

CITY OF LOS ANGELES
CALIFORNIA

Agenda Item #1

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

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February 4, 2016

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

Attention: Maria Espinosa, Legislative Assistant

REQUEST TO EXECUTE A REAL PROPERTY CONTRACT

The Department of General Services (GSD) requests authority to execute a real property office lease contract between the City of Los Angeles (landlord) and the County of Los Angeles (tenant) for a portion of the real property office space owned by the City of Los Angeles located at 1645 Corinth Avenue, Los Angeles, CA 90025.

The proposed tenancy will be for the County of Los Angeles Supervisor Sheila Kuehl of the 3rd Supervisory District.

In seeking tenancy for real property facilities owned by the City of Los Angeles, a competitive solicitation process is normally employed through the administration of a request for proposal. However, the public benefits derived from locating the elected official in question at this site are unique to that office, and thus offers no competitive candidates. Please see Exhibit 'A-1' for a district map of the area represented by the elected official. Therefore the granting of a rent-free lease to the elected official is eligible for, and qualifies as an exemption from the Los Angeles City Charter's competitive bidding requirements. Los Angeles Charter, Section 371(e)(10)

BACKGROUND

The West Los Angeles Municipal Building (WLAMB) is a two-story facility located at 1645 Corinth Avenue in Council District 11. The WLAMB is not currently utilized to its optimal capacity. The facility is currently utilized as a field office by Council District 11 and as a satellite office for the Housing and Community Investment Department. However, there is still a significant amount of space that is currently unoccupied at the facility. The WLAMB is ideally situated to provide constituent services due to its central location within the West Los Angeles area.



On May 6, 2015, Council approved a Motion directing GSD to negotiate leases with elected offices at the County, State and Federal level that were interested in establishing local field offices in the West Los Angeles area (C.F. 15-0323). GSD has proceeded with lease negotiations, as instructed by Council and is now ready to proceed with execution of the proposed lease with the County Supervisor Sheila Kuehl, with the proposed terms outlined in the subsequent report section below.

TERMS AND CONDITIONS

LOCATION: 1645 Corinth Avenue, Los Angeles, CA 90025.

USE: Office Space.

SQUARE FEET: Approximately 1,180 rentable square feet.

TERM: March 1, 2016 to November 30, 2018.

OPTION TERM: Two (2), four (4) year options to extend.

RENTAL RATE: \$0.00 per year.

HOLDOVER: Month to month.

TENANT

IMPROVEMENTS: Tenant improvements are minimal, with residual funds earmarked for this purpose.

PARKING: Eight (8) spaces for staff and up to two (2) spaces for visitors. Parking provided by the City of Los Angeles at no charge.

PUBLIC BENEFIT

The WLAMB is a critical City asset that is currently underutilized. The proposed co-location of elected officials at the City, County, State and Federal level will enable constituents from the various West Los Angeles communities to access representation at all levels of government at the same facility. The co-location of the elected offices would promote greater coordination of government services and is expected to result in various efficiencies and best practices. Benefits to constituents would include the convenience of reduced travel and wait time to access the elected offices and the receipt of coordinated services that are responsive to the needs of local constituents.

All factors considered the monthly value of the facility lease space at market rate is estimated at \$2.20 per square foot. In annual terms, the space proposed for lease to the County is valued at approximately \$31,152. The proposed rental rate as proposed would be established at no cost. However, the City and its residents would receive value in excess of the market rate for the public services and benefits outlined above.

FISCAL IMPACT

There is no additional impact on the General Fund. The costs for operating and maintaining the West Los Angeles Municipal Building is funded through GSD's operational budget. The estimated cost of minor repairs and needed improvements will be funded by residual funds, earmarked for this purpose.

RECOMMENDATION

That the Los Angeles City Council:

1. Find that the proposed lease at the City owned facility located at 1645 Corinth Avenue, between the City and the Supervisor Sheila Kuehl of the 3rd Supervisory District, provides a public benefit that best promotes the City's interest and preferred uses of the West Los Angeles Municipal Building; and,
2. Authorize the Department of General Services to execute a real property lease agreement with the County of Los Angeles for County Supervisor Sheila Kuehl of the 3rd Supervisory District, under the terms and conditions as substantially outlined in this report.



Tony M. Royster
General Manager

Attachment: Exhibit 'A-1' District Map for Elected Official

Exhibit 'A-1'
'District Map for Elected Official'

Sheila Kuehl
3rd District County of Los Angeles

