

October 15, 2002

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:

**FIVE-YEAR RE-LEASE
NATURAL HISTORY MUSEUM
3005 SOUTH GRAND AVENUE, LOS ANGELES
(FIRST) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chairman to sign the attached five-year re-lease with Danny Kim, Lessor, for 10,000 rentable square feet of warehouse space and seven parking spaces for the Natural History Museum (NHM) at 3005 South Grand Avenue, Los Angeles. The maximum initial annual cost of this lease is \$76,800, all of which is net County cost.
2. Find that the proposed lease 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 15061(b)(3) of the State CEQA Guidelines.
3. Approve the project and authorize the CAO and NHM to implement the project. The lease will become effective upon approval by your Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to replace the current month-to-month tenancy with a new five-year lease. A new owner acquired the subject property in July 2002, and requested the County to enter into a new agreement.

NHM has embarked on a long-term strategic plan for making its collections more accessible for research and education entities, along with the general public. This lease is needed to insure the safety of the NHM's Invertebrate Paleontology collection, as well as portions of the Malacology and Vertebrate collections until NHM completes its plan and identifies a permanent warehousing arrangement.

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 leasing a warehouse as a short-term solution, until the plan for the permanent solution is completed.

FISCAL IMPACT/FINANCING

The initial annual rent of this lease will be \$76,800. The rent will be subject to an annual adjustment based on the Consumer Price Index not to exceed four percent.

3005 S. Grand Avenue	Existing Lease	Re-Lease	Change
Area	10,000 sq. ft.	10,000 sq. ft.	None
Term	2/14/89 - 2/13/94 Month-to-month since 2/14/94	5 years	Additional 5 years
Annual Base Rent	\$57,000 (\$5.70/sq.ft.)	\$76,800 (\$7.68/sq.ft.)	\$19,800
TI Allowance	None	None	None
Maximum Annual Rent	\$57,000	\$76,800	\$19,800
Option to Renew	One 5-year option	None	None
Cancellation	Anytime after 3 rd year upon 60 days notice	Anytime after 2 nd year upon 90 days notice	After 2 nd year
Parking Included in Rent	7 spaces	7 spaces	None

Sufficient funding for the proposed lease is included in the 2002-03 Rent Expense Budget and will be charged back to NHM. Sufficient funding is available in NHM's 2002-03 operating budget to cover the projected lease costs. All of the current and proposed lease costs are net County costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

NHM stores and secures its Paleontology collection of 6.5 million items at the subject facility. The proposed five-year lease contains the following provisions:

- The term commences on November 1, 2002 and terminates on October 31, 2007.
- The lease is a split service agreement, similar to the previous agreement, whereby the County will be responsible for all janitorial and utilities expenses and the Lessor will be responsible for all remaining operating and maintenance expenses.
- The lease may be cancelled at or anytime after the second year upon providing the Lessor with 90 days prior written notice.
- The Lessor will provide seven parking spaces included in the rental rate.

CAO Real Estate staff surveyed the Exposition Park area to determine the market rates for similar properties. Based upon the survey, staff has determined that the base rental range including parking is between \$7.20 and \$9.60 per square foot per year, split service gross. Thus, the base annual rent of the proposed lease, at \$7.68 per square foot, represents a rental rate within the market range. Attachment B shows there are no County-owned and leased facilities within the Exposition Park area available to house this program.

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

The NHM Research and Collections Branch staff was housed in the subject warehouse space, but they have been reassigned to the NHM based on recommendation from the Department of Public Works.

The leased area is too small to accommodate a child care center.

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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 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 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, NHM concurs with this lease recommendation.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return three original copies of the executed Lease, 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
SHK:KW:hd

Attachments (3)

c: County Counsel
Auditor-Controller
Natural History Museum

3005SGrandAve.b

NATURAL HISTORY MUSEUM
3005 SOUTH GRAND AVENUE, LOS ANGELES

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 The subject facility is not frequented by clients. It is a warehouse.		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 This lease is for storage purposes only.		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? 100%	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? A permanent solution will be based on NHM's pending strategic plan for its collections.		X	
3.	Portfolio Management			
A	Did department utilize CAO Space Request Evaluation (SRE)? ¹	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. 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? The lessor is unwilling to provide janitorial services.		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

