

# CITY OF LOS ANGELES

CALIFORNIA



KAREN BASS  
MAYOR

Agenda Item No. 3

TONY M. ROYSTER  
GENERAL MANAGER  
AND  
CITY PURCHASING AGENT

DEPARTMENT OF  
GENERAL SERVICES  
ROOM 701  
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February 26, 2026

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 NEW LEASE AGREEMENT WITH PLAZA CARDS AND GIFTS AT FIGUEROA PLAZA 201 N. FIGUEROA STREET, SUITE 199, LOS ANGELES, CA 90012**

The Department of General Services (GSD) requests authority to negotiate and execute a new lease agreement with Mr. Yong Woo Park and Mr. Jonathan Park (collectively "Tenant") doing business as Plaza Cards and Gifts in Suite 199, a commercial retail space, at the City-owned property located at 201 N. Figueroa Street, Suite 199, Los Angeles, CA 90012 (Figueroa Plaza) in Council District 14 (CD14).

### **BACKGROUND**

Located at Figueroa Plaza, Plaza Cards and Gifts is a retail gift shop specializing in greeting cards, gifts, novelties, and sundry items. The store also offers pre-packaged food, cold drinks, and lottery tickets, but does not sell tobacco or nicotine products. The retail premises in Suite 199 consist of approximately 455 square feet.

On October 18, 2017, the City Council approved a Municipal Facilities Committee Report under Council File No. 13-0675, authorizing the City to enter into a lease with Young Woo Park and Jessica Lee, husband and wife. The lease agreement (C-131398) became effective on June 15, 2018, for an initial term of five (5) years, with three (3) additional five-year options to extend.

Following expiration of the initial lease term on June 14, 2023, the Tenant did not exercise their option to extend and is therefore occupying the premises in holdover status.

### **TERMS AND CONDITIONS**

The Tenant has requested to negotiate new lease terms, including the removal of Jessica Lee as a partner tenant and her replacement with her son, Jonathan Park.



The proposed lease will be for a term of five (5) years, retroactive to July 1, 2025, with one (1) additional five-year option to extend, subject to three percent (3%) annual rent increases starting the third year of the initial lease term. The base rent shall be established at an introductory rate of \$2.50 per square foot (psf), equating to \$1,137.50 per month.

Commencing in the second year of the initial term, the base rent shall increase from the introductory rate of \$2.50 per square foot to \$3.20 per square foot in order to more closely align with prevailing market rental conditions. The introductory rate of \$2.50 per square foot is being offered as a temporary concession to facilitate resolution of an outstanding balance as outlined below. Thereafter, the base rent shall be subject to three percent (3%) annual increases for the remainder of the initial term and, if exercised, the option period.

One parking pass is available to the Tenant at prevailing market rates, currently set at \$215 per month for non-reserved parking and \$250 per month for reserved parking. All parking fees and applicable taxes are the Tenant's responsibility. City parking regulations apply and the City retains the right to modify parking operations as needed without incurring liability.

The security deposit of \$3,500 will remain on account with the City.

A complete set of terms and conditions is outlined in the attached term sheet.

### **RESOLUTION OF OUTSTANDING BALANCE**

As part of the proposed lease terms, GSD recommends resolution of the Tenant's outstanding balance of \$8,605.00. Tenant has agreed to remit \$4,302.50 (50%) prior to City Clerk attestation, with the remaining balance recovered through an additional rent charge of \$71.71 per month over the initial 60-month term.

<b>PROPOSED INITIAL 5 YEAR TERM BREAKDOWN</b>					
<b>YEAR</b>	<b>BASE RENT/SF/MONTH</b>	<b>MONTHLY BASE RENT</b>	<b>PLUS AMORTIZED PAST DUE RENT</b>	<b>REVISED MONTHLY RENT</b>	<b>ANNUAL BASE RENT</b>
Yr 1*	\$2.50	\$1,137.50	\$71.71	\$1,209.21	\$14,510.52
Yr 2	\$3.20	\$1,456.00	\$71.71	\$1,527.71	\$18,332.52
Yr 3	\$3.30**	\$1,501.50	\$71.71	\$1,573.21	\$18,878.52
Yr 4	\$3.40**	\$1,547.00	\$71.71	\$1,618.71	\$19,424.52
Yr 5	\$3.50**	\$1,592.50	\$71.71	\$1,664.21	\$19,970.52

