


0150-12955-0000

TRANSMITTAL

TO The City Council	DATE 04-04-25	COUNCIL FILE NO. -
FROM Municipal Facilities Committee	COUNCIL DISTRICT 11	

At its meeting held on March 27, 2025, the Municipal Facilities Committee approved the attached Department of General Services (GSD) report, which is hereby transmitted for Council consideration. Adoption of the report recommendations would authorize GSD to negotiate and execute a lease agreement with the Los Angeles Police Federal Credit Union to provide banking services at the Los Angeles Police Department Ahmanson Recruit Training Center at 5651 West Manchester Avenue. The term for the license agreement is five years beginning on August 1, 2025, with one five-year option to extend.

Fiscal Impact: The rent receivables in the amount of \$42,209 will be deposited into GSD's Revenue Source Code 4931, Lease and Rental of City Properties in Fiscal Year 2025-26, which includes two months of rent abatement. Beginning in Fiscal Year 2026-27, annual rent of approximately \$51,605 will be generated from this lease, subject to a three percent escalation.


for Matthew W. Szabo
City Administrative Officer
Chair, Municipal Facilities Committee

MWS:AW:05250134

CAO 649-d

CITY OF LOS ANGELES

CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



KAREN BASS
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

March 27, 2025

Honorable City Council
City of Los Angeles
c/o City Clerk
Room 395, City Hall
Los Angeles, CA 90012

Attention: Adam Lid, Legislative Assistant

**REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A NEW LEASE
AGREEMENT WITH THE LOS ANGELES POLICE FEDERAL CREDIT UNION AT
THE LAPD AHMANSON RECRUIT TRAINING CENTER
5651 W. MANCHESTER AVENUE, LOS ANGELES, CA 90045**

The Department of General Services (GSD) requests authority to negotiate and execute a new lease agreement for the City-owned property known as the Los Angeles Police Department Ahmanson Recruit Training Center located at 5651 W. Manchester Avenue, Los Angeles CA 90045 for approximately 1,781 square feet of office space in Council District 11 (CD11) for a credit union.

BACKGROUND

The Los Angeles Police Department Ahmanson Recruit Training Center (ARTC), located at 5651 W. Manchester Avenue, Los Angeles, has been home to a Los Angeles Police Federal Credit Union (LAPFCU) branch since 1994. This branch, situated on the ground floor of the facility, provides full financial banking services exclusively for LAPD employees, supporting their financial needs conveniently located within the training center.

In 2024, LAPD Federal Credit Union upgraded its branch office at 5651 W. Manchester Avenue to reaffirm its commitment to the location and better serve their clients. The tenant improvements included common area restroom upgrades to meet ADA standards, common area corridor enhancements with new paint, carpet, and tile for a total improvement cost of \$158,000 paid by LAPFCU.

The current lease agreement (C-127544) expires on July 31, 2025.

GSD Real Estate Division reached out to CD11 regarding the proposed lease renewal with LAPFCU and are in agreement with the lease extension which will allow LAPFCU to continue serving their members at the LAPD Ahmanson Recruit Training Center location.



TERMS AND CONDITIONS

The proposed lease is for an initial five (5) years, with one (1), five (5) year renewal option effective August 1, 2025. The initial base rent is \$2.35 per square foot, or \$4,183 per month (modified gross), with a 3% annual increase. LAPFCU's current base rent of \$2.55 per square foot exceeds market rates. The proposed new lease will align the rent with the market. Additionally, the tenant has recently invested \$158,000 in tenant improvements to upgrade the office space.

A complete set of terms and conditions are outlined on the attached term sheet.

MARKET ANALYSIS

A recent market analysis shows monthly rental rates for similar properties within a one-mile radius from the City-owned property range from \$2.10 to \$2.66 per square foot. The proposed base rate of \$2.35 per square foot is within this range and reflects current market conditions.

The table below presents comparable rates currently available in the marketplace.

