



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

July 02, 2013

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

Dear Supervisors:

**FIRST AMENDMENT TO GROUND LEASE NO. 47167
SHERIFF'S DEPARTMENT
215 SUMNER AVENUE, AVALON, SANTA CATALINA ISLAND
(FOURTH DISTRICT)
(3 VOTES)**

SUBJECT

This is a recommendation to approve the First Amendment to Ground Lease No. 47167, for the construction and use of five additional surface parking spaces for the Sheriff's Department.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed lease amendment is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, per Section 15301 of the State California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct the Chairman to sign the ground lease amendment with Santa Catalina Island Company (Landlord). The amendment will be effective upon approval by the Board and will provide the Sheriff use of five additional surface parking spaces immediately adjacent to the Avalon Sheriff's Station located at 215 Sumner Avenue, Avalon, Santa Catalina Island. The annual ground lease cost increase for the expansion area of 488 square feet is \$6,000. The lease costs are net County cost.
3. Authorize the Chief Executive Office and the Sheriff to implement the project upon Board approval.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Avalon Sheriff's Station was constructed on land owned by the Santa Catalina Island Company (Landlord) pursuant to a 50-year ground lease for 18,324 square feet of vacant land executed on April 24, 1984, as part of the improvements that include the Justice Court, Health Department, Safety Building, and Library. The 25 staff members of the Sheriff's Department (Sheriff) provide law enforcement services for Santa Catalina Island, San Clemente Island, and the ocean waters between the islands and the mainland of Southern California.

The proposed amendment will be coterminous with the existing ground lease and will provide the Sheriff additional 488 square feet of land immediately adjacent to the Avalon Sheriff's Station for the construction of five additional surface parking spaces needed for County patrol vehicles. The approximately \$33,166 cost of grading, paving, striping, and fencing the expanded parking area will be paid through the Sheriff's budget and constructed by an independent contractor on the island. The expansion area is shown in Exhibit A of the amendment.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of processes, structure, and operations to support the timely delivery of customer-oriented and efficient public services and the Goal of Fiscal Sustainability (Goal 2) directs that we strengthen the County's capacity to sustain essential County services through proactive and prudent fiscal policies and stewardship. The proposed lease supports these goals with a facility to provide additional parking for the Sheriff as further outlined in Attachment A.

FISCAL IMPACT/FINANCING

The annual lease cost for the 488 square feet is \$6,000. The total annual cost for the ground lease including the expansion area is \$83,193. The cost of construction is funded in the Fiscal Year (FY) 2013-14 Sheriff's budget. Attachment B is an overview of the changes to the existing ground lease.

Sufficient funding for the proposed amendment is included in the FY 2013-14 Rent Expense budget and will be charged back to the Sheriff. The Sheriff has sufficient funding in its FY 2013-14 operating budget to cover the projected lease costs, which are net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed amendment will provide the Sheriff additional land to construct a surface parking lot immediately adjacent to the existing premises. The amendment includes the following provisions:

- The amended ground lease term and rent will commence upon adoption by the Board and will be coterminous with the existing ground lease.
- The construction of five additional surface parking spaces for County patrol vehicles.
- The County remains responsible for property taxes, insurance, and utilities, while the Landlord will remain responsible for maintenance.
- The rent remains subject to adjustment every five years based upon the Consumer Price Index (CPI) capped at 15 percent.

The Chief Executive Office (CEO), Real Estate staff surveyed the immediate area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed area that could accommodate this requirement more economically due to the absence of vacant land available for improvement located within close proximity to the Avalon Sheriff's Station.

Notification letters have been sent pursuant to Government Code Sections 25351 and 65402. The preparation of premises work and path of travel requirements have been or will be completed in compliance with the Americans with Disabilities Act and applicable building codes.

ENVIRONMENTAL DOCUMENTATION

The CEO has concluded that this project is categorically exempt from the California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed ground lease will allow the Sheriff to provide the necessary additional parking for this County requirement. The Sheriff concurs with the proposed recommendation.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return two originals of the executed lease and the adopted, stamped Board letter and two certified copies of the Minute Order to the CEO, Real Estate Division at 222 South Hill Street, Fourth Floor, Los Angeles, CA 90012.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:CMM
CEM:MM:ls

Enclosures

- c: Executive Office, Board of Supervisors
- County Counsel
- Auditor-Controller
- Sheriff