NATURAL HISTORY MUSEUM
3005 SOUTH GRAND AVENUE, LOS ANGELES

SPACE SEARCH - NORTHEAST LOS ANGELES

LACO	FACILITY NAME	ADDRESS	SQ. FT. GROSS	SQ. FT. NET	OWNERSHIP	SQ. FT. AVAILABLE
0017	PW ROAD-DIV #141/241 MAINTENANCE YARD OFFICE	2120 E 90TH ST, LOS ANGELES 90002	1000	900	OWNED	NONE
0018	PW ROAD-DIV #141/241 MAINTENANCE YARD OFFICE	2120 E 90TH ST, LOS ANGELES 90002	600	540	OWNED	NONE
0135	MED CTR-GARDENER'S OFFICE/STORAGE BUILDING	1200 N STATE ST, LOS ANGELES 90033	612	530	OWNED	NONE
0155	COUNTY COURTHOUSE	111 N HILL ST, LOS ANGELES 90012	794459	441761	FINANCED	NONE
0156	HALL OF RECORDS	320 W TEMPLE ST, LOS ANGELES 90012	438095	259523	OWNED	NONE
0181	KENNETH HAHN HALL OF ADMINISTRATION	500 W TEMPLE ST, LOS ANGELES 90012-2713	958090	591457	FINANCED	NONE
0284	MED CTR-HEALTH RESEARCH ASSOC'N-TRAILER T-25A	1200 N STATE ST, LOS ANGELES 90033	1200	1000	OWNED	NONE
0316	PUBLIC LIBRARY-LENNOX LIBRARY	4359 LENNOX BLVD, LENNOX 90304	4657	3679	OWNED	NONE
0837	MED CTR-PERSONNEL OFFICE BUILDING	1200 N STATE ST, LOS ANGELES 90033	2980	1761	OWNED	NONE
0838	MED CTR-QUALITY ASSURANCE UTILIZATION REVIEW	1200 N STATE ST, LOS ANGELES 90033	2980	2341	OWNED	NONE
1491	DHS-CREMATORY OFFICE/RESIDENCE	3301 E 1ST ST, LOS ANGELES 90063	1517	1106	OWNED	NONE
2527	LENNOX-DIRECTOR'S OFFICE/ COMFORT STATION	10828 S CONDON AVE, LENNOX 90304	623	249	OWNED	NONE
3100	EASTLAKE JUVENILE COURTHOUSE-1	1601 EASTLAKE AVE, LOS ANGELES 90033	47379	26024	OWNED	NONE
3102	JUVENILE HALL- ADMINISTRATION BUILDING-4	1605 EASTLAKE AVE, LOS ANGELES 90033	75907	33945	OWNED	NONE
3154	CLARA SHORTRIDGE FOLTZ CRIMINAL JUSTICE CENTR	210 W TEMPLE ST, LOS ANGELES 90012	1036283	399535	FINANCED	NONE
3155	THE MUSIC CENTER-DE LISA BUILDING/ THE ANNEX	301 N GRAND AVE, LOS ANGELES 90012	27582	17978	OWNED	NONE
3394	INGLEWOOD JUVENILE COURTHOUSE	110 E REGENT ST, INGLEWOOD 90301	21539	12024	OWNED	NONE
3709	HUNTINGTON PARK COURTHOUSE	6548 MILES AVE, HUNTINGTON PARK 90255	29295	16325	LEASED	NONE
4799	PW CENTRAL YARD-DIVISION ADMINISTRATION	1525 ALCAZAR ST, LOS ANGELES 90033	10438	7224	OWNED	NONE
4946	MED CTR-INTERNS & RESIDENTS BUILDING	2020 ZONAL AVE, LOS ANGELES 90033	142448	79494	OWNED	NONE
5260	CORONER-ADMINISTRATION / INVESTIGATIONS BLDG	1102 N MISSION RD, LOS ANGELES 90033	22479	14251	OWNED	NONE
5266	METROPOLITAN COURTHOUSE	1945 S HILL ST, LOS ANGELES 90007	303434	125469	FINANCED	NONE
5274	AVALON-CARVER SERVICE CENTER	4920 S AVALON BLVD ACROSS STREET FROM SOUTH PARK, LOS ANGELES 90011	26822	16647	OWNED	NONE
5353	DPSS-METRO SPECIAL DISTRICT OFFICE	2707 S GRAND AVE, LOS ANGELES 90007	115242	89650	OWNED	NONE
5374	PUBLIC LIBRARY-WOODCREST LIBRARY	1340 W 106TH ST, LOS ANGELES 90044	7254	5895	OWNED	NONE
5456	HEALTH SERVICES ADMINISTRATION BUILDING	313 N FIGUEROA ST, LOS ANGELES 90012	221359	134851	OWNED	NONE
5466	PUBLIC LIBRARY-HUNTINGTON PARK LIBRARY	6518 MILES AVE, HUNTINGTON PARK 90255	33482	24243	OWNED	NONE
5699	MED CTR-CHAPLAIN'S CENTER	1200 N STATE ST, LOS ANGELES 90033	1940	1454	OWNED	NONE
5979	CENTRAL ARRAIGNMENT COURTHOUSE	429 BAUCHET ST, LOS ANGELES 90012	83692	30638	FINANCED	NONE

