

Los Cerritos Wetlands Authority

Date: August 3, 2017

To: Governing Board Members

From: Mark Stanley, Executive Officer

Subject: Agenda Item 7: Consideration of resolution to amend the lease agreement on the OTD parcel to include Ellis Equipment Inc. as a lessee and renew the lease. (RESOLUTION 2017-05)

RECOMMENDATION: Adoption of a resolution authorizing the Executive Officer to enter into a lease agreement with Ellis Equipment of the OTD parcel (LA County APN #7237-019-006)

BACKGROUND: The Offer to Dedicate (OTD) parcel is located on the northeast corner of Studebaker road and 2nd Street in the City of Long Beach and commonly referred to as the 'Edison Parcel' or 'Offer To Dedicate (OTD) Parcel.' The OTD parcel is approximately five acres and within the LCWA jurisdiction on the northeast corner of the Los Cerritos Wetlands Complex, surrounding land uses to the north and east are industrial (see Exhibit A: Aerial Map). The parcel lies in an industrial zoned sub-area of the local coastal program and was graded by the previous land owner to provide the present configuration that is ideal for use as a storage yard. Historical use of the site includes equipment storage, and a maintenance facility consisting of office trailers and steel storage containers. The land is currently leased by both Ellis Equipment Inc. and D&S Washouts Systems.

Atkinson Construction leased the property beginning July 3, 2012 and after July 31, 2014 Atkinson paid on a month-to-month basis with a 30-day notice to terminate at a monthly lease fee of \$2,500. The lease was amended again in August 2015 when D&S Washouts Systems, a subcontractor to Atkinson Construction, requested to lease a portion of the OTD Parcel at a monthly fee of \$950. Subsequently, the Atkinson Construction lease amount was reduced to \$2,050 per month for D&S Washout Systems to lease a portion of the OTD Parcel. Exhibit A illustrates the reduced lease area encompassing 71,120 square feet (1.63 acres) with a shared driveway to access both lease areas.

In late 2016 Atkinson Construction subleased to Ellis Equipment Inc. On March 13, 2017, the lease agreement was amended to allow Ellis Equipment Inc. to assume the lease as the new tenant through September 30, 2017. The tenant is interested in entering a new lease agreement for approximately two years to store non-hazardous materials, k-rail barriers, truck trailers, and other non-hazardous construction-related materials.

FISCAL INFORMATION: The annual lease fee is proposed for \$25,080 (or, \$2090 a month) and would extend through September 30, 2019. The fee is adjusted from \$2,050 plus CPI at 1.97%¹. The annual lease fee would serve to fund property/land management costs, Los Cerritos Wetlands Stewardship Program, and other miscellaneous administrative costs.

¹ The percentage increase is calculated utilizing the Consumer Price Index (CPI) for All Urban Consumers for the LA-Riverside-Orange County area for the 12-month period ending December 31.

Exhibit A: Aerial Map



August 3, 2017 – Agenda Item 7

RESOLUTION 2017 - 05

RESOLUTION OF THE LOS CERRITOS WETLANDS AUTHORITY
ADOPT A RESOLUTION TO AMEND THE LEASE AGREEMENT OF THE OTD PARCEL TO
INCLUDE ELLIS EQUIPMENT INC. AS A LESSEE AND RENEW THE LEASE

WHEREAS, the Los Cerritos Wetlands Authority (Authority) has been established between the Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the City of Seal Beach and the City of Long Beach to facilitate the acquisition, protection, conservation, restoration, maintenance and operation an environmental enhancement of the Los Cerritos Wetlands; and

WHEREAS, the LCWA adopts a resolution to amend the lease agreement on the OTD parcel to included Ellis Equipment Inc. as a lessee and renew the lease; and

WHEREAS, this action is exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA); and

Therefore be it resolved, that the LCWA hereby:

1. FINDS that this action is consistent with the purposes and objectives of the LCWA.
2. FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act.
3. ADOPTS staff report dated August 3, 2017.
4. AUTHORIZES the Executive Officer to accept a lease agreement for the OTD parcel and make necessary amendments to the FY 17/18 budget.

~ End of Resolution ~

Passed and Adopted by the Board of the LOS CERRITOS WETLANDS AUTHORITY August 3, 2017.

Sam Schuchat, LCWA Vice Chair

ATTEST:

David Edsall, Jr.
Deputy Attorney General