West Broadway, Suite 308. The proposed lease contains the following major provisions:

- Length of Term: Five years.
- Renewal Option: The City shall have one option to renew the lease for a period of five years.
- Use: General offices of the Long Beach Police Department, Information Technology Division.
- Rent: The monthly base rent shall be \$4,645.20 (\$1.40/rentable square foot) for months 1-24; \$4,811.10 (\$1.45/rentable square foot) for months 25-48; and \$4,977.00 (\$1.50/rentable square foot) for months 49-60. The effective rate is \$4,777.92, or \$1.44/rentable square foot/month over a 60-month period. This is considered very competitive for office lease rates in the downtown Long Beach area.
- Security Deposit: None.
- Utilities, Services and Taxes: The Landlord shall pay the monthly common area maintenance dues and be responsible for all costs associated with property taxes. The Tenant shall pay for all utilities and janitorial services that are provided to the Premises.
- Tenant Improvements: The Landlord shall provide \$8,000.00 (\$2.41 per rentable square foot) for tenant improvements with a rental credit for the unused allowance up to a maximum of \$4,000.00. In the event the tenant improvements exceed the original allowance, the Landlord shall provide an additional allowance in an amount not to exceed \$3,000.00, which shall be paid as additional rent. The additional allowance shall be amortized over the lease term of 60 months at 9 percent interest per year.

James N. McCabe, Deputy City Attorney, is assisting Community Development with the lease and reviewed this letter on November 12, 1999.

This letter was also reviewed by Annette Hough, Budget Manager, on November 19, 1999.

FISCAL IMPACT

Lease payments are equal to \$4,645.20 per month, for months 1-24, or \$55,742.40 annually; \$4,811.10 per month, for months 25-48, or \$57,733.20 annually; and \$4,977.00 per month, for months 49-60, or \$59,724.00 annually. The Police

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Department's FY 2000 adopted General Fund (GP100) budget appropriation will support this activity.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

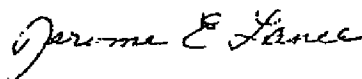
Authorize the City Manager to execute a lease with Kan International, Inc., for office space at 333 West Broadway, Suite 308, for the Long Beach Police Department, Information Technology Division, at an effective monthly rental rate of \$4,777.92 for a term of five years with an option to extend, at the discretion of the City Manager, for an additional five-year period.

Respectfully submitted,

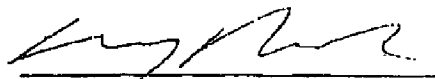


REGINALD I. HARRISON  
ACTING DIRECTOR  
COMMUNITY DEVELOPMENT

APPROVED:



JEROME E. LANCE  
CHIEF OF POLICE



HENRY TABOADA  
CITY MANAGER

RIH:MDL:mdl:mc  
a:tdnov8.mdl