

January 14, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**AMENDMENT NO. 4 TO LEASE NO. 19568
TREASURER AND TAX COLLECTOR
4821 GREGG ROAD, PICO RIVERA
(FIRST) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair to sign the attached Amendment No. 4 to Lease No. 19568 for an additional five-year term with 1984 Feit Family Trust, Lessor, for 75,000 rentable square feet of warehouse and office space and 104 parking spaces for the Treasurer and Tax Collector (TTC) Public Administrator Program at 4821 Gregg Road, Pico Rivera. The maximum initial annual cost of the lease amendment is \$300,713, which will be offset through estate fees, storage fees, and charges to the Department of Mental Health for Public Guardian Conservatee estate storage.
2. Find that the proposed lease amendment is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15.061(b)(3) of the State CEQA Guidelines.
3. Approve the project and authorize the Chief Administrative Officer (CAO) and TTC to implement the project. The lease amendment will become effective on February 1, 2003.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to exercise the current lease renewal option for an additional five-year term. The current lease expired on December 31, 2002, and TTC would like to continue housing its Public Administrator Program at the subject facility.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we invest in public infrastructure in order to strengthen the County's fiscal capacity. The lease of property supports this strategy by complying with the Strategic Asset Management Principles (Goal 4, Strategy 2, Objective 2) as further outlined in Attachment A. In this case, we are co-locating functions whereby the Public Guardian and Public Administrator Programs have compatible warehouse and auction functions that are being housed at one location.

FISCAL IMPACT/FINANCING

The initial annual rent of this lease amendment will be \$300,713, and it will be subject to annual adjustment based on the Consumer Price Index, capped at four percent.

4821 Gregg Road	Current Lease	New Amendment	Change
Area	75,000 sq. ft.	75,000 sq. ft.	None
Term	1/1/98 - 12/31/02 Month-to-month since 1/1/03	2/1/03-1/31/07	Additional 5 years
Annual Base Rent	\$293,375 (\$3.91/sq.ft.)	\$300,713 (\$4.01/sq.ft.)	\$7,338
Reimbursable TI Allowance	None	\$42,000*	\$42,000
Maximum Annual Rent	\$293,375	\$300,713	\$7,338
Option to Renew	One 5-year option.	None	No option.
Cancellation	Anytime after 3 rd year upon 90 days notice	Anytime after 3 rd year upon 90 days notice	None
Parking Included in Rent	104 spaces	104 spaces	None

* This \$42,000 TI Allowance shall be paid via a lump sum payment within 60 days of TI completion.

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Sufficient funding for the proposed lease is included in the 2002-03 Rent Expense Budget and TTC has enough funds in its 2002-03 operating budget to cover the projected lease costs. The lease costs are funded through estate fees, storage fees, and charges to the Department of Mental Health for Public Guardian Conservatee estate storage.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Public Administrator warehouses personal property obtained from the estates of deceased persons or those under the conservatorship of the Public Guardian. When the rightful heirs or owners of property cannot be found, the Public Administrator distributes it via public auction. The proposed five-year lease amendment contains the following provisions:

- The term commences on February 1, 2003 and terminates five years thereafter.
- The lease may be cancelled at or anytime after the third year upon providing the Lessor with 90 days prior written notice.
- The Lessor will complete deferred maintenance, ADA and structural retrofit work at its sole cost and expense. Work will entail painting the premises, repairing the roof, paving and restriping the parking lot.
- The County is responsible for reimbursing the Lessor via a lump sum payment for the costs to replace the floor tile, which shall not exceed \$42,000.

CAO Real Estate staff surveyed an area within 15 miles of the Los Angeles Civic Center to determine the market rate for comparable sites. Based upon the survey of similar properties, staff has determined that the base rental range including parking is between \$4.01 and \$7.80 per square foot per year for a similar split service gross lease. Thus, the base annual rent of the proposed lease amendment, at \$4.01 per square foot, represents a rental rate in the lower portion of the market range.

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Attachment B shows all County-owned and leased facilities within 15 miles of the Los Angeles Civic Center. There are no County-owned or leased facilities available for this program.

The proposed lease has been administratively reviewed and approved by your Board's appointed Real Estate Management Commission.

A child care center is not warranted because only three employees work at this location.

The Department of Public Works has inspected the subject facility and determined that it needs to be structurally retrofitted. The Lessor has agreed to complete the retrofit work within 120 days after the lease amendment is fully executed. If said retrofit work is not completed, the County has the right to abate the rent or terminate the lease.