LACO	FACILITY NAME	ADDRESS	SQ. FT. GROSS	SQ. FT. NET	OWNERSHIP	SQ. FT. AVAILABLE
6304	PROBATION-CRENSHAW AREA OFFICE	3606 W EXPOSITION BLVD, LOS ANGELES 90016	19112	14020	OWNED	NONE
6330	INGLEWOOD COURTHOUSE	ONE E REGENT ST, INGLEWOOD 90301	210648	82279	OWNED	NONE
6400	DCSS-FLORENCE / FIRESTONE SERVICE CENTER	7807 S COMPTON AVE, LOS ANGELES 90001	15928	8706	OWNED	NONE
6483	MED CTR-MASONRY SHOP OFFICE - BUILDING 100	1739 GRIFFIN AVE, LOS ANGELES 90031	1040	950	OWNED	NONE
6518	THE ADAMS & GRAND BUILDING	2615 S GRAND AVE, LOS ANGELES 90007	215439	183874	OWNED	NONE
6578	DPSS-METRO EAST AP DISTRICT OFFICE	2855 E OLYMPIC BLVD, LOS ANGELES 90023	63066	29220	OWNED	NONE
6722	PUBLIC LIBRARY-VIEW PARK LIBRARY	3854 W 54TH ST, LOS ANGELES 90043	6983	6130	OWNED	NONE
6819	PROBATION-FIRESTONE AREA OFFICE	8526 S GRAPE ST, LOS ANGELES 90001	15431	10475	OWNED	NONE
A085	DPSS-SOUTHWEST SPEC DIST/ PROBATION-CENTINELA	1326 W IMPERIAL HWY, LOS ANGELES 90044	153986	127700	OWNED	NONE
A153	DISTRICT ATTORNEY-HUNTINGTON PARK AREA OFFICE	2958 E FLORENCE AVE, HUNTINGTON PARK 90255	5600	4760	LEASED	NONE
A159	DISTRICT ATTORNEY-FIGUEROA PLAZA	201 N FIGUEROA ST, LOS ANGELES 90012	83164	79006	LEASED	NONE
A160	MENTAL HEALTH-HEADQUARTERS OFFICE ANNEX	3160 W 6TH ST, LOS ANGELES 90020	60800	28372	LEASED	NONE
A336	CHILD SUPPORT SERVICES-WILSHIRE CENTRE BLDG	3055 WILSHIRE BLVD, LOS ANGELES 90010	24755	23265	LEASED	NONE
A338	DC&FS-REGION VI HAWTHORNE SERVICES OFFICE	11539 S HAWTHORNE BLVD, HAWTHORNE 90250	31832	27057	LEASED	NONE
A360	DPSS-METRO NORTH AP/ CALWORKS DISTRICT OFFICE	2601 WILSHIRE BLVD, LOS ANGELES 90057	62000	60140	LEASED	NONE
A369	DC&FS-PROCUREMENT AND SPECIAL SERVICES OFFICE	501 SHATTO PL, LOS ANGELES 90020	17751	15976	LEASED	NONE
