

MOTION

As part of the North East Interceptor Sewer (NEIS) project, the City of Los Angeles acquired parcels located at 2110 and 2130 W. San Fernando Road (APN's 5457-001-901 and 902, respectively) in 2001.

The parcel at 2130 W. San Fernando Road was previously leased to CA Auto Mart Group, Inc. (doing business as Glendale KIA) for the display and storage of the dealership's vehicles.

On March 31, 2017, the owners of Cars911 purchased the dealership business from Glendale KIA along with the parcel located at 2216 W. San Fernando Road.

In November 2017, the owners of Cars911 approached the Council Office requesting a long term lease of the City's parcels for display and storage; as well as the creation of a service department that would ensure local hiring for up to 27 new employees. Cars911 intends to expand their business and increase job development by redeveloping the property and ensure that all benefits remain in the surrounding community.

The City's Bureau of Sanitation (LASAN) maintains the parcels as part of the NEIS project. LASAN states that the parcels are not to be used for residential housing and are restricted only for commercial use by the State Water Quality Control Board (Regional Board).

Action is needed to authorize the negotiation of this lease.

I THEREFORE MOVE that the Department of General Services, in consultation with the Bureau of Sanitation, be instructed/authorized to negotiate a lease agreement between the City and the Cars911 dealership for a portion (38,502 square feet) of the Bureau of Sanitation's North East Sewer Interceptor Air Treatment Facility located at 2110-2130 West San Fernando Road (APN 5457-001-901 & APN 5457-001-902) to be used for the display, storage and service of Cars911 Dealership vehicles; and under further appropriate terms and

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conditions to be negotiated with Cars911, including that the lease should be retroactive to April 2017 when CARS911 took over and bought the business and adjoining parcel from Glendale KIA.

I FURTHER MOVE that the Council FIND pursuant to Charter Sec.371 (e) (10) that the proposed lease agreement is exempt from the competitive bidding process in as much as the use of competitive bidding would be undesirable, impractical or impossible for the following reasons: CARS911 will be continuing the same business as Glendale KIA with the same employees; leasing the site to Cars911 will ensure that the property is occupied and maintained and eliminates the risk of illegal use, trash dumping, graffiti and other nuisance activities; and the lease will generate revenue for the City that would otherwise not occur due to the restrictive lease terms, site location, site size and existing conditions.

PRESENTED BY: _____


GILBERT A. CEDILLO

Councilmember, 1ST District

SECONDED BY: _____