<i>Rental Market Analysis</i>		
<i>Comparable Property</i>	<i>Square Feet</i>	<i>Monthly Rent (PSF)</i>
5450 W 83rd St	7,000-24,825	\$2.66/PSF
8616 La Tijera Blvd	1,120-5,745	\$2.50/PSF
6060 W Manchester Ave	1,003-2,017	\$2.40/PSF
1031 W Manchester Blvd	1,490	\$2.10/PSF
<i>Average</i>		<i>\$2.42/PSF</i>

**Note: Proposed base rent of \$2.35 PSF is approximately 2.94% lower than the average rent, but still within the acceptable range for comparable space in the immediate vicinity.*

MAINTENANCE/UTILITIES/LANDSCAPING

As the leased premises are located within the City owned Ahmanson Recruit Training Center, the City shall be responsible for the exterior and interior maintenance of the Building which includes but is not limited to common areas, HVAC, utilities as well as other related building maintenance. However, if repairs are required due to the negligence or actions of LAPFCU, its agents, employees, or invitees, LAPFCU shall reimburse the City for the actual cost as additional rent.

LAPFCU Responsibilities:

- Maintain and service its own security systems, phones, and internet for their office suite.
- Provide janitorial services and security for its Premises.
- Remove trash to a City-designated area, while the City will handle building-wide refuse removal.
- LAPFCU shall be solely responsible for the maintenance, repairs, and upkeep of all areas within their suite, including but not limited to fixtures, equipment, and interior finishes, ensuring the Premises remain in good condition throughout the lease term and any option if exercised.
- If LAPFCU has a separate HVAC or Air Conditioning system, they will be solely responsible for its maintenance, repairs, and upkeep, including routine servicing, filter replacements, and any necessary repairs or replacements to ensure proper functionality. They must also ensure compliance with all applicable regulations and maintain the system in good working condition throughout the lease term.

Parking:

- Five (5) designated parking spaces adjacent to the south end of the building are available at no additional charge, included in the base rent.

There is no landscaping within the leased area.

TENANT IMPROVEMENTS

No further improvements are planned at this time.

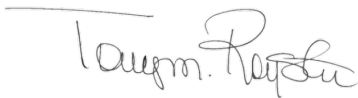
FISCAL IMPACT

The impact on the General Fund is estimated at \$50,196 in annual revenue, or \$266,497.38 over the initial five-year lease term.

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor:

1. FIND, Pursuant to Los Angeles City Charter Section 371(e)(10) and Administrative Code Section 10.15(a)(10), that the use of competitive bidding would be undesirable and impractical for this contract. The Los Angeles Police Federal Credit Union (LAPFCU) has a long-standing history of providing comprehensive financial banking services exclusively for LAPD employees, ensuring secure, accessible, and specialized financial support tailored to their unique needs. Given its strategic location within the LAPD Ahmanson Recruit Training Center, LAPFCU offers unparalleled convenience, familiarity, and trust, making it the most suitable provider for these essential services without disruption or inefficiency.
2. AUTHORIZE the Department of General Services to negotiate and execute a new lease with the Los Angeles Police Federal Credit Union located at 5651 W. Manchester Ave, Los Angeles, CA 90045 under the terms and conditions substantially outlined in this report.