**SHERIFF DEPARTMENT
215 SUMNER AVENUE, AVALON, SANTA CATALINA ISLAND**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>	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 The Department will use the surface parking lot exclusively for Sheriff vehicles.			X
C	Does this lease centralize business support functions? ²			X
D	Does this lease meet the guideline of 200 sq. ft of space per person? ²			X
2.	<u>Capital</u>			
A	Is it a substantial net County cost (NCC) program? 100% NCC	X		
B	Is this a long term County program?	X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
D	If no, are there any suitable County-owned facilities available?		X	
E	If yes, why is lease being recommended over occupancy in County-owned space?			X
F	Is Building Description Report attached as Attachment C?		X	
G	Was build-to-suit or capital project considered? ² No alternate facilities available.		X	
3.	<u>Portfolio Management</u>			
A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
B	Was the space need justified?	X		
C	If a renewal lease, was co-location with other County departments considered?			X
D	Why was this program not co-located?			X
	1. ____ The program clientele requires a "stand alone" facility.			
	2. ____ No suitable County occupied properties in project area.			
	3. <u>X</u> No County-owned facilities available for the project.			
	4. ____ Could not get City clearance or approval.			
	5. ____ The Program is being co-located.			
E	Is lease a full service lease? ² Pursuant to the underlying ground lease, the Lessee will remain responsible for property taxes, insurance, and utilities.		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?				

**FISCAL IMPACT/FINANCING
OVERVIEW OF GROUND LEASE CHANGES**

215 SUMNER AVENUE	EXISTING GROUND LEASE	PROPOSED AMENDMENT	CHANGE
Area (Square feet)	18,324	18,812	+488
Term*	50 years (04/28/84 – 12/31/34)	21 years remaining (upon Board adoption)	None
Annual Base Rent	\$77,193 (\$4.21/sq. ft.)	\$83,193 (\$4.42/sq. ft.)	+\$6,000 +(\$0.21/sq. ft.)
Cancellation	None	None	None
Parking (included in rent)	4	9	+5
Annual Base Rental Adjustment	CPI capped at 15 percent every five years	CPI capped at 15 percent every five years	None

* The amendment will commence upon Board adoption and will be coterminous with existing ground lease.

FIRST AMENDMENT TO GROUND LEASE

That certain Ground Lease dated April 24, 1984 between Santa Catalina Island Company as Landlord and County of Los Angeles as Tenant ("Lease") is hereby amended as set forth herein. All terms not otherwise defined herein shall have the meanings ascribed to them in the Lease. This Amendment becomes effective upon execution by both parties to this Amendment ("Effective Date").

1. Premises. The real property cross-hatched on Exhibit A, attached hereto and incorporated herein by reference, is added to the Premises and on the Effective Date shall become part thereof. Said additional real property is called herein the "Additional Premises." Tenant accepts the Additional Premises in its "AS IS" condition without representation or warranty of any kind, express or implied, except that Landlord represents and warrants that it is the fee simple title owner of the Additional Premises and that the Additional Premises are not subject to any mortgage, deed of trust, other monetary lien or encumbrance (except the statutory lien for property taxes), lease or other occupancy agreement. Landlord expressly disclaims any representation or warranty as to the fitness of the Additional Premises for any purpose. Landlord shall not be liable for any defect, latent or otherwise, in the Premises or in any improvement located thereon.

2. Use. Unless the written consent of Landlord to some other use and occupancy is first obtained, the Additional Premises shall be used and occupied only for parking for the Los Angeles County Sheriff's office located on the Premises.

3. Termination Rights. Either Landlord or Tenant may terminate the Lease as to the Additional Premises upon not less than sixty (60) days written notice to the other party; provided, however, that Landlord shall not exercise this termination right prior to the third anniversary of the Effective Date.

4. Additional Rent. Tenant shall pay as rent for the Additional Premises the sum of Five Hundred Dollars (\$500.00) per month, which sum shall be increased under Section 6.2 of the Lease at the same times, and in the same percentages, as rent for the rest of the Premises is increased. The rent for the Additional Premises is payable concurrently with, and on the same conditions, as rent for the rest of the Premises and shall be prorated for any partial calendar month in which the Effective Date or anniversary of the Effective Date occurs or in which the expiration or earlier termination date of the Lease as a whole or as to the Additional Premises takes place.

5. Improvements. Landlord approves the construction by Tenant, at Tenant's expense, of paving for three standard car parking spaces and two golf carts, installation of a chain link fence to enclose the paved parking area, and a retaining wall, as described, and in the location shown, on Exhibit A. Before commencing construction, Tenant shall submit to Landlord's planning department for its approval such plans and specifications for the construction as Landlord reasonably requests. Such construction is subject to Article 3 of the Lease, except that Sections 3.1, 3.3, 3.5, 3.6 and 3.11 of the Lease shall not apply. Furthermore, for purposes of this Amendment, Section 3.2 of the Lease shall be deemed to refer to the plans and specifications approved by Landlord under this Section 5.