NEGATIVE DECLARATION/ENVIRONMENTAL IMPACT REPORT

The CAO has made an initial study of environmental factors and has concluded that this project is exempt from CEQA pursuant to Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15.061 (b) (3) of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

It is the finding of the CAO that the proposed lease amendment is in the best interests of the County and will adequately provide the necessary space for this County requirement. In accordance with your Board's policy on the housing of any County offices or activities, TTC concurs in this lease amendment recommendation.

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CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return three original copies of the executed Lease Amendment, and three certified copies of the Minute Order, and the adopted, stamped Board letter to the CAO Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:SNY
CWW:KW:hd

Attachments (5)

c: County Counsel
Auditor-Controller
Treasurer and Tax Collector

**TREASURER AND TAX COLLECTOR
4821 GREGG ROAD, PICO RIVERA**

Asset Management Principles Compliance Form¹

1. Occupancy		Yes	No	N/A
A	Does lease consolidate administrative functions? ²			X
B	Does lease co-locate with other functions to better serve clients? ²	X		
C	Does this lease centralize business support functions? ²			X
D	Does this lease meet the guideline of 200 sf of space per person? ² The subject facility is utilized for storing and distributing probate property.		X	
2. Capital				
A	Should program be in leased space to maximize State/Federal funding?		X	
B	If not, is this a long term County program?	X		
C	Is it a net County cost (NCC) program? 0.00%		X	
D	If yes to 2 B or C; capital lease or operating lease with an option?		X	
E	If no, are there any suitable County-owned facilities available?		X	
F	If yes, why is lease being recommended over occupancy in County-owned ?			X
G	Is Building Description Report attached as Attachment B?	X		
H	Was build-to-suit or capital project considered? The proposed rent is less than the cost of a build-to-suit or capital project.		X	
3. Portfolio Management				
A	Did department utilize CAO Space Request Evaluation (SRE)?	X		
B	Was the space need justified?	X		
C	If a renewal, was co-location with other County departments considered ?	X		
D	Why was this program not co-located?			
	1. ___ The program clientele requires a "stand alone" facility.			
	2. ___ No suitable County occupied properties in project area.			
	3. ___ No County-owned facilities available for the project.			
	4. ___ Could not get City clearance or approval.			
	5. X The program is being co-located. Provides warehouse services to DMH's Public Guardian.			
E	Is lease a full service lease? Lessor doesn't provide janitorial and utilities for warehouse tenants.		X	
F	Has growth projection been considered in space request?	X		
G	Has the Dept. of Public Works completed seismic review/approval?	X		
	¹ As approved by the Board of Supervisors 11/17/98			
	² If not, why not?	Please bold any written responses		

**TREASURER AND TAX COLLECTOR
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SPACE SEARCH - 15 MILES FROM LOS ANGELES CIVIC CENTER

