TONY M. ROYSTER GENERAL MANAGER AND CITY PURCHASING AGENT CITY OF LOS ANGELES

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Approved on: May 30, 2013 by The Municipal Facilities Committee

May 30, 2013

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

Attention: Maria Espinoza, Legislative Analyst

REQUEST FOR AUTHORITY TO MODIFY PREVIOUS COUNCIL ACTION REGARDING A LEASE RENEWAL AT 319 EAST SECOND STREET, LOS ANGELES, CALIFORNIA

The Department of General Services (GSD) requests approval of a modification of a previous Council action to allow for parking expenses to be included in the already-approved lease renewal for Channel 35's television studio space at 319 East Second. Street, Los Angeles, California.

BACKGROUND

On December 12, 2012, the City Council approved the renewal of a lease (C.F. 12-1792) for the television studio space for Channel 35 at 319 East Second Street. In that request, it was incorrectly stated that nine parking spaces would be provided free of charge.

Because the landlord greatly reduced the rental rate for the studio space and offices, they were unable to provide the required parking of nine (9) parking spaces for free. The error in the original report to the City Council was only recently discovered and GSD is therefore now asking for authority to modify the original Council action to include paid parking prior to the lease renewal being completed for execution with the landlord.

CHANGES IN TERMS AND CONDITIONS

Parking Nine (9) reserved parking spaces provided at \$135 per space per month

All other lease terms and conditions remain as previously stated in the approved report.

FISCAL IMPACT

The cost of parking for nine (9) reserved spaces at \$135 per space per month will be \$14,580 annually. The FY 2013-14 6030 Leasing Account budget already includes a line item for parking in the amount of \$15,600. Therefore no additional funds will be required to cover these parking costs.

For the studio and office space, there will be annual savings in 2013-14 of approximately \$20,000 over the former lease cost, as previously reported in the MFC report of November 15, 2012 and subsequently approved Council action. This anticipated savings remains the same.

There is no impact to the General Fund as costs for both studio/office space and parking are paid by funding from the Telecommunications Data Act (TDA).

RECOMMENDATION

That the City Council authorizes the Department of General Services to include parking expenses, as substantially outlined above, in the lease renewal for 319 East Second Street, Los Angeles, California, that was previously approved by the City Council on December 12, 2012 in Council File No. 12-1792.

Tony M. Royster General Manager