6. Tenant's Address for Notices. Tenant's address for notices under Section 16.4 of the Lease is changed to:

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

with a copy to:

Chief Executive Office
Real Estate Division
222 South Hill Street
3rd Floor
Los Angeles, CA 90012
Attention: Director of Real Estate
Fax No.: (213) 217-4971

7. Ratification. The Lease as amended hereby is ratified and approved.

Dated: April 12, 2013

LANDLORD

Santa Catalina Island Company,
a Delaware corporation

By: 
Name: Paul Dellyse
Title: Sr VP Real Estate

Dated: _____, 2013

TENANT

County of Los Angeles,
a body politic and corporate

By: _____
Name: _____
Title: _____

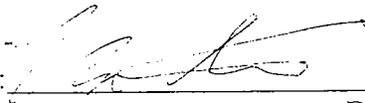
Attest:

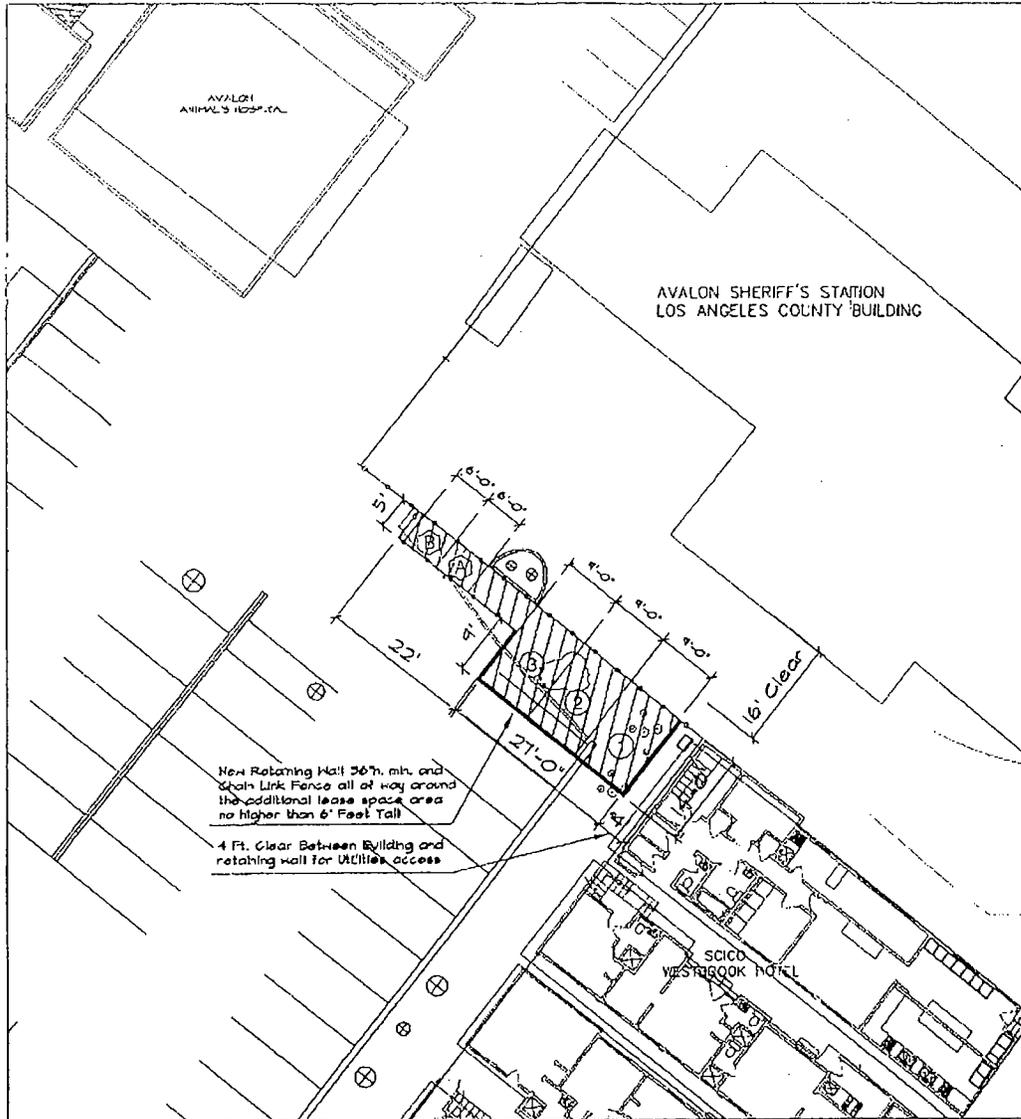
Sachi A. Hamai
Executive Officer-Clerk
of the Board of Supervisors

By: _____
Deputy

Approved as to form:

John F. Krattli,
County Counsel

By:  _____
Deputy



PARKER COURT SHERIFF'S PARKING
NOT TO SCALE

NOTES:

- (1) 9'x18' Auto Parking Space
- (2) 6'x10' Auto/Boat Parking Space



PARKER COURT PARKING LOT		ADDITIONAL PARKING AREA, 488 S.F.	
SANTA CATALINA ISLAND COMPANY		NOT TO SCALE	1
		JAN 2011	