LACO	FACILITY NAME	ADDRESS	SQUARE GROSS	FEET NET	OWNERSHIP	SQUARE FEET AVAILABLE
Y580	FIRE-PACOIMA WAREHOUSE	12605 OSBORNE ST, PACOIMA 91331	16800	15271	FINANCED	NONE
Y583	FIRE-PACOIMA STORAGE WAREHOUSE	12605 OSBORNE ST, PACOIMA 91331	1440	1227	OWNED	NONE
Y587	FIRE-PACOIMA CONSOLIDATED WAREHOUSE	12605 OSBORNE ST, PACOIMA 91331	2233	2124	OWNED	NONE
Y592	FIRE-PACOIMA SEED BARN	12605 OSBORNE ST, PACOIMA 91331	2900	2716	OWNED	NONE
Y597	FIRE-PACOIMA ROOFING MATERIALS	12605 OSBORNE ST, PACOIMA 91331	3910	3800	OWED	NONE
Y657	FIRE-PACOIMA CONST SUPPLY SHED	12605 OSBORNE ST, PACOIMA 91331	2400	2383	OWNED	NONE
5308	ISD/TS-PACOIMA WAREHOUSE	12441 OSBORNE ST, PACOIMA 91331	9696	9136	OWNED	NONE
F306	PW FLOOD-HANSEN YARD WAREHOUSE	10179 GLENOAKS BLVD, SUN VALLEY 91352	5100	4590	OWNED	NONE
F307	PW-FLOOD-HANSEN YARD WAREHOUSE	10179 GLENOAKS BLVD, SUN VALLEY 91352	2272	2045	OWNED	NONE
F310	PW-FLOOD-HANSEN YARD WAREHOUSE	10179 GLENOAKS BLVD, SUN VALLEY	5800	5220	OWNED	NONE
F271	PW-FLOOD-HANSEN YARD WAREHOUSE	4628 N. BRIGGS AVE, LA CRESCENTA 91214	1440	1368	OWNED	NONE
4335	DESCANSO GARDENS-EQUIPMENT STORAGE	1418 DESCANSO DR, LA CANADA FLINTRIDGE 91011	1810	1315	OWNED	NONE
0045	PW FLEET-ALTADENA YARD SHOP/WAREHOUSE	252 W MOUNTAIN VIEW ST. ALTADENA 91001	3400	3060	OWNED	NONE
F361	PW FLOOD-EATON YARD WAREHOUSE	2986 E NEW YORK DR, PASADENA 91104	1242	1118	OWNED	NONE
F364	PW FLOOD-EATON YARD WAREHOUSE	2986 E NEW YORK DR, PASADENA 91104	4410	3969	OWNED	NONE
F366	PW FLOOD-EATON YARD WAREHOUSE	2986 E NEW YORK DR, PASADENA 91104	1977	1779	OWNED	NONE
X195	PW EATON YARD-STORAGE WAREHOUSE	2811 WOODLYN RD, PASADENA 91107	1989	1790	OWNED	NONE
6173	ARBORETUM-SOUTH AFRICAN STORAGE WAREHOUSE	301 N BALDWIN AVE, ARCADIA 91007	1512	1396	OWNED	NONE
4095	ISD-DIST5/FACIL OPERATIONS ADMIN (UNUSED)	1703 S MOUNTAIN AVE, MONROVIA 91010	2183	1666	OWNED	1666
Y352	PW ROAD-DIV #331-SUBYARD MAINT BLDG (CLOSED)	8752 N EL TOVAR PL, WEST HOLLYWOOD (BR P.O. N 90069)	3319	1903	OWNED	1903
4239	HOLLYWOOD BOWL-WAREHOUSE	2301 N HIGHLAND AVE, HOLLYWOOD 90068	4500	4355	OWNED	NONE
3973	FORD AMPHITHEATRE-COSTUME STORAGE BUILDING	2580 CAHUENGA BLVD E, HOLLYWOOD 90068	1950	1625	OWNED	NONE
3977	FORD AMPHITHEATER-SOUTH TOWER	2580CAHUENGA BLVD E, HOLLYWOOD90068	1461	1067	OWNED	NONE

