

CITY OF LOS ANGELES

CALIFORNIA

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GENERAL MANAGER
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May 30, 2024

Honorable City Council
City of Los Angeles
c/o City Clerk
Room 395, City Hall
Los Angeles, CA 90012

Attention: Jason Lopez, Legislative Assistant

**REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A LICENSE AGREEMENT
WITH 350 SOUTH FIGUEROA, LLC FOR EMPLOYEE PARKING AT
WORLD TRADE CENTER AT 350 SOUTH FIGUEROA STREET**

The Department of General Services (GSD) requests authority to negotiate and execute a license agreement between the City and 350 South Figueroa, LLC for up to 350 parking spaces at the World Trade Center (WTC) parking garage to provide supplemental off-site employee parking for five City departments that relocated from 1200 West 7th Street (Garland) to temporary co-working office space at 444 South Flower Street (Industrious).

BACKGROUND

On November 28, 2023, City Council adopted a motion (C.F. 23-1307) to authorize GSD to negotiate and execute a license agreement with Industrious LA 444 South Flower Street, LLC for temporary co-working office space for five City departments moving out of the Garland Building. Although over 1,200 employees moved out of the Garland office space, approximately 507 employees moved into Industrious while the majority of staff from Los Angeles Housing Department (LAHD) staff transitioned to a 100% telecommute/telework schedule in the interim.

The license agreement with Industrious for temporary co-working office space included 175 on-site employee parking spaces with the parking garage operator CVFI-444 S. Flower, LP. However, 175 on-site parking spaces is insufficient to accommodate employee parking needs. In order to provide sufficient employee parking, GSD negotiated and executed a separate parking license agreement with Gregg Williams/Maguire Properties-555 W. Fifth, LLC (Gas Company Tower) for off-site parking spaces at the World Trade Center parking garage to provide 175 additional spaces (with the option to increase up to 601) to supplement the limited 175 on-site parking at Industrious. The Gas Company Tower continues to be under consideration as a long-term lease option for the five City departments at Industrious. However, in the event either the licensee or licensor terminates negotiations for the Gas Company Tower lease for long-term office space,



then the parking license agreement is terminable by either party on thirty (30) days' prior written notice. Therefore, GSD requests authority to negotiate and execute a parking license agreement with 350 South Figueroa, LLC for a maximum of 350 unreserved parking spaces at the same WTC parking garage as a contingency plan in the event that the parking agreement with Gas Company Tower is terminated. Additionally, there may be a need for parking to support LAHD and the Office of Finance (OOF) at a nearby potential leased location for temporary office space (lease approval being requested under separate report). This agreement will not be executed unless the Gas Company Tower parking agreement is terminated.

TERMS AND CONDITIONS

The proposed license agreement is for 12 months (month-to-month thereafter) to be executed upon termination of the parking agreement with Gregg Williams/Maguire Properties-555 W. Fifth, LLC or when additional parking is needed for LAHD and OOF. Licensee has the right to rent up to 300 unreserved parking stalls with an option to add 50 more spaces, with 30 days' prior notice, for a maximum of 350 unreserved stalls. The monthly rate is \$185 per stall, which includes the Parking Occupancy Tax, plus a \$15 one-time card activation fee per card.

Up to 350 Spaces - 12 Months	Up to \$777,000
One-Time Card Activation Fee	Up to \$5,250
Grand Total	Up to \$782,250

FISCAL IMPACT

GSD will work with the Office of the City Administrative Officer (CAO) and coordinate with the Special Funded departments, LAHD and the Economic Workforce Development Department, to calculate their respective portion of the monthly parking costs based on actual usage to be determined. The remaining amount for the general funded departments will be funded through the Citywide Leasing Account.

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor, authorize the Department of General Services to negotiate and execute a license agreement with 350 South Figueroa, LLC for the property located at 350 South Figueroa Street to provide additional off-site employee parking to supplement limited on-site employee parking at the Industrious temporary co-working office space under the terms and conditions as substantially outlined in this report.



Tony M. Royster
General Manager

Attachment: Term Sheet

LEASING TERM SHEET

MFC DATE May 30, 2024

LANDLORD 350 South Figueroa, LLC

ADDRESS 350 South Figueroa Street, Suite 140, Los Angeles, CA 90071

TENANT City of Los Angeles - GSD

ADDRESS 111 East 1st Street Suite 201 Los Angeles, CA 90012

LOCATION 350 South Figueroa Street, Los Angeles, CA 90071

AGREEMENT TYPE License

USE Parking

SQUARE FEET N/A

TERM 12 Months

EARLY POSSESSION N/A

RENT START DATE TBD

LEASE START DATE TBD

OPTION TERM None

HOLDOVER Month to Month

SUBLET/
ASSIGNMENT N/A

TERMINATION N/A

RENTAL RATE \$185 per pass inclusive of taxes

ESCALATION None

RENTAL ABATEMENT None

ADDITIONAL RENT Licensee will pay \$15 per parking card activation

PROPERTY TAX	N/A
OPEX	N/A
CAM	N/A
OTHER	
SECURITY DEPOSIT	N/A
MAINTENANCE/ REPAIR	Landlord responsible
MAINTENANCE/ REPAIR DETAILS	
TENANT IMPROVEMENTS	N/A
PARKING	Licensee entitled to use up to a maximum of 350 spaces, with the right to increase or decrease throughout the term on 30 days' notice
UTILITIES	N/A
CUSTODIAL	N/A
SECURITY	Landlord responsible
PROP 13 PROTECTION	N/A
INSURANCE (City)	City is Self-Insured. City shall indemnify and hold harmless Landlord from and against any and all loss, liability, or expense for claims for injury or damage arising or alleged to arise from the acts or omissions of City or any of its officers, agencies, employees, contractors, licensees or invitees, jointly or severally, in the occupancy or use of the premises.
OTHER:	N/A
PRINT:	
SIGNATURE:	