

DATE: JANUARY 22, 2019

FROM: CARGO & INDUSTRIAL REAL ESTATE

SUBJECT: RESOLUTION NO. _____ - PROPOSED OFFICE LICENSE AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND PREMIER OFFICE CENTERS, LLC

SUMMARY:

Staff requests approval of Office License Agreement No. 114763 with Premier Office Centers, LLC (Premier) for approximately 80 square feet of office space described as Office No. 1241, located on the twelfth floor of 100 Oceangate, Long Beach, CA. The office space is used for Los Angeles Port Police (Port Police) in support of court proceedings at the Long Beach Courthouse. The location was selected for improved efficiencies in collaborating with the Los Angeles City Attorney and Los Angeles Police Department, which also have satellite offices in the same building.

The Agreement is for a term of 24 months beginning in February 2019 and concluding on January 31, 2021, at a cost of \$761.33 per month fixed for the term. Monthly rent payments will be the financial responsibility of the City of Los Angeles Harbor Department (Harbor Department).

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III Class 1(14) of the Los Angeles City CEQA Guidelines;
2. Approve Office License Agreement No. 114763;
3. Authorize the Executive Director to execute and the Board Secretary to attest to Office License Agreement No. 114763; and
4. Adopt Resolution No. _____.

SUBJECT: PROPOSED OFFICE LICENSE AGREEMENT WITH PREMIER OFFICE CENTERS, LLC

DISCUSSION:

Background – The Port Police office space requirement is in support of their participation in court proceedings, which are held in the Long Beach Courthouse. For improved efficiencies, the office space selected is in the same building as the satellite office for the City Attorney’s (CA) Office.

In 2015, the Port Police requested Real Estate staff find office space in the 100 Oceangate building. Port Police staff was sharing space in the CA Office but were requested to move due to space constraints. Staff contacted the property manager and was told that they do not lease out individual offices. However, Premier leases flexible space in the building. In February 2016, staff negotiated, processed, and completed a 12-month office license agreement and associated parking with Premier. Since then, two other 12-month office licenses have been completed for the period of February 2017-January 2018 and February 2018-January 2019, respectively.

As this proposed License Agreement renewal is following three licenses with a cumulative term of three years, such subsequent license renewal for the next two years requires Board approval.

Summary of Terms

Effective Date: Office License Agreement No. 114763 (Transmittal 1) will be effective upon execution by the Executive Director pending Board approval.

Term: 24 months.

Premises: Office No. 1241, located on the twelfth floor of 100 Oceangate, Long Beach, CA.

Purpose: The premises will continue to be utilized by the Port Police to facilitate operations associated with court proceedings in the Long Beach Courthouse.

Rent: The monthly rent of \$761.33 includes one unreserved parking space, common area maintenance, and ancillary charges, which may be slightly adjusted periodically.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of an Office License Agreement with Premier Office Centers for approximately 80 square feet of office space, which is an activity involving the issuance, renewal, or amendment of any lease, license, or permit to use an existing structure or facility. Therefore, the Director of Environmental Management has determined that the proposed action is categorically exempt from the requirements of CEQA in accordance with Article III Class 1(14) of the Los Angeles City CEQA Guidelines.

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FINANCIAL IMPACT:

The proposed Office License Agreement No. 114763 will cost the Harbor Department approximately \$761.33 per month for 24 months. This rent includes one unreserved parking space, Common Area Maintenance, and ancillary charges, which may slightly be adjusted periodically. Funds have been budgeted in Account 59955, Center 0412, Program 000, as follows:

Fiscal Year 2018/2019	\$4,700
Fiscal Year 2019/2020	\$10,000
Fiscal Year 2020/2021	\$6,400
Total	\$21,100

Funds for future fiscal years will be requested as part of the annual budgeting process, subject to Board approval.

CITY ATTORNEY:

Office License Agreement No. 114763 has been reviewed and approved as to form and legality by the Office of the City Attorney.


TRANSMITTAL:

- Office License Agreement No. 114763


 JACK HEDGE
 Director of Cargo & Industrial Real Estate

FIS Approval: MB
 CA Approval: MD

 MICHAEL DiBERNARDO
 Deputy Executive Director

APPROVED:

 EUGENE D. SEROKA
 Executive Director