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3742	SHERIFF-TEMPLE CITY STATION WAREHOUSE	8838 E LAS TUNAS DR, TEMPLE CITY (RUDELY) 91780	3840	3550	OWNED	NONE
0044	PW ROAD-DIV#519 TOOL SHED/STORG	5213 N ENCINITA AVE, TEMPLE CITY (RUDELY) 91780	1805	1625	OWNED	NONE
Y486	DHS-EL MONTE HEALTH CENTER STORAGE BUILDING	10953RAMONA BLVD, EL MONTE 91731	3402	3369	FINANCED	NONE
F354	PW FLOOD-LONGDEN YARD WAREHOUSE	160 E LONGDEN AVE, IRWINDALE 91780	3969	3572	OWNED	NONE
F356	PW FLOOD-LONGDEN YARD WAREHOUSE	160 E LONGDEN AVE, IRWINDALE 91706	1760	1584	OWNED	NONE
F358	PW FLOOD-LONGDEN YARD STORAGE BUILDING	160 E LONGDEN AVE, IRWINDALE 91706	5240	4716	OWNED	NONE
3153	COUNTY RECORDS CENTER (COUNTY MALL PHASE II)	222 N HILL ST (BENEATH COURT OF THE FLAGS), LOS ANGELES 90012	99945	67595	FINANCED	NONE
6481	MED CTR-BUILDING 110-CENTRAL FILES STORAGE	1711 GRIFFIN AVE, LOS ANGELES 90031	10242	7693	OWNED	NONE
6486	MED CTR-BUILDING 120-SUPPLIES WAREHOUSE	1711 GRIFFIN ST, LOS ANGELES 90031	1479	1177	OWNED	NONE
Y798	MED CTR-OFFICE EQUIPMENT & SALVAGE WAREHOUSE	1808 GRIFFIN AVE, LOS ANGELES 90031	25114	24511	OWNED	NONE
5332	MED CTR-PHARMACY STOREROOM	1200 N STATE ST, LOS ANGELES 90033	1134	1065	OWNED	NONE
5333	MED CTR-PHARMACY STORAGE	1200 N STATE ST, LOS ANGELES 90033	1090	1007	OWNED	NONE
Y802	MED CTR-WOMENS HOSPITAL MINI WAREHOUSE	1240 N MISSION RD, LOS ANGELES 90033	5150	4967	OWNED	NONE
Y803	MED CTR-GENERAL HOSPITAL MINI WAREHOUSE	1900 ZONAL AVE, LOS ANGELES 90033	27899	20024	OWNED	NONE
2362	PW CENTRAL YARD-MAINTENANCE GROUP WAREHOUSE	1525 ALCAZAR ST, LOS ANGELES 90033	10560	9498	OWNED	NONE
3373	PW CENTRAL YARD - EQUIPMT WAREHOUSE	1525 ALCAZAR ST, LOS ANGELES 90033	9882	6564	OWNED	NONE
3374	PW CENTRAL YARD - SURVEY OFFICE	1525 ALCAZAR ST, LOS ANGELES 90033	2217	1616	OWNED	1616
5458	PW CENTRAL YARD - MAIN WAREHOUSE	1537 ALCAZAR ST, LOS ANGELES 90033	59594	53646	OWNED	NONE
1465	JUVENILE HALL-STORAGE BUILDING 10A	1605 EASTLAKE AVE, LOS ANGELES 90033	1816	1617	OWNED	NONE
3108	JUVENILE HALL-STORAGE BUILDING 12C	1605 EASTLAKE AVE, LOS ANGELES 90033	2831	1519	OWNED	NONE
X285	PW CENTRAL YARD-AUTO PARTS WAREHOUSE	2275 ALCAZAR ST, LOS ANGELES 90033	8640	7776	OWNED	NONE
X287	PW CENTRAL YARD-STORAGE BUILDING #3	2275 ALCAZAR ST, LOS ANGELES 90033	8413	7572	OWNED	NONE
0953	BISCAILUZ-VISUAL AIDS WAREHOUSE	1060 N. EASTERN AVE, LOS ANGELES 90063	4393	3240	OWNED	NONE
T576	BISCAILUZ TRAILER - B UNIT	1060 N. EASTERN AVE, LOS ANGELES 90063	2160	1719	OWNED	NONE

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T613	BISCAILUZ STORAGE TRAILER	1060 N. EASTERN AVE, LOS ANGELES 90063	1530	1449	OWNED	NONE
T614	BISCAILUZ TRAILER	1060 N. EASTERN AVE, LOS ANGELES 90063	1500	1328	OWNED	NONE
T615	BISCAILUZ TRAILER - A UNIT	1060 N. EASTERN AVE, LOS ANGELES 90063	2160	2059	OWNED	2059
5289	FIRE PUMPER TEST & STORAGE BUILDING	1320 N. EASTERN AVE, LOS ANGELES 90063	4019	3849	FIRE DISTRICT	NONE
D930	ASSESSOR-SOUTH EL MONTE OFFICE	1441 SANTA ANITA AVE, SOUTH EL MONTE 91733	17650	12701	OWNED	12701
6228	EAST SERVICES AGENCY-WAREHOUSE	265 CLOVERLEAF DR, BALDWIN PARK 91706	7499	7007	OWNED	NONE
X065	EAST SERVICES AGENCY-TYPE 5 WAREHOUSE	265 CLOVERLEAF DR, BALDWIN PARK 91706	1106	1065	OWNED	NONE
Y399	NATURAL HISTORY MUSEUM WAREHOUSE	2847 S GRAND AVE, LOS ANGELES 90007	36776	27099	OWNED	NONE
0872	AG COMM-PICO RIVERA WAREHOUSE	8841 E SLAUSON AVE, PICO RIVERA 90660	8902	5328	OWNED	5328
F223	PW FLOOD-83RD ST YARD SUPPLIES WAREHOUSE	5520 W 83 RD ST, WESTCHESTER 90045	2880	2794	OWNED	NONE
F227	PW FLOOD-83RD ST YARD SUPPLIES WAREHOUSE	5520 W 83 RD ST, WESTCHESTER 90045	1800	1620	OWNED	NONE
Y720	ML KING-SERVICE & SUPPLY BUILDING	12021 S WILMINGTON AVE, LOS ANGELES 90059	33805	30187	OWNED	NONE
Y860	ML KING-MEDICAL RECORDS & LAUNDRY BUILDING	12021 S WILMINGTON AVE, LOS ANGELES 90059	21000	17850	OWNED	NONE
Y113	AG COMM-ENVIRONMENTAL LAB & WAREHOUSE	11012 GARFIELD AVE, SOUTH GATE 90280	23623	19371	OWNED	NONE
3767	ANIMAL CONTROL WAREHOUSE #1	11258 GARFIELD AVE, DOWNEY 90242	2000	1979	OWNED	NONE
1205	RANCHO-BUILDINGS 303/304	7601 E IMPERIAL HWY, DOWNEY 90242	25689	15462	OWNED	15462
1238	RANCHO-CASA CONSUELO	7601 E IMPERIAL HWY, DOWNEY 90242	41643	22713	OWNED	22713
1275	RANCHO-CARPENTER SHOP	12925 JUNIPER ST, DOWNEY 90242	11624	7972	OWNED	7972
1266	PUBLIC SAFETY-TRAINING BUILDING	12951 JUNIPER ST, DOWNEY 90242	7657	7207	OWNED	NONE
0146	RANCHO-MATERIALS MANAGEMENT WAREHOUSE	7601 E IMPERIAL HWY, DOWNEY 90242	29795	28578	OWNED	NONE
1260	RANCHO-OFFICE EQUIPMENT WAREHOUSE	7601 E IMPERIAL HWY, DOWNEY 90242	10120	7816	OWNED	7816
1268	RANCHO-BUILDING MATERIALS WAREHOUSE	7601 E IMPERIAL HWY, DOWNEY 90242	2233	2083	OWNED	NONE
1278	RANCHO-SHOP MATERIALS WAREHOUSE	7601 E IMPERIAL HWY, DOWNEY 90242	6453	5958	OWNED	NONE
1283	RANCHO-TRUCK STORAGE	7601 E IMPERIAL HWY, DOWNEY 90242	8526	4446	OWNED	4446
1290	RANCHO-MACHINE SHOP STORAGE	7601 E IMPERIAL HWY, DOWNEY 90242	1980	1931	OWNED	1931
1991	RANCHO-PROPERTY WAREHOUSE	7601 E IMPERIAL HWY, DOWNEY 90242	2121	2000	OWNED	2000

