



Administrative Report

H.6., File # 20-1657

Meeting Date: 1/19/2021

To: MAYOR AND CITY COUNCIL

From: STEPHEN PROUD, WATERFRONT AND ECONOMIC DEVELOPMENT
DIRECTOR

TITLE

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2101-008, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, LEASING CERTAIN PROPERTY TO CANCER SUPPORT COMMUNITY REDONDO BEACH, A CALIFORNIA 501 (C)(3) NON-PROFIT CORPORATION

APPROVE A LEASE WITH CANCER SUPPORT COMMUNITY REDONDO BEACH FOR THE PREMISES AT 121 W. TORRANCE BOULEVARD, SUITE 201 FOR A MONTHLY AMOUNT OF \$2,467.76 FOR THE TERM JANUARY 19, 2021 - JANUARY 19, 2022

EXECUTIVE SUMMARY

The City purchased the former Pier Plaza leasehold in March 2012. The property includes several buildings totaling approximately 75,000 square feet of office and retail uses. The space at 121 W. Torrance Boulevard, Suite 201 (Premises) includes a total area of approximately 1,132 square feet.

Since 1987, Cancer Support Community Redondo Beach (CSC) has provided psychosocial and emotional support to over 24,000 cancer patients and their families. CSC offers over 250 programs, services classes, and workshops per month, all completely free of charge. CSC is currently on a month-to-month lease for 109 West Torrance Boulevard, Suite 100 and 102A, which totals approximately 4,305 square feet. Due to the financial loss caused by COVID-19 and the majority of their patients being high risk and immune compromised, CSC is requesting to downsize their office space. The proposed one-year lease is for 121 W. Torrance Boulevard, Suite 201, which totals approximately 1,132 square feet.

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 prepared almost entirely for office uses; the long exception being a restaurant use of less than 4,000 square feet. The space at 121 W. Torrance Boulevard, Suite 201 (Premises) include a total area of approximately 1,132 square feet.

Cancer Support Community currently occupies 109 W. Torrance Boulevard, Suite 100 and 102A, which total approximately 4,305 square feet. The current lease commenced on February 19, 2013

and expired on February 18, 2018. CSC has been on a month-to-month term since the lease expiration. The monthly rent is currently \$8,222.50, or \$98,670 annually, at \$1.91 per square foot.

With COVID-19, CSC has seen a 50% loss to their annual operating budget, mainly due to the cancellation of three in-person signature fundraising events and needs to downsize their office space. The proposed relocation is for space 121 W. Torrance Boulevard, Suite 201 for an approximate square footage of 1,132 square feet. The proposed lease is for a one-year term at a monthly rent of \$2,467.76 monthly or \$29,613.12 annually. The rental rate, at \$2.18 per square foot, is consistent with other similar office leases in the complex and broader market. Landlord will make standard building improvements to the space such as paint and carpet at a not-to-exceed amount of \$5,000.

COORDINATION

The Waterfront and Economic Development Department collaborated with the City Attorney's office on this report. The City Attorney's Office has approved the document as to form.

FISCAL IMPACT

Although there will be an annual loss of \$69,056 for Cancer Support Community's tenancy, the downsizing of their office space will allow them to remain at Pier Plaza to continue to provide service to the community. The two existing spaces will be actively marketed by BCUrban.

APPROVED BY:

Joe Hoefgen, City Manager

ATTACHMENTS

Lease - Cancer Community Support 2020

Resolution - Cancer Community Support