A378	DPSS-AIRPORT/WESTSIDE GAIN REGION I OFFICE	5200 W CENTURY BLVD, WESTCHESTER 90045	50147	47640	LEASED	NONE
A384	AG COMM/WTS & MEASURES DOWNTOWN MARKET OFFICE	1320 E OLYMPIC BLVD, LOS ANGELES 90021	776	776	LEASED	NONE
A388	ALT PUBLIC DEF-WILSHIRE-BIXEL BUILDING	1055 WILSHIRE BLVD, LOS ANGELES 90017	6500	6175	LEASED	NONE
A408	DC&FS-THE U S BORAX BUILDING	3075 WILSHIRE BLVD, LOS ANGELES 90010	132488	105568	LEASED	NONE
A409	DCSS-WILSHIRE PLAZA BUILDING	3303 WILSHIRE BLVD, LOS ANGELES 90010	4000	3900	LEASED	NONE
A413	HUMAN RESOURCES-WILSHIRE SQUARE TWO BUILDING	3333 WILSHIRE BLVD, LOS ANGELES 90010-4109	62479	57590	LEASED	NONE
A425	DC&FS-DEPARTMENTAL HEADQUARTERS BUILDING	425 SHATTO PL, LOS ANGELES 90020	67263	63356	LEASED	NONE
A429	CAO-REAL ESTATE DIVISION/ SERVICE INTEGRATION	222 S HILL ST (KAWADA BUILDING), LOS ANGELES 90012-3503	30452	27703	LEASED	NONE
A436	DPSS-EXPOSITION PARK FAMILY SERVICE CENTER	3833 S VERMONT AVE, LOS ANGELES 90037	130000	110500	LEASED	NONE
A442	MENTAL HEALTH-LAPD - SMART TEAM OFFICE	419 S SPRING ST, LOS ANGELES 90013	1000	1000	LEASED	NONE
A480	PKS & REC-CAPITAL PROJECTS/PROJECT MGT OFFICE	680 WILSHIRE PL, LOS ANGELES 90005	7852	7159	LEASED	NONE
A496	PUBLIC DEFENDER-L.A. LAW CENTER BUILDING	207 S BROADWAY, LOS ANGELES 90012	7100	6750	LEASED	NONE
A600	CENTRAL CIVIL WEST COURTHOUSE	600 S COMMONWEALTH AVE, LOS ANGELES 90005	204019	151696	LEASED	NONE
B520	DPSS-SOUTHWEST FAMILY WS DISTRICT OFFICE	923 E REDONDO BLVD (905-921 REDONDO BLVD), INGLEWOOD 90302	40000	27898	OWNED	NONE
B695	DC&FS-ADOPTIONS DIVISION OFFICES	695 S VERMONT AVE, LOS ANGELES 90010	71370	58635	LEASED	NONE
B922	DPSS-WILSHIRE SPECIAL DISTRICT OFFICE	2415 W 6TH ST, LOS ANGELES 90057	46228	42065	LEASED	NONE
B995	DAVID V KENYON JUVENILE JUSTICE CENTER	7625 S CENTRAL AVE, LOS ANGELES 90001	18108	11735	OWNED	NONE

