

CITY OF LOS ANGELES

CALIFORNIA

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DEPARTMENT OF
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ANTONIO R. VILLARAIGOSA
MAYOR

September 30, 2010

Honorable Councilmembers
City of Los Angeles
c/o City Clerk
Room 395, City Hall
Los Angeles, CA 90012

Attention: Erika Pulst, Legislative Assistant

REQUEST FOR APPROVAL OF A NEW LEASE FOR LA MALL SPACE 11 ON THE 1ST FLOOR OF CITY HALL EAST

The Department of General Services (GSD) requests that City Council waive the late submission of the proposer's Affidavit of Non-Collusion and approve a new lease for a food service business in Space 11 on the 1st floor of City Hall East with High Rise Goodies Restaurant Group, Inc. (HRG), doing business as Café Trimana.

BACKGROUND

GSD released an RFP for a tenant for Space 11. This space, currently vacant, was previously leased to Giuliano's Delicatessen and Bakery. Only one company, HRG, submitted a proposal. At the time of submitting its proposal, HRG did not include the mandatory Affidavit of Non-Collusion. HRG has subsequently (and after the proposal submission deadline) submitted the Affidavit.

The City Attorney has opined that since no other proposer submitted a proposal, the City has the discretion to waive HRG's late submission of the Affidavit of Non-Collusion. GSD recommends that the Council: a) find that under these facts that the City has complied with its obligation as per Charter §372 and Administrative Code §10.17 to obtain "competitive proposals or bids as far as reasonably practicable and compatible with the City's interests," b) exercise its discretion to waive the timeliness aspect/late submission of HRG's Affidavit of Non-Collusion; and c) approve the subject lease with High Rise Goodies Restaurant Group, Inc.



TERMS AND CONDITIONS

The lease agreement contains the following terms and conditions:

- LOCATION: 200 North Main Street, Space #11, Los Angeles, California
- USE: Sale of baked goods, hot and cold beverages, salads, sandwiches, entrees and sundry items
- SQUARE FEET: 463 rentable square feet
- TERM: Five (5) years
- RENTAL RATE: \$822.50 per month or 7% of gross receipts, whichever is greater.
- SECURITY DEPOSIT: Equal to two (2) month's rent
- PARKING: Two (2) parking spaces at the current market
- TENANT IMPROVEMENTS: Tenant will be responsible for all tenant improvement costs

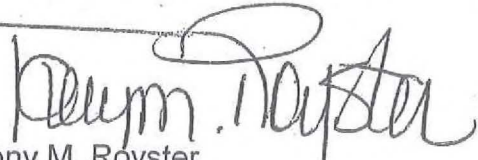
FISCAL IMPACT

The fixed minimum rent will add \$822.50 per month or \$9,870.00 annually to the General Fund.

RECOMMENDATION

That the Los Angeles City Council:

- (1) Find that the City has under the facts complied with its obligation to obtain competitive proposals as far as reasonably practicable and compatible with the City's interests,
- (2) Waive the timeliness aspect/late submission of the Affidavit of Non-Collusion, and,
- (3) Approve the subject lease with High Rise Goodies Restaurant Group, Inc. under the terms and conditions substantially as outlined in this report.


Tony M. Royster
General Manager

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