

CITY OF LOS ANGELES

CALIFORNIA



KAREN BASS
MAYOR

Agenda Item No. 4

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
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August 28, 2025

Honorable City Council
City of Los Angeles
c/o City Clerk
Room 305, City Hall
Los Angeles, CA. 90012

Attention: Adam Lid, Legislative Assistant

**REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A LEASE AMENDMENT
WITH KAJIMA DEVELOPMENT CORPORATION FOR CIVIL + HUMAN RIGHTS AND
EQUITY DEPARTMENT (CHRED) AT 250 E. 1st STREET LOS ANGELES, CA 90012**

The Department of General Services (GSD) requests authority to amend lease agreement C-145846 with Kajima Development Corporation ("Landlord") for the Civil + Human Rights and Equity Department (CHRED). The proposed amendment addresses changes in the number of parking spaces allowed under the lease and addresses reimbursements to the Landlord for additional tenant improvements requested by CHRED.

BACKGROUND

On September 12, 2023, through Council File #23-0791, City Council authorized GSD to negotiate and execute a new lease agreement with Kajima Development Corporation for 5,650 square feet of office space located at 250 East 1st Street for CHRED. The lease agreement is for 63 months starting December 15, 2024 and includes a five-year option to extend.

After the lease was signed, the Landlord and CHRED requested material changes to the lease. CHRED requested multiple change orders in their Tenant Improvement scope and the Landlord is requesting a revision on the parking ratio and availability on site.

MATERIAL CHANGES TO TERMS AND CONDITIONS

The tenant improvements were performed by the Landlord at Landlord's cost. However, CHRED requested a change order in the amount of \$44,763.90 and has committed to reimburse the Landlord through their departmental budget for those additional tenant improvements.



These additional tenant improvements have been completed by the Landlord and include upgraded window shades, sidelight film treatments, and a new split unit air conditioning unit for the server room. Costs for these improvements include the contractor's general conditions, liability insurance, contractor's fee and Landlord's administrative fee. CHRED has since reimbursed the Landlord \$39,158.06 of that total. Therefore, the remaining balance CHRED will reimburse is \$5,605.84.

The landlord is requesting to revise the parking allowance to 10 unreserved spaces at \$150.00 per month, per pass, with annual escalations not to exceed 3%. The building has limited on-site parking and can only accommodate 10 spaces, whereas the current agreement provides a ratio of 3:1,000 PSF, allowing for up to 15 spaces.

All other terms and conditions of the lease will remain the same. An updated set of terms and conditions are outlined on the attached term sheet.

FISCAL IMPACT

There is no impact to the general fund for this lease amendment as the reimbursements included in this action will be paid out of CHRED's existing departmental budget.

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 lease amendment with Kajima Development Corporation for the office space at 250 E. 1st Street Los Angeles, CA 90012 under the terms and conditions substantially outlined in this report.



Tony M. Royster
General Manager

Attachment: Term Sheet

LEASING TERM SHEET

MFC DATE	August 28, 2025
LANDLORD	Kajima Development Corporation, Delaware corporation
ADDRESS	250 E. 1st St. LA, CA 90012
TENANT	City of Los Angeles (GSD)
ADDRESS	111 East First Street, Los Angeles, CA 90012
LOCATION	250 E. 1st St. Suite 1000 LA, CA
AGREEMENT TYPE	Lease Amendment
USE	Office
SQUARE FEET	Per Existing Lease (5,650 SF)
TERM	Per Existing Lease (63 months)
EARLY POSSESSION	Per Existing Lease (None)
RENT START DATE	12/15/24 (Per Existing Lease)
LEASE START DATE	Per Existing Lease (Upon City Clerk's Attestation)
OPTION TERM	Per Existing Lease (1, 5-year option to extend)
OPTION RENT	Per Existing Lease (\$14,690.00/mo)
HOLDOVER	Per Existing Lease (150%)
SUBLET/ ASSIGNMENT	Per Existing Lease (Tenant may transfer to other City department without Landlord's consent)
TERMINATION	Per Existing Lease (None)
RENTAL RATE	Per Existing Lease (\$14,690.00/mo.)
ESCALATION	Per Existing Lease (3% annual)
RENTAL ABATEMENT	Per Existing Lease (Up to 3 months - \$44,070.00)

ADDITIONAL RENT	Per Existing Lease (None)
PROPERTY TAX	Per Existing Lease (None)
OPEX	Per Existing Lease (None)
CAM	Per Existing Lease (None)
OTHER	N/A
SECURITY DEPOSIT	Per Existing Lease (None)
MAINTENANCE/ REPAIR	Per Existing Lease
MAINTENANCE/ REPAIR DETAILS	Per Existing Lease
TENANT IMPROVEMENTS	See Existing Lease and "Other" section below
PARKING	Change - Up to 10 unreserved spaces at \$150/mo. Escalation not to exceed 3% annually (previously 15 spaces)
UTILITIES	Per Existing Lease (LL's responsibility, except internet)
CUSTODIAL	Per Existing Lease (LL's responsibility)
SECURITY	Per Existing Lease (LL's responsibility)
PROP 13 PROTECTION	Per Existing Lease (None)
INSURANCE (City)	Per Existing Lease (City is self-insured)
OTHER:	LL (Landlord) Tenant Improvement Reimbursements - Tenant (CHRED) shall reimburse Landlord for additional tenant improvements, which include upgraded window shades, sidelight film treatments, and new split unit air conditioning unit for server room (as well as contractor's general conditions, liability insurance, contractor's fee and Landlord's administrative fee) in a total amount equal to \$44,763.90 (of which Tenant has already reimbursed Landlord an amount equal to \$39,158.06). The remaining balance is \$5,605.84.
PRINT:	_____

SIGNATURE: