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City of Los Angeles



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DIVISION CHIEF

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OFFICIAL ACTION OF THE LOS ANGELES CITY COUNCIL

March 9, 2018

Council File No.: 13-1005

Council Meeting Date: March 07, 2018

Agenda Item No.: 22

Agenda Description: INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE

REPORT relative to a new lease agreement with 104 North Avenue 56, LLC,

for office space for use by Council District One as a field office.

Council Action: INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE

REPORT - ADOPTED

Council Vote: YES BOB BLUMENFIELD

YES MIKE BONIN
YES JOE BUSCAINO

ABSENT GILBERT A. CEDILLO
YES MITCHELL ENGLANDER

YES MARQUEECE HARRIS-DAWSON

ABSENT JOSE HUIZAR
ABSENT PAUL KORETZ
YES PAUL KREKORIAN
YES NURY MARTINEZ
YES MITCH O'FARRELL
YES CURREN D. PRICE
ABSENT MONICA RODRIGUEZ

YES DAVID RYU
YES HERB WESSON

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HOLLY L. WOLCOTT CITY CLERK INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE REPORT relative to a new lease agreement with 104 North Avenue 56, LLC, for office space for use by Council District One as a field office.

Recommendation for Council action:

AUTHORIZE the Department of General Services (GSD) to negotiate and execute a new lease agreement with 104 North Avenue 56, LLC, for approximately 2,064 square feet of office space at 5577 North Figueroa Street for use by Council District One as a field office, for an annual rental rate of \$105,264.

<u>Fiscal Impact Statement</u>: The GSD reports that the City currently pays \$4,303 per month or \$51,636 annually including common area maintenance and janitorial costs for the office space. The new proposed monthly rent is \$8,772 per month or \$105,264 per year, or up to \$107,364 per year based on current operating expenses. Expenses may increase slightly if the City pays for operating expenses directly.

Community Impact Statement: None submitted.

SUMMARY

In the report to Council dated February 22, 2018, GSD requests authority to negotiate and execute a new lease agreement with 104 North Avenue 56, LLC, for the continued use of office space for use by Council District One as a field office. GSD reports that the Councilmember for the District supports the continued use of this site. According to GSD, it is also is a community gathering place that is safe and within blocks of the Metro Gold Line and bus transit systems.

GSD's report includes a market analysis of area rents. Retail space in the area is keeping pace with the residential real estate boom that Highland Park has experienced over the past five years. This area is considered an emerging business district with escalating pricing for retail leases. As leases expire in the immediate area, landlords are increasing their price per square foot. On February 22, 2018, the Municipal Facilities Committee (MFC) approved the lease.

At its meeting held February 27, 2018, the Information, Technology, and General Services Committee recommended that Council authorize GSD to negotiate and execute the lease with 104 North Avenue 56, LLC, as recommended by the MFC.

Respectfully Submitted,

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE

MEMBER

VOTE

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RODRIGUEZ: YES BLUMENFIELD: YES O'FARRELL: YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-