

# Administrative Report

**Meeting Date:** 4/1/2025

# To: MAYOR AND CITY COUNCIL

From: GREG KAPOVICH, WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR

# <u>TITLE</u>

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2504-020, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, LEASING CERTAIN PROPERTY TO MARINE MAMMAL CARE CENTER LOS ANGELES

APPROVE A LEASE WITH MARINE MAMMAL CARE CENTER LOS ANGELES FOR OFFICE SPACE WITHIN PIER PLAZA AT 111 W. TORRANCE BLVD., SUITE 150, FOR A TWO-YEAR TERM STARTING ON APRIL 1, 2025

## EXECUTIVE SUMMARY

In March 2012, the City of Redondo Beach (City) purchased the Pier Plaza leasehold and began the process of direct leasing to various tenants. Pier Plaza is comprised of several buildings totaling approximately 75,000 square feet of office and retail uses. The space at 111 W. Torrance Blvd., Suite 150 (Premises) is approximately 400 square feet in size.

The proposed lease with Marine Mammal Care Center Los Angeles (MMCC) will allow for a 2-year term for the space and includes an option to terminate with a 12-month prior written notice. Monthly rental revenue to the City's Harbor Uplands Fund will be \$3,487 with an annual 3% increase on the anniversary date.

#### BACKGROUND

The Pier Plaza leasehold is comprised of buildings 103 to 131 West Torrance Boulevard (on the top level of the Pier Parking Structure) and totals approximately 75,000 square feet of space. The property is comprised almost entirely of office uses, with the lone exceptions being a restaurant and child care center. MMCC is a non-profit organization that cares for marine mammals that are stranded along the Southern California coastline due to illness, injury, or malnutrition.

On October 15, 2024, the City entered into an agreement with MMCC for marine mammal rescue and recovery services. MMCC's primary duties include providing marine mammal rescue and rehabilitation services such as conducting patrols of the harbor area and maintaining their veterinary hospital and rehabilitation facilities in San Pedro. The premises will be used as an administrative office space to support those services.

The proposed lease carries a 2-year term with a minimum monthly rent of \$800, or approximately \$2

per square foot, with an annual 3% increase on the anniversary date.

## COORDINATION

The Resolution and lease documents were reviewed and approved as to form by the City Attorney's Office.

#### FISCAL IMPACT

Lease revenue from the property will accrue to the City's Harbor Uplands Fund. The proposed lease will result in monthly rent of \$800, with an annual increase of 3% each year thereafter. Over the 2-year term of the lease, revenue to the Harbor Uplands Fund will be \$9,600.

#### APPROVED BY:

Mike Witzansky, City Manager

#### ATTACHMENTS

- Reso No. CC-2504-020 Leasing Certain Property to Marine Mammal Care Center Los Angeles
- Agmt Lease Between the City of Redondo Beach and Marine Mammal Care Center Los Angeles