DATE: May 9, 2023

TO: Mayor and Council Members

FROM: Finance Department

SUBJECT: Office Lease Agreement with Senate Rules Committee, California Legislature (State) for Senator Steven Bradford

RECOMMENDATION:
It is recommended that the Mayor and Council Members approve a lease agreement with the Senate Rules Committee, California Legislature (State), to continue to occupy Suite 600 on the 6th Floor of City Hall.

BACKGROUND:
In 1995, the City developed Suite 600 for exclusive use and lease by the Senate Rules Committee. For the past 30-plus years, different state legislative officials have leased offices on the 6th floor of City Hall to accommodate staff and local district operations of the State Senator in office at the time.

In the case of this lease, State Senator Steven Bradford and his staff will use the space. The Senator's jurisdiction includes the Los Angeles County communities of Inglewood, Carson, San Pedro, Compton, West Compton, Gardena, Harbor City, Hawthorne, Lawndale, Lennox, West Carson, Watts, Willowbrook, and Wilmington.

DISCUSSION:
On September 26, 2017, the Mayor and Council Members approved a competitive 3-year lease (Agreement No. 17-539) with the Senate Rules Committee, California State Legislature (State). Accommodating the Senator locally allows the constituents of the City of Inglewood to have more convenient access to their state representative. The lease included 2,245 square feet of office space. It included one (1) designated parking space in the basement of City Hall and up to five (5) additional accessible parking spaces adjacent to City Hall. All other State employee or staff parking will be located adjacent to City Hall at the current monthly rate.

Staff recommends the approval of a 22-month lease agreement with Senate Rules Committee, California Legislature. The rent for approximately 2,245 square feet of office space will be as follows, with a 3% increase in the third year of this agreement.

<table>
<thead>
<tr>
<th>Year</th>
<th>rent per sq ft</th>
<th>Monthly Rent</th>
<th>Yearly</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023 (8 months)</td>
<td>$1.697</td>
<td>$3,810.75</td>
<td>$30,486.00</td>
</tr>
<tr>
<td>2024</td>
<td>$1.697</td>
<td>$3,810.75</td>
<td>$45,729.00</td>
</tr>
<tr>
<td>2025 (2 months)</td>
<td>$1.727</td>
<td>$3,877.12</td>
<td>$7,754.24</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$83,969.24</td>
</tr>
</tbody>
</table>

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Mayor and Council Members
Office Lease Agreement with Senate Rules Committee,
California Legislature (State) for Senator Steven Bradford
May 9, 2023

FINANCIAL/FUNDING ISSUES AND SOURCES:
The City will receive a total of $83,969.24 in revenue over the lease agreement term. Funds received will be deposited under Account Code No 001.001.0101.4025.00 (General Fund – General Government – Tenants Rent).

DESCRIPTION OF ANY ATTACHMENTS:
Attachment No. 1 - Contract Agreement

PREPARED BY:
Mark Conley, Senior Building Services Coordinator
Dominique Ybarra, Building Services Coordinator

COUNCIL PRESENTER:
Sharon Koike, Assistant Finance Director
APPROVAL VERIFICATION SHEET

DEPARTMENT HEAD APPROVAL: ____________________________
Sharon Koike, Assistant Finance Director/CFO

CITY MANAGER APPROVAL: ______________________________
Artie Fields, City Manager
ATTACHMENT NO. 1
AGREEMENT NO. _____

THIS LEASE AGREEMENT is made and entered into this ____ day of __________________, 2023, by and between the City of Inglewood, a municipal corporation and charter city ("CITY"), One Manchester Boulevard, Inglewood, California 90301 and the Senate Rules Committee, California State Legislature ("STATE") with its principal place of business at 1020 N Street, Room 255, Sacramento, California 95814.