\*Yr 1 - Retroactive July 1, 2025 \*\*Base rent annual 3% increase

**MARKET ANALYSIS**

Based on a recent market analysis, monthly rental rates for comparable retail spaces in traditional office buildings, such as snack shops, range from \$2.47 to \$4.03 per square foot. The negotiated lease rate is considered within the market, as the retail spaces at Figueroa Plaza are primarily internal-facing and cater to building tenants and visitors, including the development community rather than the general public. This space functions more as a building amenity rather than as a traditional, street-facing retail establishment.

<b>MARKET ANALYSIS - RENTAL COMPARABLES</b>				
<b>Location</b>	<b>Property Type</b>	<b>Rent Rate PSF</b>	<b>Rentable SF</b>	<b>Lease Type</b>
201 S. Figueroa St PI-104	Retail	\$4.03	515	Modified Gross
1055 Wilshire Blvd	Retail	\$3.00	359	NNN
201 S. Figueroa St PI-103	Retail	\$4.01	608	Modified Gross
201 N Los Angeles	Retail	\$2.47	476	Modified Gross
<b>Average Rental Rate</b>		<b>\$3.37</b>		

*Note: Following the initial base year, the proposed rental rate aligns closely with market conditions and falls within 5% of the prevailing average market rate.*

**MAINTENANCE/UTILITIES/LANDSCAPING**

Under the proposed lease, the City is responsible for maintaining the building structure, including utility and sewer lines. The Tenant is responsible for maintaining the interior of the leased premises, including all fixtures, finishes, and systems, at their own expense. The Tenant must also maintain cleanliness, manage trash removal, and ensure compliance with all sanitation standards. Any damage caused by the Tenant shall be their sole responsibility.

The City provides standard utilities during regular building hours, such as HVAC, electricity, and water for common areas with the Tenant’s proportionate share billed as additional rent under Common Area Maintenance (CAM) charges. The Tenant is also responsible for any excess or after-hours utility usage. Janitorial services, pest control, and odor management within the leased premises are the sole responsibility of the Tenant.

**FISCAL IMPACT**

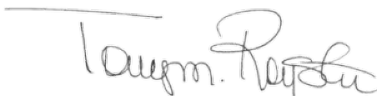
This is an existing receivable lease on holdover with a past due balance of \$8,605. The new agreement outlines a repayment plan for the past due balance with a one-time payment of 50%, equal to \$4,302.50, with the remaining balance repaid in monthly installments of \$71.71 over the initial lease term, separate from and in addition to the tenant’s base rent obligations.

Base Rent revenue is estimated at \$13,902 for the 2025-26 Fiscal Year (FY). This represents a positive impact to the General Fund of \$4,911.02.

<b>201 N. Figueroa Suite 199 2025-26 Proposed Lease Revenue</b>				
	Monthly Revenue	2025-26 New Lease Revenue	2025-26 Projected Revenue Without New Lease	Difference Between Projected Revenue and New Lease
Projected Rent Payments (before new agreement)	\$1,158.50		\$13,902.00	
Proposed Rent (retroactive to 7/1/2025)*	\$1,137.50	\$13,650.00		
Monthly payments of 50% past due balance*	\$71.71	\$860.52		
One-time payment of 50% past due balance		\$4,302.50		
<b>TOTAL</b>	<b>*\$1,209.21</b>	<b>\$18,813.02</b>	<b>\$13,902.00</b>	<b>\$4,911.02</b>

**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 agreement with Mr. Yong Woo Park and Mr. Jonathan Park dba Plaza Cards and Gifts for the retail space located at 201 N. Figueroa Street, Space 199, Los Angeles, CA 90012 under terms and conditions substantially outlined in this report.