LACO	FACILITY NAME	ADDRESS	SQ. FT. GROSS	SQ. FT. NET	OWNERSHIP	SQ. FT. AVAILABLE
C110	MED CTR-EXPENDITURE MANAGEMENT	2064 MARENGO ST, LOS ANGELES 90033	9602	7010	LEASED	NONE
C111	MED CTR-EXPENDITURE MANAGEMENT ANNEX	1063 N CHICAGO ST, LOS ANGELES 90033	3338	1823	LEASED	NONE
C500	PROBATION-PRETRIAL SERVICES / BAIL DEVIATION	500 SHATTO PL SUITE 600 SUITE 610 AND SUITE 620, LOS ANGELES 90020	6596	5094	LEASED	NONE
C660	DPSS-GAIN PROGRAM REG IV/ MEDI-CAL OUTSTATION	2910 W BEVERLY BLVD, LOS ANGELES 90057	120327	33635	LEASED	NONE
C863	MED CTR-PATIENT FINANCIAL SERVICES OFFICE	1910 N MAIN ST, LOS ANGELES 90031	13610	8919	LEASED	NONE
T063	DPSS-SOUTH COUNTY GAIN SATELLITE OFFICE	1326 T W IMPERIAL HWY, LOS ANGELES 90044	10080	9072	LEASED	NONE
T539	MED CTR-CLINICAL RESEARCH TRAILER	1200 N STATE ST, LOS ANGELES 90033	780	672	OWNED	NONE
T541	MED CTR-HOME CARE TRAILER T-4	1200 N STATE ST, LOS ANGELES 90033	1376	1223	OWNED	NONE
T542	MED CTR-PATIENT FINANCIAL SERVICES T-5	1200 N STATE ST, LOS ANGELES 90033	10512	7872	OWNED	NONE
T543	MED CTR-RESEARCH COMMITTEE TRAILER	1200 N STATE ST, LOS ANGELES 90033	384	330	OWNED	NONE
T544	MED CTR-QUALITY ASSURANCE/UTILIZATION REVIEW	1200 N STATE ST, LOS ANGELES 90033	4334	3629	OWNED	NONE
T546	MED CTR-PATIENT FINANCIAL SRVICES OFFICE T-16	1240 N MISSION RD, LOS ANGELES 90033	5190	4095	OWNED	NONE
T547	MED CTR-PATIENT FINANCIAL SERVICES T-15	1240 N MISSION RD, LOS ANGELES 90033	2588	1967	OWNED	NONE
T555	MED CTR-PATIENT FINANCIAL SERVICES T-17	1200 N STATE ST, LOS ANGELES 90033	4661	3482	OWNED	NONE
T556	MED CTR-PATIENT FINANCIAL SERVICES TRAILER	1200 N STATE ST, LOS ANGELES 90033	2973	2461	OWNED	NONE
T580	DHS-FLORENCE AIDS PROGRAM OFFICE	8021 S COMPTON AVE, LOS ANGELES 90001	320	270	OWNED	NONE
T618	MED CTR-REPLACEMENT PROJECT REAL ESTATE OFFIC	1200 N STATE ST, LOS ANGELES 90033	944	785	OWNED	NONE
T619	MED CTR-RESEARCH COMMITTEE OFFICE TRAILR T-25	1200 N STATE ST, LOS ANGELES 90033	820	702	OWNED	NONE
T620	MED CTR-CLINICAL SOCIAL WORK TRAILER T-18	1200 N STATE ST, LOS ANGELES 90033	1200	1049	OWNED	NONE
X015	LOS ANGELES COUNTY LAW LIBRARY	301 W 1ST ST, LOS ANGELES 90012	215960	126000	OWNED	NONE
X294	PW CENTRAL YARD-SHOP OFFICE BLDG	2275 ALCAZAR ST, LOS ANGELES 90033	1400	1260	OWNED	NONE
X301	LOS ANGELES AIRPORT COURTHOUSE	11701 S LA CIENEGA BLVD (PACIFIC CONCOURSE DR), LOS ANGELES 90045	292000	151981	FINANCED	NONE
X317	DCSS-LE SAGE COMPLEX 4 STORY BUILDING	3175 W 6TH ST, LOS ANGELES 90020	52230	42341	OWNED	NONE
X510	DHS-LESAGE COMPLEX 2 STORY BUILDING	510 S VERMONT AVE, LOS ANGELES 90020	31540	24840	OWNED	NONE
X532	DCSS-LE SAGE COMPLEX 1 STORY BUILDING	532 S VERMONT AVE, LOS ANGELES 90020	14126	10314	OWNED	NONE
X550	MENTAL HEALTH-LE SAGE COMPLEX TOWER	550 S VERMONT AVE, LOS ANGELES 90020-1991	171651	149668	OWNED	NONE
Y013	DPSS-CIVIC CENTER DISTRICT/GROW CENTER OFFICE	813 E 4TH PL, LOS ANGELES 90013	39956	25158	OWNED	NONE
Y150	DPSS-FORMER EXPOSITION PARK WS DIST OFFICE	3965 S VERMONT AVE, LOS ANGELES 90037	66484	46912	OWNED	NONE
Y193	PARKS & RECREATION-HEADQUARTERS BUILDING	433 S VERMONT AVE, LOS ANGELES 90020	31862	18221	OWNED	NONE
Y264	PROBATION-KENYON JUSTICE CENTER OFFICE	7672 S CENTRAL AVE, LOS ANGELES 90001	4505	2190	OWNED	NONE
Y425	PUBLIC LIBRARY-FLORENCE LIBRARY	1610 E FLORENCE AVE, LOS ANGELES 90001	5124	4448	OWNED	NONE
Y426	PUBLIC LIBRARY-GRAHAM LIBRARY	1900 E FIRESTONE BLVD, LOS ANGELES 90001	5125	4448	OWNED	NONE