WHEREAS, the CITY owns property located at One Manchester Boulevard, Inglewood, California 90301, commonly known as City Hall; and

WHEREAS, STATE desires to lease office space in City Hall, more particularly Suite 600; and

WHEREAS, CITY and STATE previously entered into a written lease agreement that has expired and converted to a month-to-month tenancy; and

WHEREAS, the CITY and STATE desire to enter into a new written lease agreement;

NOW, THEREFORE in consideration of the mutual covenants and conditions herein contained, and for good and valuable consideration, the CITY and STATE (collectively referred to as the "Parties") mutually agree as follows:

SECTION 1 – USES

1.1 Leased Premises

CITY leases to STATE and STATE leases from CITY certain Premises situated in the City of Inglewood, County of Los Angeles, State of California, more particularly described as follows:

Inglewood City Hall

1 Manchester Boulevard, Suite 600

Inglewood, CA 90301

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1.2 **Uses**

STATE shall use the Premises solely and exclusively as office space for a district office for the Senate district in which the Premises are located. California State Senator Steven Bradford is the current Senator for that Senate district.

1.3 **Quiet Possession**

Except as provided for in this Lease, STATE, paying the rent and performing the covenants and agreements in this Lease, shall, at all times during the Term (defined in Section 2.1), peaceably and quietly have, hold, and enjoy the Premises. If CITY for any reason cannot delivery possession of the Premises to STATE on the Commencement Date (defined in Section 2.1), or if during the Term STATE is temporarily dispossessed through action or claim of a title superior to CITY’S, then this Lease shall not be voidable nor shall CITY be liable to STATE for any loss or resulting damage, but there shall be determined and stated in writing by the City Manager a proportionate reduction of the rent for the period or periods which STATE is prevented from having the quiet possession of all or a portion of the Premises.

1.4 **Operation of Facilities**

Hours of operation will be every day from 7:00 AM to 8:00 PM. No changes in this schedule shall be made without first obtaining the prior written approval of CITY, which approval shall not be unreasonably withheld. STATE shall ensure that gates and doors restricting access to office space and the building exterior are shut and locked during closed office hours.

**SECTION 2 – TERM**

2.1 **Term**

The term of this Agreement shall be from May 1, 2023 ("Commencement Date") and shall continue through and including February 28, 2025. If the Commencement Date is not the first day of a calendar month, then the Term shall include the partial calendar month from and including the Commencement Date through the last day of the full Term, so that the Term shall expire on the last day of the calendar month.
2.2 **Holdover**

Any holding over by STATE after the expiration or earlier termination of this Lease shall not be considered a renewal or extension of this Lease. The occupancy of the Premises after the expiration or earlier termination of this Lease constitutes a month-to-month tenancy, subject to at least thirty (30) days notice of termination by either party, and all other terms and conditions of this Lease shall continue in full force and effect.

2.3 **Surrender of Premises**

STATE agrees to surrender the Premises to CITY at the termination of the Lease for any reason. The Premises shall be delivered free and clear and in decent, safe and sanitary condition.

STATE may terminate this Lease by giving written notice to CITY at least forty-five days prior to the date when such termination shall become effective.

**SECTION 3 – RENT**

3.1 **Time and Place of Payment**

The Rent described in Section 3.2 is due monthly in arrears on or before the last day of each month, unless sufficient funds have not been made available in the annual budget for the purpose of funding STATE lease agreements. STATE shall pay any rental payments that are not paid under this Section due to budgetary constraints as soon as funds are made available under the annual budget act. All payments required under this Lease must be made payable to the City of Inglewood and hand delivered or mailed to:

    City of Inglewood
    Finance Department
    One Manchester Boulevard
    Inglewood, California 90301

The place of payment may be changed at any time by CITY upon thirty (30) days written notice to STATE. Mailed rental payments shall be deemed paid upon the date
payment is postmarked by the postal authorities. If postmarks are illegible the payment shall be deemed paid upon actual receipt by the Finance Department.

3.2 Rent

The monthly rent shall be as follows:

- Calendar year 2023: $3,810.75/month
- Calendar year 2024: $3,810.75/month
- Calendar year 2025: $3,877.12/month

CITY shall provide one (1) parking space located in City Hall’s basement and up to five (5) additional free parking spaces adjacent to City Hall. All other STATE employee or staff parking spaces will be located adjacent to City Hall at the then current monthly rate. If parking adjacent to City Hall is unavailable, CITY may provide parking at another CITY parking facility located in the downtown area including, but not limited to, the Senior Center garage or Locust Street garage, located at 333 E. Queen Street and 115 S. Locust Street, respectively.

3.3 Delinquent Rent

Acceptance of any portion of the late payment by CITY shall in no event constitute a waiver of STATE’S default with respect to late payment, nor prevent CITY from exercising any of the other rights and remedies granted in this Lease.

SECTION 4 – ASSIGNMENT

4.1 Assignment and Subletting

STATE shall not assign this Lease or any interest in this Lease and shall not sublet the Premises or any part of the Premises, or any right or privilege appurtenant to the Premises, or allow any other person, except employees, agents, and guests of STATE, to use or occupy the Premises or any part of the Premises, without the prior written consent of CITY in each instance.

4.2 Time is of Essence; Provisions Binding on Successors

Time is of the essence of all of the terms, covenants, and conditions of this Lease, and, except as otherwise provided in this Lease, all of the terms, covenants, and
conditions of this Lease shall apply to, benefit, and bind the successors and assigns of the respective parties, jointly and individually.

4.3 Defaults and Remedies

Either party shall have the right to pursue any one or more of the remedies listed in this section in addition to any other remedies now or later available to that party in law or equity. These remedies are not exclusive but cumulative.

a. Defaults. Each of the following shall constitute an event of default under this Lease:

1. STATE’S failure to make any payment required under this Lease when due; or

2. If either party defaults in the performance of any covenant or condition required by this Lease, other than those requiring payments to CITY, and fails to cure the default within thirty (30) days following written notice from the other party; or if any default, other than those not requiring payment to CITY, is not curable within thirty (30) days, and STATE or CITY fails to commence to cure the default(s) within thirty (30) days and diligently pursue the cure to completion; or

3. STATE uses the Premises for any unauthorized purpose.

b. Remedies

1. For Default Based Upon Nonpayment. Subject to Section 3.1, upon default by STATE for nonpayment, CITY may, at its option, give STATE, a written Ten-Day Notice to Pay or Quit or CITY may terminate the Lease and all rights of STATE and of all persons claiming rights through STATE to the Premises or to possession of the Premises, and CITY may enter and take possession of the Premises and may enforce all applicable rights and remedies under this Lease.

2. Waiver. Any CITY waiver of a default is not a waiver of any other default. Any waiver of a default must be in writing and be executed by CITY in order to constitute a valid and binding waiver. CITY delay or failure to exercise a remedy or right is not a waiver of that or any other remedy or right under this Lease. The use of
one remedy or right is not a waiver of that or any other remedy or right under this Lease. The use of one remedy or right for any default does not waive the use of another remedy or right for the same default or for another or later default. CITY’S acceptance of any Rent is not a waiver of any default preceding the Rent payment. Any failure by the CITY or CITY staff to discovery a default or take prompt action to require the cure of any default shall not result in an equitable estoppel, but CITY shall at all times have the legal right, in accordance with this Agreement, to require the cure of any default when and as the defaults are discovered or when and as the City Council directs the City Manager to take action or require the cure of any default after the default is brought to the attention of the City Council by the City Manager or any other person.

SECTION 5 – INSURANCE RISK/SECURITY

5.1 Indemnity

Both Parties are public entities under Government Code section 895.2. Pursuant to Government Code section 895.4, STATE agrees, as between these entities, to assume liability for bodily injury, death, or property damage arising from or connected with STATE’S use of the Premises, except that CITY assumes liability for bodily injury, death, or property damage that is caused by its own sole negligence or willful misconduct. To this end, each party shall indemnify and hold the other harmless from and against any damage, demand, cause of action, claim, loss, cost, expense, or liability that may be imposed on the other party by virtue of Government Code section 895.2 arising from or connected with any bodily injury, death, or property damage for which that party has assumed liability. Each party waives subrogation. The provisions of Civil Code section 2778 are made a party hereof as if fully set forth.

5.2 Insurance

To the fullest extent permitted by applicable law, STATE shall have the right to self-insure and represents both of the following: (1) as an entity of the State of California, it is self-insured for its general liability exposure for claims of injury to persons or property and other forms of liability; and (b) under this form of self-
insurance, STATE and its employees are insured for any tort liability that may be incurred in the course of official operations or activities, including those that take place on non-State owned property such as a district office leased by STATE for a Senator or Assembly Member. CITY or other parities shall not be named as additional insured therein.