Tony M. Royster  
General Manager

Attachment: Term Sheet

## LEASING TERM SHEET

MFC DATE February 26, 2026

LANDLORD City of Los Angeles - GSD

ADDRESS 111 First St. 2nd Floor Los Angeles, CA 90010

TENANT Mr. Yong Woo Park and Mr. Jonathan Park

ADDRESS 201 N. Figueroa Street, Ste199, Los Angeles, CA 90012  
11841 Monroe St Unit 102 Cerritos, CA 90703

LOCATION ADDRESS 201 N. Figueroa Street, Suite 199, Los Angeles, CA 90012

USE Snack Shop

SQUARE FEET 455 RSF

EARLY POSSESSION N/A

TERM Five (5) years, retroactive to July 1, 2025

LEASE COMMENCEMENT DATE July 1, 2025

LEASE EXPIRATION DATE Five (5) years from July 1, 2025

RENT START DATE July 1, 2025

RENT  
\*Year 1 - \$2.50/ PSF  
Year 2 - \$3.20/PSF  
\*\*Year 3 - \$3.30/PSF  
\*\*Year 4 - \$3.40/PSF  
\*\*Year 5 - \$3.50/PSF  
  
An additional \$71.71 shall be added to the monthly base rent for the duration of the initial term of sixty (60) months.  
  
*\*Yr 1 - Retroactive July 1, 2025 \*\*Base rent annual 3% increase*

AGREEMENT TYPE Lease

RENT INCREASES	3% annual increase after year 2
HOLDOVER	The tenancy converts to month-to-month. During this period, rent increases to 135% of the last month's rent, and all other charges, including CAM and utilities, continue as outlined in the lease.
SUBLET/ ASSIGNMENT	No rights to sublet or assign without approval and consent. City may charge a transfer fee.

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**RENEWAL OPTION**

NOTICE PERIOD	As early as 9 months but no later than 6 months
TERM	Five (5) years

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OPTION RENT / ESCALATION	3% increase from then current rent
RENT ABATEMENT	
OPEX - CAM	Current 2025 CAM - \$1.01/PSF subject to annual rent conciliation
LATE FEE	10% after the 5th day of the month
PROPERTY TAX	N/A
PROPERTY INS.	N/A
ADDITIONAL RENT	N/A
PARKING - NUMBER OF PASSES	One (1)
MONTHLY PARKING COST	Current Parking Rates: UNRESERVED \$221.00 TANDEM RESERVED \$215.00 EA RESERVED \$250.00
SECURITY DEPOSIT	LL currently holding \$3,500.00 of deposit that is being transferred to new tenants under the Lease
MAINTENANCE/ REPAIR: LANDLORD	LL responsible for major building systems that does not exclusively serve the Premises
MAINTENANCE/ REPAIR: TENANT	Tenant maintains all R&M items within the Premises.
TENANT	Written approval from the City will be required.

IMPROVEMENTS:  
ALLOWANCE/SCOPE

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UTILITIES

Utilities are being paid through the CAM via pro-rata shares.
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CUSTODIAL /  
LANDSCAPING

None
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SECURITY

None
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PROP 13

None
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INSURANCE  
(CITY)

City is self insured
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INSURANCE  
(OTHER PARTY)

To be further defined in the agreement
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OTHER:

<p>Concurrent with the signing of the new Lease, Tenant shall provide Landlord with a Waiver and Release of any and all claims arising from the expired Lease, specifically including the Security Deposit of \$3,500 and the Covid-19 Rent Adjustment totaling \$27,440.56., to be signed by Jessica Lee and in favor of Landlord.</p> <p>Substantial terms otherwise not defined elsewhere</p> <p>As part of the proposed lease terms, GSD recommends resolution of the Tenant's outstanding balance of \$8,605.00. Tenant has agreed to remit \$4,302.50 (50%) prior to City Clerk attestation, with the remaining balance recovered through an additional rent charge of \$71.71 per month over the initial 60-month term.</p> <p>Final reconciliation to be conducted at the time of City Clerk Attestation.</p>
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PRINT:

Young Woo Park
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SIGNATURE:


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PRINT:

Jonathan Park
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SIGNATURE:

Jonathan Park