Tony M. Royster
General Manager

Attachment: Term Sheet
Premises Map
Photos of Tenant Improvements

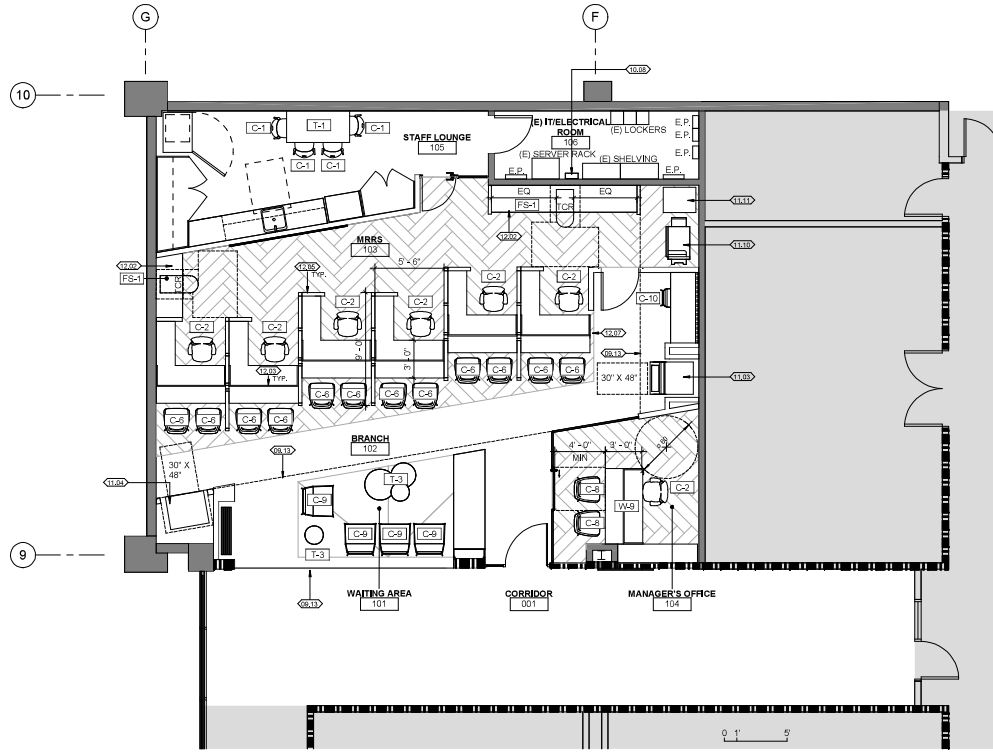
LEASING TERM SHEET

MFC DATE	March 27, 2025
LANDLORD	City of Los Angeles
ADDRESS	111 E. 1st Street, Los Angeles, CA 90012
TENANT	Los Angeles Police Federal Credit Union
ADDRESS	16150 Sherman Way, Van Nuys, CA 91406
LOCATION	5651 W. Manchester Avenue, Los Angeles, CA 90045
AGREEMENT TYPE	Lease Agreement
USE	Credit Union
SQUARE FEET	1,781 Square Feet
TERM	Five (5) Years
RENT START DATE	August 1, 2025
LEASE START DATE	Upon City Clerk's Attestation
OPTION TERM	One (1) Five (5) Year Option at 3% of the current base rent. Annual 3% escalations apply.
HOLDOVER	150%
SUBLET/ ASSIGNMENT	City's written consent and approval required
TERMINATION	None
RENTAL RATE	\$2.35 per square foot
ESCALATION	Annual 3% escalation
RENTAL ABATEMENT	2 months abated rent – months 2 & 3
ADDITIONAL RENT	None

PROPERTY TAX	Tenant may be subject to Possessory Interest Tax
OPEX	NA
CAM	NA
OTHER	NA
SECURITY DEPOSIT	No Security Deposit
MAINTENANCE/ REPAIR	Tenant is responsible for janitorial, utilities, security, and removal of their premises trash to a City designated area. City shall arrange for the removal of rubbish and similar debris from the Building on a regular basis.
MAINTENANCE/ REPAIR DETAILS	City shall repair and maintain the Building, including the basic plumbing, air conditioning, heating and electrical systems, elevators and other facilities, installed or furnished by City, unless the need for such maintenance and repairs is caused by the act, neglect, fault or omission of any duty by Tenant, its agents, servants, employees, or invitees, in which case Tenant shall pay to City as additional rent the actual cost of such maintenance and repairs. If LAPFCU has a separate HVAC unit they will be solely responsible for maintenance, repairs and utilities.
TENANT IMPROVEMENTS	Prior written approval of the City which shall not be unreasonably withheld or delayed.
PARKING	Tenant shall be entitled, at no additional charge (included in base rent), to use five (5) parking spaces (designated for non-exclusive use by Tenant's customers or visitors with signs provided at Tenant's expense) in the parking lot of the Building or in such other locations as City may, from time to time, reasonably designate.
UTILITIES	Tenants shall be responsible for all costs associated with electricity, water and gas for the Premises.
CUSTODIAL	Tenant
SECURITY	Tenant
PROP 13 PROTECTION	None
INSURANCE (City)	As required by CAO Risk Division - to be further defined in Lease Agreement
OTHER:	
PRINT:	John Roemer, President/Chief Executive Officer LAPCU

