

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE REPORT relative to a lease agreement with Cars911 dealership for a portion of the Bureau of Sanitation (BOS) North East Sewer Interceptor Air Treatment Facility located at 2110-2130 West San Fernando Road.

Recommendations for Council action, pursuant to Motion (Cedillo - Englander):

1. AUTHORIZE the Department of General Services (GSD), in consultation with the BOS, to negotiate a lease agreement between the City and the Cars911 Dealership for a portion (38,502 square feet) of the BOS North East Sewer Interceptor Air Treatment Facility located at 2110-2130 West San Fernando Road to be used for the display, storage and service of Cars911 Dealership vehicles; and under further appropriate terms and 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.
2. FIND pursuant to Charter Section 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 because 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.

Fiscal Impact Statement Submitted: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY:

At its regular meeting held on October 9, 2018, the Information, Technology, and General Services Committee considered a Motion (Cedillo - Englander) relative to authorizing the GSD, in consultation with the BOS, to negotiate a lease agreement with the Cars 911 dealership for a portion of the BOS North East Sewer Interceptor Air Treatment Facility located at 2110-2130 West San Fernando Road to be used for the display, storage and service of Cars911 Dealership vehicles, retroactive to April 2017.

As stated in the Motion, 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.

After providing an opportunity for public comment, the Committee moved to approve the recommendation(s) contained in the Motion, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE

A handwritten signature in blue ink, appearing to read "Monica Rodriguez". The signature is fluid and cursive, with a long horizontal stroke at the end.

<u>MEMBER</u>	<u>VOTE</u>
RODRIGUEZ:	YES
BLUMENFIELD:	YES
O'FARRELL:	YES

LC 10/09/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-