

0150-10593-0001

**TRANSMITTAL**

TO  
David H. Wright, General Manager

DATE

COUNCIL FILE NO.

FROM  
The Mayor

COUNCIL DISTRICT  
All

**FIRST AMENDMENT (FO-738-10) TO THE MASTER LICENSE AND SERVICE AGREEMENT WITH THE LADWP AND CORESITE ONE WILSHIRE, L.L.C; CORESITE REAL ESTATE 55 S. MARKET STREET, L.L.C; CORESITE REAL ESTATE 2972 STENDER, L.P.; CORESITE REAL ESTATE 1656 MC CARTHY, L.P.; CORESITE REAL ESTATE 3032 CORONADO, L.P.; AND CORESITE REAL ESTATE 900 N. ALAMEDA L.P.  
FOR LEASE OF COLOCATION SPACE**

Approved and transmitted for further processing including Council consideration.  
See the City Administrative Officer report attached.

MAYOR

RHL:IR:10190045

REPORT FROM

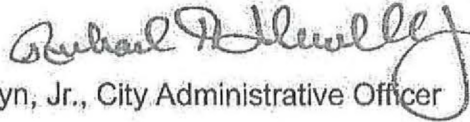
## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: December 3, 2018

CAO File No. 0150-10593-0001  
Council File No.  
Council District:

To: The Mayor



From: Richard H. Llewellyn, Jr., City Administrative Officer

Reference: Communication from the Los Angeles Department of Water and Power dated September 27, 2018

Subject: **FIRST AMENDMENT TO THE MASTER LICENSE AND SERVICE AGREEMENT (FO-738-10) BETWEEN THE LOS ANGELES DEPARTMENT OF WATER AND POWER AND CORESITE ONE WILSHIRE, L.L.C.; CORESITE REAL ESTATE 55 S. MARKET STREET, L.L.C.; CORESITE REAL ESTATE 2972 STENDER, L.P.; CORESITE REAL ESTATE 1656 MC CARTHY, L.P.; CORESITE REAL ESTATE 3032 CORONADO, L.P.; AND CORESITE REAL ESTATE 900 N. ALAMEDA L.P. FOR LEASE OF COLOCATION SPACE.**

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### RECOMMENDATION

That the Mayor:

1. Approve the proposed resolution authorizing the execution of a First Amendment to the Master License and Service Agreement between the Los Angeles Department of Water and Power and CoreSite One Wilshire, L.L.C.; CoreSite Real Estate 55 S. Market Street, L.L.C.; CoreSite Real Estate 2972 Stender, L.P.; CoreSite Real Estate 1656 McCarthy L.P.; CoreSite Real Estate 3032 Coronado, L.P.; and CoreSite Real Estate 900 N. Alameda L.P.; to utilize telecommunications colocation space at 624 South Grand Avenue (One Wilshire) and 900 North Alameda (LA2):
  - a. Modify and extend the contractual term for five years with three additional five year renewal options for a total possible term of twenty years up to November 29, 2038;
2. Return the proposed resolution to the Department for further processing, including City Council consideration.

### SUMMARY

In December 2013, the Board of Water and Power Commissioners approved Resolution No. 014-122 authorizing the Los Angeles Department of Water and Power (LADWP) to enter into a five year Master License and Service Agreement (MSA) with CoreSite from November 13, 2013 to

transport, and dark fiber leasing to both private businesses and the public sector throughout the Los Angeles City area. In order to facilitate interconnection with third party telecommunication service providers, LADWP utilizes colocation spaces at various telecommunication hubs to provide such connectivity. Per staff, these services generate annually \$5 to \$5.5 million in revenue and is more than sufficient to offset the anticipated expense over the term of the MSA.

#### **FISCAL IMPACT STATEMENT**

There is no General Fund impact. Approval of the MSA allows LADWP the right to lease space at various colocation sites and sets the terms and conditions for the data center and communication transport services, and allows for SO to be established annually. There is no fiscal obligation associated with the MSA by itself. Anticipated expenditures resulting from SO will be funded by the Power Revenue Fund. The proposed action complies with the City Financial Policies.

*RHL:IR:10190045*

*Attachments*