SIGNATURE:

Signed by:
John Roemer
2/4/2025



FURNITURE PLAN

- CONTACT: ERIN DUFF
THE SHERIDAN GROUP
ACCOUNT MANAGER
877-474-2012
- PHONE:
- EMPLOYEE WORKSTATIONS NEED TO COMPLY WITH 11B-303.9, 207.1, 215.3, 302, 303, 308.1.1, 308.1.2 AND 404.2.3, 206.2.6. SEE SHEET A-0.2A FOR CODE SECTION NOTES. REFER TO DIMENSIONS AND CLEARANCES PROVIDED ON THIS SHEET.
 - PER SHEET A-0.1 FIRE ALARM TO BE DESIGN-BUILD. CBC 2019: 11B-215.3 EMPLOYEE WORK AREAS WHERE EMPLOYEE WORK AREAS HAVE AUDIBLE ALARM COVERAGE, THE WIRING SYSTEM SHALL BE DESIGNED SO THAT VISIBLE ALARMS COMPLYING WITH CHAPTER 9, SECTION 907.5.2.3.1, 907.5.2.3.1 PUBLIC USE AREAS AND COMMON USE AREAS VISIBLE ALARM NOTIFICATION APPLIANCES SHALL BE PROVIDED IN PUBLIC USE AREAS AND COMMON USE AREA, INCLUDING BUT NOT LIMITED TO CORRIDORS, LOBBIES, MEETING ROOMS, MULTIPURPOSE ROOMS OCCUPIED ROOMS WHERE AMBIENT NOISE IMPAIRS HEARING OF THE FIRE ALARM, SANITARY FACILITIES INCLUDING RESTROOMS, BATHROOMS AND SHOWER ROOMS.
 - 11B-308.2.3 EMPLOYEE WORK AREAS COMMON USE CIRCULATION PATHS WITHIN EMPLOYEE WORK AREAS SHALL COMPLY WITH SECTION 11B-402, ACCESSIBLE ROUTES
 - 11B-402.2 COMPONENTS ACCESSIBLE ROUTES SHALL CONSIST OF ONE OR MORE OF THE FOLLOWING COMPONENTS: WALKING SURFACES WITH A RUNNING SLOPE NOT STEEPER THAN 1:20, DOORWAYS, RAMPS, CURB RAMPS EXCLUDING THE FLARED SIDES, ELEVATORS, AND PLATFORM LIFTS. SEE DIMENSIONS AND CLEARANCES NOTED ON THIS SHEET. REFER TO SHEETS A-2.0 AND A-2.1 FOR CONTINUATION OF ACCESSIBLE ROUTE.
 - ALL WORKSTATIONS TO BE 34" HIGH MAXIMUM AND TO MEET ACCESSIBLE DEPTH AND KNEE CLEARANCE PER 11B-306.2