SECTION 6 – IMPROVEMENTS/ALTERATIONS/REPAIRS

6.1 Acceptance of Premises

By signing this Lease, STATE represents and warrants that it has visually inspected the Premises. STATE acknowledges that the Premises are in the condition called for by this Lease and that it is not aware of any defects in the Premises. STATE shall notify CITY if STATE becomes aware of the presence of any hazardous substances on the Premises.

6.2 Entry and Inspection

CITY reserves and shall always have the right, but not the obligation, to enter the Premises, upon reasonable notice, for the purpose of viewing and ascertaining the condition of the Premises, or to protect its interests in the Premises, or to inspect the operations conducted on the Premises. If entry or inspection by CITY discloses that the Premises are not in a decent, safe, healthy, and sanitary condition, CITY shall have the right, but not the obligation, after ten (10) days written notice to STATE, to have any necessary maintenance work done at the expense of STATE, and STATE shall pay promptly any and all costs incurred by CITY in having the necessary maintenance work done, in order to keep the Premises in a decent, safe, health, and sanitary condition.

6.3 Maintenance

CITY shall maintain the Premises in good repair, except in the case of damage arising from the actions of STATE’S agent, invitees, or employees.

a. CITY agrees to paint and re-carpet the suite only one (1) time during the first twelve months of this Agreement. CITY shall also provide reasonable carpet cleaning and janitorial services during the term of the Lease.
b. STATE shall be responsible for hanging plaques, pictures and/or other items in the Premises. STATE shall also pay a replacement service fee of $25.00 for any lost, destroyed, damaged or misplaced key and/or access card.

6.4. Improvements/Alterations

STATE shall not construct any improvements or make any alterations to the Premises without prior written approval of the City Manager. STATE shall not make major structural or architectural design alterations to approved improvements, structures, or installations on the Premises without prior written approval by the City Manager and that approval shall not be unreasonably withheld. STATE shall notify the City Manager of improvement projects on the Premises and shall inform the permitting authority that the Premises are City-owned property. This provision shall not relieve STATE of any obligation under this Lease to maintain the Premises in a decent, safe, healthy, and sanitary condition. CITY shall not be obligated by this Lease to make or assume any expense for any improvements or alterations.

6.5. Utilities

CITY shall pay reasonable usage of electricity, gas service, sewer, trash disposal, and water service, including both hot and cold water to the lavatories. STATE shall be responsible for all other utilities and services.

6.6. Signs

STATE shall not erect or display banners, pennants, flags, posters, signs, decorations, marquees, awnings, or similar devices or advertising without the prior written consent of CITY. If any unauthorized items are found on the Premises, STATE shall remove the item at its expense within twenty-four (24) hours notice by CITY. After the twenty-four (24) hours period, CITY may remove the item at STATE’S cost.

6.7. Ownership of Improvements and Personal Property

a. Any and all improvements, trade fixtures, structures, and installations or additions to the Premises, now existing or constructed on the Premises by STATE shall at the expiration or earlier termination of this Lease be deemed to be part of the Premises
and shall become, at CITY'S option, CITY'S property free of all liens and claims, except personal property loaned to STATE for public display, and any other items specifically exempted from this Lease.

b. If CITY elects not to assume ownership of all or any improvements, trade fixtures, structures, and installations, CITY shall notify State thirty (30) days prior to termination of this Lease or one hundred eighty (180) days prior to expiration of this Lease, and STATE shall remove all the improvements, structures, and installations as directed by CITY at STATE'S sole cost on or before the expiration or earlier termination of this Lease. If STATE fails to remove any improvements structures, and installations as directed, STATE shall pay CITY the full cost of any removal.

c. STATE shall remove STATE-owned machines, appliances, equipment (other than trade fixtures) and other items of personal property by the date of the expiration or earlier termination of this Lease. Any items which STATE fails to remove will be considered abandoned and become CITY'S property free of all claims and liens, or CITY may, at its option, remove the items at STATE'S expense.

d. If any removal of personal property by STATE results in damage to the remaining improvements on the Premises, STATE shall repair all damage at its expense.

e. For any necessary removal by either CITY or STATE which takes place beyond the expiration or earlier termination of this Lease, STATE shall pay charge to CITY at the rental rate in effect immediately prior to the expiration or earlier termination of this Lease until all of STATE'S property has been removed from the Premises.

