

CITY OF LOS ANGELES
 INTER-DEPARTMENTAL CORRESPONDENCE

0220-06071-0000

Date: January 26, 2023
 To: The Municipal Facilities Committee
 From: CAO Staff *Kay Ha*
 Subject: **PRELIMINARY LEASING SURVEY WITHIN ONE-MILE OF CIVIC CENTER**

RECOMMENDATION

That the Municipal Facilities Committee Note and File this report.

SUMMARY

As directed by the Municipal Facilities Committee on December 15, 2022, the General Services Department (GSD) has provided the attached market analysis for leasing properties currently available within a one-mile radius of civic center, as summarized below:

No. of Properties	Range of Monthly Rental Rate	Average Monthly Rental Rate
7	\$2.25 ~ \$3.50	\$2.75

Based on current prevailing market rates, the projected annual leasing cost would range from **\$162,000** to **\$252,000** to accommodate the space requirements projected for the Civil, Human Rights and Equity Department (CHRED), and up to **\$420,000** for lease space comparable to the former CVS space that has been under consideration for development in the LA Mall. The actual leasing cost will be based on the availability of suitable space at the time of lease negotiation, and potential costs for one-time and/or other recurring expenses (e.g. parking).

Range of Annual Cost	Low Range	Average	High Range
CHRED (6,000 sf) ¹	\$162,000	\$198,000	\$252,000
LA Mall Comparison (10,000 sf) ²	\$270,000	\$330,000	\$420,000

1. Square footage reflects space required for the Civil, Human Rights and Equity Department (CHRED) for 30 positions (inclusive of projected staffing increases that would subject to approval through City Budget)
2. Square footage comparable to former CVS space in the LA Mall, provided for comparison purposes if space is required to accommodate other City departments if City-space options are not feasible

GSD MARKET RATE COMPARISON WITHIN ONE-MILE OF CIVIC CENTER

ADDRESS	S.F.	RENTAL RATE	ASKING RENT - MONTHLY	TERM	PARKING	NOTES
316 W 2nd St.	8,410	\$2.50	\$21,025.00	Negotiable	\$145/surface	Direct
201 S. Figueroa	11,437	\$2.75	\$31,451.75	Negotiable	\$216.30/covered	Direct
281 S. Figueroa	13,886	\$3.25	\$45,129.50	Negotiable	\$216.30/covered	Direct
300 S. Grand	10,809	\$2.25	\$24,320.25	5 - 10 years	\$363/mo	Direct
145 S. Spring	10,633	\$3.50	\$37,215.50	Negotiable	1.23/1000	Direct
311 S. Spring	8,951	\$2.25	\$20,139.75	1 - 3 years	\$110/mo.	Direct
717 Temple	14,000	\$2.75	\$38,500.00	Negotiable	\$150/mo.	Direct