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2434	RANCHO BLDG 300 HUT STORAGE	7601 E IMPERIAL HWY, DOWNEY 90242	1152	1000	OWNED	NONE
2435	RANCHO BLDG 300 HUT STORAGE #2	7601 E IMPERIAL HWY, DOWNEY 90242	1239	1000	OWNED	NONE
3591	RANCHO BLDG-MATERIALS WAREHOUSE	7601 E IMPERIAL HWY, DOWNEY 90242	4765	3998	OWNED	NONE
3592	RANCHO CHAPEL STORE	7601 E IMPERIAL HWY, DOWNEY 90242	9600	6217	OWNED	6217
4121	RANCHO BLDG MATERIALS WAREHOUSE	7601 E IMPERIAL HWY, DOWNEY 90242	4048	3263	OWNED	NONE
5028	RANCHO BUILDING 1100	7601 E IMPERIAL HWY, DOWNEY 90242	38229	19996	OWNED	19996
Y201	SHERIFF-CENTRAL PROPERTY WAREHOUSE	14201 TELEGRAPH RD, SOUTH WHITTIER 90604	55000	54044	FINANCED	NONE
Y202	SHERIFF-CENTRAL SUPPLY WAREHOUSE	14205 TELEGRAPH RD, SOUTH WHITTIER 90604	45000	43714	FINANCED	NONE
F426	PW FLOOD-EL SEGUNDO YARD WAREHOUSE	2155 EL SEGUNDO BL, EL SEGUNDO 90245	1900	1710	OWNED	NONE
4405	SOUTH SERVICES AGENCY WAREHOUSE	360 W EL SEGUNDO BL, LOS ANGELES 90061	7156	6465	OWNED	NONE
X441	SOUTH SERVICES AGENCY PARK SERVICES WAREHOUSE	360 W EL SEGUNDO BL. LOS ANGELES 90061	10332	9609	OWNED	NONE
6060	DOWNEY ADMIN CENTER - DATA RECORDS STORAGE	9230 E IMPERIAL HWY, DOWNEY 90242	5255	4745	FINANCED	NONE
2065	HARBOR-REI ADMIN RECORDS	1000 W CARSON ST, TORRANCE 90502	8636	4617	OWNED	NONE
Y736	HARBOR-SUPPLIES STORAGE BLDG F10	1000 W CARSON ST, TORRANCE 90502	4980	4482	OWNED	NONE