RCP NOTES

KEYNOTES

09.13	SOFFIT ABOVE
10.08	SURFACE MOUNTED FIRE EXTINGUISHER CABINET.
11.03	NCR SELF SERV EQ ATM, 31"X46"X54" OWNER FURNISHED AND INSTALLED. GC TO COORDINATE INSTALLATION WITH CLIENT. 1A-12.5
11.04	CONSTANT ANTHONY KIOSK, 37"X31.5"X59" OWNER FURNISHED AND PROVIDED INSTALLED. GC TO COORDINATE INSTALLATION WITH CLIENT. SEE DETAIL 3A-12.5
11.10	COPIER, PROVIDED BY CLIENT.
11.11	SHREDDER B/N, PROVIDED BY CLIENT.
12.02	HERMAN MILLER ETHOS WORKSTATION SYSTEM. INSTALLED BY FURNITURE DEALER. GC TO COORDINATE LOCATION WITH FURNITURE DEALER SHOP DRAWINGS. COORDINATE REQ PARIGATA W FURNITURE DRAWINGS AND SEE ELEC DRAWINGS.
12.03	PLASTIC COUNTERTOP SAFETY SCREEN BY OWNER
12.05	HERMAN MILLER ETHOS WORKSTATION SYSTEM. INSTALLED BY FURNITURE DEALER. GC TO COORDINATE LOCATION WITH FURNITURE DEALER SHOP DRAWINGS. COORDINATE REQ PARIGATA W FURNITURE DRAWINGS AND SEE ELEC DRAWINGS.
12.07	HERMAN MILLER ETHOS END PANEL

LEGEND

- C-1 BREAKROOM CHAIR
MFG.
MODEL
FABRIC
FINISH:
- C-2 OFFICE TASK CHAIR
MFG: HERMAN MILLER
MODEL
FABRIC
FINISH:
- C-3 OFFICE MSR LINE SIDE CHAIR
MFG.
MODEL
FABRIC
FINISH:
- C-4 LOUNGE CHAIR
MFG: ERG
MODEL: BRYANT
FABRIC
FINISH:
- C-5 GUEST CHAIR
MFG.
MODEL
FABRIC
FINISH:
- C-6 LOUNGE
MFG: MARTIN BRATTRUD
ODEL: FOLD
FABRIC
FINISH:
- C-7 LOUNGE STOOL
MFG: MARTIN BRATTRUD
ODEL: FOLD
FABRIC
FINISH:
- T-1 BREAKROOM TABLE
MFG.
MODEL: 30"X90"
FABRIC
FINISH:
- T-2 SIDE TABLES
MFG.
MODEL
FABRIC
FINISH:
- W-1 OFFICE WORKSTATIONS
MFG.
MODEL
FABRIC
FINISH:
- L-1 LATEAL FILE CABINET WITH LAMINATE TOP
MFG.
MODEL
FABRIC
FINISH:
- FS-1 FURNITURE SYSTEM - COUNTER
MFG: HERMAN MILLER
MODEL: ETHOS SPACE
FABRIC
FINISH:
- AREA NOT IN CONTRACT, N.I.C.

LOS ANGELES
POLICE FEDERAL
CREDIT UNION
BREWER BRANCH
REMODEL

ADDRESS:
5651 W Manchester Ave,
Los Angeles, CA 90045

PROJECT NO.
22-372

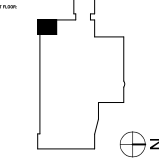
ARCHITECTS SEAL:



CONSULTANT:

CONSULTANT SEAL:

KEY PLAN:



RCM ARCHITECTURE + INTERIORS
400 West Olympic Blvd.
Suite 507 Los Angeles, CA 90015
Office: 213.602.7097
Fax: 213.602.9071
Email: info@rcma.com

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PROJECT NO. 22-372
DATE 2023-10-23
SCALE 1/4" = 1'-0"
DRAWN BY: RACMA
PROJECT NAME: LOS ANGELES POLICE FEDERAL CREDIT UNION BREWER BRANCH REMODEL
5651 W Manchester Ave, Los Angeles, CA 90045

FURNITURE PLAN

A-8.0

REVISIONS

