

**TO THE COUNCIL OF THE  
CITY OF LOS ANGELES**

Your **INFORMATION TECHNOLOGY AND GOVERNMENT AFFAIRS Committee**

**reports as follows:**

INFORMATION TECHNOLOGY AND GOVERNMENT AFFAIRS COMMITTEE REPORT  
relative to a new lease for office space for the Office of Finance.

Recommendations for Council action:

1. AUTHORIZE the Department of General Services (GSD) to negotiate and execute a new lease for office space at 1200 West 7<sup>th</sup> Street, Los Angeles, CA for use by the Office of Finance under the terms and conditions as outlined in the GSD report dated August 27, 2009, attached to the Council file.
2. AUTHORIZE the GSD to amend the terms and conditions of the new lease as follows:
  - a. The lease term shall commence on April 1, 2010 instead of March 1, 2010.
  - b. Reduce the rental rate from \$1.75 per rentable square foot to \$1.667.

Fiscal Impact Statement: The GSD reports that there will be an additional savings of \$45,000 in Fiscal Year (FY) 2009-10 and \$25,000 additional savings in FY 2010-11 over the amount detailed in the GSD report dated August 27, 2009.

Community Impact Statement: None submitted.

**SUMMARY**

At its regular meeting held on October 20, 2009, the Information Technology and Government Affairs Committee considered a GSD report requesting authority to negotiate and execute a new lease for office space at 1200 West 7<sup>th</sup> Street, Los Angeles, California for the Office of Finance (Finance). GSD reports that in March 1990, Finance staff moved into leased space within the Wilshire Park Place building located at 3700 Wilshire Boulevard. Beginning in March 2000, the lease agreement was amended three times to now include five office suites on four different floors to accommodate an expanded Finance workforce collecting revenue for the City. The GSD report attached to the Council file provides additional background on the leased space and summarizes the evaluation of the various lease options.

Additionally, the GSD reports that their Asset Management Division (AMD)'s approved FY 2009-10 budget already includes an increase in the 6030 Leasing Account for the anticipated renewal of the Wilshire Park Place lease. AMD and its project broker explored three scenarios for the continued operation of Finance staff. Given the approved budget of \$1.2 million for this lease renewal for FY 2009-10, each scenario has a different fiscal impact. The three scenarios and their fiscal impact are further specified in the GSD report.

A representative of the GSD provided a brief overview of the proposed lease to the Committee and requested approval of two amendments to the proposed lease. GSD requested to amend the terms and conditions of the new lease to commence the lease term on April 1, 2010 instead of March 1, 2010 and reduce the rental rate from \$1.75 per rentable square foot to \$1.66. After a brief discussion and an opportunity for public comment, the Committee recommended to approve the recommendation contained in the GSD report and the amendments requested at Committee. This matter is now submitted to Council for its consideration.

Respectfully submitted,

INFORMATION TECHNOLOGY AND GOVERNMENT AFFAIRS COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
CARDENAS:	YES
PERRY:	YES

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