



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
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DAVID E. JANSSEN
Chief Administrative Officer

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October 7, 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:

**SHERIFF'S DEPARTMENT - AERO BUREAU
OPTION TO EXTEND FOR FIVE YEARS - LEASE NO. 74513
3235 LAKEWOOD BOULEVARD, LONG BEACH
(FOURTH) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair to sign the attached option to extend Lease No. 74513 with the City of Long Beach for an additional five-year term. The lease is for 4.39 acres including existing improvements comprised of 3,701 square feet of office and two hangars totaling 26,637 square feet at an initial annual net County cost of \$122,376.
2. Find that this lease is 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 15601 (b) (3) of the State CEQA Guidelines.
3. Approve the project and authorize the Chief Administrative Officer (CAO) and Sheriff to implement the project.

The Honorable Board of Supervisors
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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since 1971, the County has leased 3.36 acres at the Long Beach Municipal Airport (LBMA) for the Aero Bureau operations of the Sheriff's Department. The current fleet of aircraft maintained by the Aero Bureau is comprised of three large Sea King rescue helicopters, twelve patrol helicopters, and three airplanes. On June 17, 2003, your Board approved an Amended and Restated Lease Agreement which replaced the earlier lease agreement and provided for the acquisition of 1.03 acres of additional ramp space. Acquisition of the additional ramp space was needed to comply with the FAA clearance and separation requirements. It also relieved congestion around the helipad and provided sufficient parking for the aircraft and passenger vehicles. The restated agreement required by the Long Beach City Code, which retained the existing term, expires October 13, 2003. Approval of the option to extend for five years will allow the Aero Bureau operations to continue at LBMA.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we increase the safety and security of all residents in Los Angeles County through well-coordinated, comprehensive response and recovery plans for terrorist incidents (Goal 8). Renewal of the restated lease supports this goal so that the Sheriff's Aero Bureau can safely and effectively perform their life safety duties including support of the Los Angeles County Operational Area Strategic Plan for Emergency Management Homeland Security.

FISCAL IMPACT/FINANCING

The annual cost of this lease renewal option will be \$122,376. The City and County have negotiated a monthly renewal rent of \$10,198 based on mutual appraisals.

3235 Lakewood Blvd	Restated Lease	Renewal	Change
Area	4.39 acres	4.39 acres	None
Term	6-17-03 to 10-13-03	10-14-03 to 10-13-08	+5 years
Annual Rent	\$115,455	\$122,376	+\$6,921 (6%)
Cancellation	County: Anytime during the term by giving 90 days notice. City: Anytime on added 1.03 acres only by giving 90 days notice and reimbursing actual cost of County improvements.	County: Anytime during the term by giving 90 days notice. City: Anytime on added 1.03 acres only by giving 90 days notice and reimbursing actual cost of County improvements.	None
Option to Renew	Three 5-year options remain.	Two 5-year options remain	-1 option
Rent Adjustment	Rent is adjusted for each five-year option period and is subject to an annual CPI adjustment not to exceed 4% of the preceding term.	Rent is adjusted for each five-year option period and is subject to an annual CPI adjustment not to exceed 4% of the preceding term.	None

Sufficient funding for the proposed lease amendment is included in the 2003-04 Rent Expense Budget and will be charged back to the Sheriff's operating budget. Sufficient appropriation has been included in 2003-04 budget to cover the project lease costs. The cost associated with the proposed amendment is 100 percent net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The 4.39 acre Aero Bureau site is improved with a 16,805 square foot main hangar, 9,832 square foot ancillary hangar, 3,701 square feet of office space and 108,700 square feet of ramp space.

The original lease had a lease term of 20 years commencing October 13, 1968, and granted the County the option to extend the lease for six, five-year periods. To date, three renewal options have been exercised. On June 17, 2003 your Board approved an amended and restated lease that expires the last day of the third five-year extension on October 13, 2003. The exercise of this fourth option will grant the County the right to use the facility for a term of five years and two additional renewal options will remain. The proposed renewal option term will commence October 14, 2003 and end on October 13, 2008. The lease contains the following provisions:

- The rent for each option term shall be adjusted by an appraisal of the then fair market rental value of the leased premises and based on the prevailing rate of return, as agreed upon by both parties, but not less than 7 percent nor more than 12 percent.
- The monthly rent shall be subject to an annual Consumer Price Index adjustment not to exceed 4 percent of the preceding rent period.
- There are no tenant improvements provided by the City in this amendment. The Sheriff anticipates making limited improvements, not to exceed \$400,000, for repairs and added security to the ramp area acquired in the amended and restated lease approved by your Board on June 17, 2003.
- The County has the right to cancel the entire lease at anytime by giving the City 90 days prior written notice.
- The City has the right to cancel the additional 1.03 acres acquired under the amended and restated lease by giving the County 90 days prior written notice. In the event of such termination, County shall continue to have taxi lane access across the common taxiway area within the 1.03 acres for the term of the initial lease.