6.8 **Unavoidable Delay**

If the performance of any act required of CITY or STATE is directly prevented or delayed by reason of strikes, lockouts, labor disputes, unusual governmental delays, acts of God, fire, floods, epidemics, freight embargoes, or other causes beyond the reasonable control of the party required to perform an act, the party shall be excused from performing that act for the period equal to the period of the prevention or delay. If STATE or CITY claims the existence of a delay, the party claiming the delay shall
notify the other party in writing of the fact within ten (10) days after the beginning of any such claimed delay.

6.9 Total or Partial Destruction of Premises

In the event the Premises or any essential part thereof shall be destroyed by fire or other casualty, this Lease shall, in the case of total destruction of the Premises, immediately terminate and, in case of partial destruction or damage, terminate at the option of STATE upon giving CITY notice within fifteen (15) days after such fire or casualty.

SECTION 7 – GENERAL PROVISIONS

7.1 Notices

a. Any notice required or permitted to be given under this Lease shall be in writing and may be served personally or by United States mail, postage prepaid, addressed as follows:

If to City:
City of Inglewood
Attn: City Clerk
One Manchester Blvd.
Inglewood, CA 90301

If to State:
Senate Rules Committee
Attn: Toni Brenner
1020 N Street, Room 255
Sacramento, CA 95814

With a Copy to:
City of Inglewood
Attn: Finance Department
One Manchester Blvd.
Inglewood, CA 90301

b. Notice served pursuant to the terms of this section shall be effective upon personal service or two (2) days after service by mail.

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7.2 **Compliance with Law**

STATE shall at all times in the construction, maintenance, occupancy, and operation of the Premises comply with all applicable laws, statutes, ordinances, and regulations of City, county, state, and federal governments at STATE’S sole cost and expense.

7.3 **Partial Invalidity**

If any term, covenant, condition, or provisions of this Lease is found invalid, void, or unenforceable by a court of competent jurisdiction, the remaining provisions will remain in full force and effect.

7.4 **Number and Gender**

Words of any gender used in this Lease shall include any other gender, and words in the singular number shall include the plural, when the tense requires.

7.5 **Captions**

The Lease Outline, section headings, and captions for various articles and paragraphs shall not be held to define, limit, augment or describe the scope, content, or intent of any or all parts of this Lease. The numbers of the paragraphs and pages of this Lease may not be consecutive. The lack of consecutive numbers is intentional and shall have no effect on the enforceability of this Lease.

7.6 **Entire Understanding**

This Lease contains the entire understanding of the Parties. STATE, by signing this Lease, agrees that there is no other written or oral understanding between the Parties with respect to the Premises. Each part has relied on its own examination of the Premises, advice from its own attorneys, and the warranties, representations, and covenants of the Lease itself. Each of the Parties to this Lease agrees that no other party, agent, or attorney of any other party has made any promise, representation, or warranty whatsoever which is not contained in this Lease. The failure or refusal of any party to read the Lease or other documents, inspect the Premises, and obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention or claim that
might have been based on these actions. No modification, amendment, or alteration of this Lease will be valid unless it is in writing and signed by all Parties.

7.7 Signatory Authority

Each individual executing this Lease on behalf of STATE represents and warrants that he/she is duly authorized to execute and deliver this Lease on behalf of the STATE.

7.8 Standards of Employees

STATE and its employees shall at all times conduct themselves and the operations on the Premises in a creditable manner.

7.9 Survival

Any obligation which accrues under this Lease prior to its expiration or termination shall survive the expiration or earlier termination of this Lease.

IN WITNESS WHEREOF, the CITY and STATE, have executed this Lease as of the date first above written.

LESSOR:

CITY OF INGLEWOOD

James T. Butts, Jr., Mayor

ATTEST

Aisha L. Thompson, City Clerk

LESSEE:

STATE

Erika Contreras, Secretary of the Senate California State Senate Rules Committee

APPROVED AS TO FORM

Kenneth R. Campos, City Attorney