- If the City exercises its right to cancel the lease for the 1.03 acres of the expanded ramp area within five years of the current term or option period, the City shall reimburse the County the cost of any County constructed improvements up to \$400,000, on a declining basis over a five year period. For example, if the City cancels at the end of the second year and the County has made \$400,000 of improvements, only \$240,000 would be reimbursed to the County.
- County pays all utilities and maintenance.
- County pays and maintains all risk insurance policies and has the right to self insure.

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 as specified in Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15061 (b)(3) of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

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

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CONCLUSION

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

Respectfully submitted,

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:CWW
CEM:JWP:hd

Attachments (3)

c: County Counsel
Sheriff's Department
Auditor-Controller

3235Lakewood.b

**SHERIFF'S DEPARTMENT
AERO BUREAU AT LONG BEACH AIRPORT
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			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?	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 space?			X
G	Is Building Description Report attached as Attachment B?	X		
H	Was build-to-suit or capital project considered? Sheriff desired to retain existing site based on favorable market rate and expansion capacity.		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 lease, 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. X No suitable County occupied properties in project area.			
	3. X 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 The Airport Authority insisted on a split-service lease and will only pay taxes.		X	
F	Has growth projection been considered in space request	X		
G	Has the Dept. of Public Works completed seismic review/approval? In process.		X	

¹As approved by the Board of Supervisors 11/17/98

²If not, why not?

**SPACE SEARCH
IMPROVED COUNTY-OWNED AIRPORT PROPERTIES**

LACO	FACILITY NAME/ADDRESS	SQ FT GROSS	SQ. FT NET		LAND AREA ACRE'S	SQ FT AVAILABLE
4135	BRACKETT FIELD 1615 W MCKINLEY AVE, LA VERNE 91750	433,435	393,510	OWNED	131.71	Only undeveloped land is available. Development cost too high.
0370	COMPTON AIRPORT 901 W ALONDRA BLVD, COMPTON 90220	246,960	228,913	OWNED	74.27	None available.
X792	EL MONTE AIRPORT 4233 N SANTA ANITA AVE, EL MONTE 91731	302,873	280,554	OWNED	49.5	Undeveloped north end available, but would have to buy homes for aero bureau development.
4549	FOX AIRFIELD 4555 W AVE G, LANCASTER 93536	80,866	63,716	OWNED	512.05	Majority of undeveloped area is available. High development cost. Airfield is not centrally located nor adjacent to metro area.
X764	WHITEMAN AIRPORT-ABLE AIR OFFICE 12653 OSBORNE ST, PACOIMA 91331	486,140	479,718	OWNED	180.98	Very limited area available. Insufficient to meet Aero Bureau needs.

NOTICE OF EXERCISE OF OPTION PURSUANT
TO LEASE NO. 74513
SHERIFF'S DEPARTMENT
3235 LAKEWOOD BOULEVARD, LONG BEACH

TO: CITY OF LONG BEACH

FROM: COUNTY OF LOS ANGELES, A BODY POLITIC and CORPORATE
("LESSEE")

DATE: OCTOBER 7, 2003

PLACE: LOS ANGELES, CA

RECITALS

A. Lessor and Lessee are the parties to an Amended and Restated Lease dated June 17, 2003 (the "Lease"), for certain premises described therein (the "Premises") located at 3235 Lakewood Boulevard, Los Angeles. The term of the Lease commenced June 17, 2003 and will expire on October 13, 2003.

B. The Amended and Restated Lease provides the County with the option to extend this Lease for three (3) additional five-year periods by giving Lessor written notice of its intention to exercise its option.

C. Lessee now wishes to exercise its first Option to extend the term an additional five years by giving notice of such exercise to Lessor, in accordance with Paragraph 3 of Lease No. 74513.

Therefore, Lessee hereby notifies Lessor as follows:

1. Lessee hereby exercises Lessee's Option to extend the term of the Lease on the terms and conditions regarding the Option set forth in Lease No. 74513. In compliance with Paragraph 3 of Lease No. 74513, Lessee is enclosing with this notice evidence of the final approval by Los Angeles County Board of Supervisors of their exercise of Lessee's Option.

IN WITNESS WHEREOF, Lessee has executed this Notice of Exercise of Option pursuant to Lease No. 17646 or caused it to be duly executed, and the County of Los Angeles by order of its Board of Supervisors, has caused this Notice to be executed on its behalf by the Chair of said Board and attested by the Clerk thereof the day, month, and year first above written.

ATTESTED:

VIOLET VARONA-LUKENS
Executive Officer-Clerk
of the Board of Supervisors

By: _____
Deputy

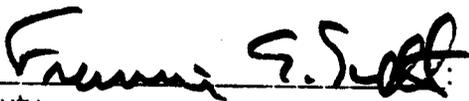
LESSEE

COUNTY OF LOS ANGELES

By: _____
Chair, Board of Supervisors

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By:  _____
Deputy

(Sdib3235lakewood.optionnotice)