

0150-13140-0000

TRANSMITTAL

TO The City Council	DATE 02-03-26	COUNCIL FILE NO. -
FROM Municipal Facilities Committee	COUNCIL DISTRICT 14	

At its meeting held on January 29, 2026, the Municipal Facilities Committee approved the attached Department of General Services (GSD) report, which is hereby transmitted for Council consideration. Adoption of the report recommendation would authorize GSD to execute a parking lease agreement with the California Department of Transportation for the Los Angeles Police Department's Motor Transport Division at 550 Ramirez Street. The term of the lease agreement is 10 years, effective December 1, 2025, with one 10-year option to extend.

Fiscal Impact: There is no anticipated General Fund impact. Based on the projections provided by GSD, there is sufficient savings within the Citywide Leasing Account to fund the leasing costs.


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

MWS:AW:05260090

CAO 649-d

CITY OF LOS ANGELES

CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



KAREN BASS
MAYOR

DEPARTMENT OF
GENERAL SERVICES
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FAX No. (213) 928-9515

January 29, 2026

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

Attention: Adam Lid, Legislative Assistant

**REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A LEASE AGREEMENT
WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION
AT 550 RAMIREZ FOR PARKING FOR THE LAPD MOTOR TRANSPORT DIVISION**

The Department of General Services (GSD) requests authority to negotiate and execute a lease agreement with the California Department of Transportation (Caltrans) for vehicle storage at 550 Ramirez St., CA 90026 for the Los Angeles Police Department (LAPD) Motor Transport Division (MTD). The current agreement has been on holdover since 2012 and therefore a new agreement is required.

BACKGROUND

The City has been leasing this property from Caltrans for LAPD since June 1999 under Contract number C-98264. MTD utilizes this lot for vehicle storage, and due to its close proximity to Piper Technical Center (PTC) across the street, makes it an ideal lot to store Police vehicles which are equipped or repaired at PTC. The lot is located beneath the freeway overpass between the Northbound 101 Freeway and Vignes St. Lease negotiations were delayed as Caltrans evaluated leasing terms and conditions following various recent incidents at similar properties. However, after conferring with LAPD and Caltrans, all issues have since been resolved.

The lot can accommodate up to 200 vehicles including black and white patrol vehicles, plain transportation vehicles, undercover and miscellaneous specialized vehicles. The number and type constantly change depending on the need.

The current fence was installed by the City and is the City's responsibility to maintain. It has been a security issue with constant break ins. LAPD will be exploring options and funding as a separate action for a more secured perimeter fence. LAPD will continue to require use of this site for storage and overflow from PTC.



TERMS AND CONDITIONS

The proposed lease agreement for the 77,625 square foot (sf) lot is for 10 years with a starting date of December 1, 2025 and ending November 31, 2035. The rent shall be \$8,200 per month or \$0.10 per sf with a 3% annual increase.

A complete set of terms and conditions are outlined on the attached term sheet (Attachment A). A map of the leased premises is also attached (Attachment B).

MARKET ANALYSIS

GSD searched for additional or replacement parking to satisfy LAPD's needs. Due to the lack of availability for viable parking in the area and the unique nature of this property's close proximity to its core operations, this site continues to be the best option for LAPD and its operations. Furthermore, GSD reviewed options in the market and determined that \$8,200 per month, or approximately \$0.10 per sf, is within the market rate for this type of use in the area.

MARKET ANALYSIS - RENTAL COMPARABLES				
Location	Property Type	Rent Rate PSF	Rentable SF	Lease Type
Aliso Street	Ground	\$0.18	54,448 SF	Gross
1600 Block S. Hooper	Ground	\$0.18	60,732 SF	Gross
1300 W. Pico	Ground	\$0.17	45,1.04	Gross
Average Rental Rate		\$0.17		

Note: Following the initial base year, the proposed rental rate aligns closely with market conditions and falls within 5% of the prevailing average market rate.

MAINTENANCE/UTILITIES/LANDSCAPING

There are no changes regarding maintenance from the original lease wherein the City is responsible for maintaining the lot including fencing and utilities, if any, for lighting.

Landscaping, if any, shall remain to be the LAPD's responsibility.

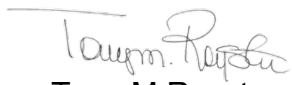
FISCAL IMPACT

Funding for the lease is included in the 2025-26 General Funded Leasing Account Budget in the amount of \$53,201.52. Current monthly rent is \$4,433.46, which is projected to cover five months of the fiscal year while the proposed rent of \$8,200 per month applies to the remaining seven months as the new term and rate is effective December 1, 2025. Total fiscal year expenses are projected at \$79,565, which is \$26,363 more than the budgeted amount resulting in a negative impact to the General Fund. GSD will include this amount in the next quarterly status report of the Leasing Account as there may be other savings which can offset this deficit.

<i>FY 2025-26 Proposed Lease at 550 Ramirez St.</i>				
	Monthly Costs	2025-26 Estimated Expense	2025-26 Budget	2025-26 Estimated Surplus/ (Deficit)
Current Rent (5 mo.)	\$4,433	\$22,165		
Proposed Rent (7 mo.)	\$8,200	\$57,400		
TOTAL		\$79,565	\$53,202	-\$26,363

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor, authorize the Department of General Services to negotiate and execute a lease agreement with the California Department of Transportation for the use of property for LAPD vehicle storage at 550 Ramirez Blvd. Los Angeles, CA 90012 under the terms and conditions as substantially outlined in this report.



Tony M Royster
General Manager

Attachments: Attachment A - Term Sheet
Attachment B - Site Map

LEASING TERM SHEET**ATTACHMENT A**

MFC DATE	January 29, 2026
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LANDLORD	California Department of Transportation
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ADDRESS	100 South Main Street, MS-6, Los Angeles, CA 90012
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TENANT	City of Los Angeles - GSD
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ADDRESS	111 1 st Street, Los Angeles, CA 90012
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LOCATION ADDRESS	550 Ramirez Street, Los Angeles, CA 90012
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USE	Parking
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SQUARE FEET	77,625 SF
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EARLY POSSESSION	N/A
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TERM	10 years
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LEASE COMMENCEMENT DATE	December 1, 2025
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LEASE EXPIRATION DATE	November 31, 2035
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RENT START DATE	December 1, 2025
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RENT	\$8,200.00/month
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AGREEMENT TYPE	Lease
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RENT INCREASES	3%
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HOLDOVER	MTM
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SUBLET/ ASSIGNMENT	N/A
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RENEWAL OPTION

NOTICE PERIOD	6 - 9 months
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TERM	1, 10-year option
DATES	10 years
OPTION RENT / ESCALATION	3%
OPTION RENT - RENT SCHEDULE	See above
RENT ABATEMENT	None
OPEX - CAM	N/A
LATE FEE	N/A
PROPERTY TAX	None
PROPERTY INS.	The city is self-insured.
ADDITIONAL RENT	N/A
PARKING - NUMBER OF PASSES	None
MONTHLY PARKING COST	\$8,200.00/mo.
SECURITY DEPOSIT	None
MAINTENANCE/ REPAIR: LANDLORD	None
MAINTENANCE/ REPAIR: TENANT	City responsible for the site.
TENANT IMPROVEMENTS: ALLOWANCE/SCOPE	None – Premises accepted “as is”.
UTILITIES	Tenant responsible for all utilities
CUSTODIAL / LANDSCAPING	Tenant responsible for custodial services and landscaping
SECURITY	Tenant provides 24/7 on-site security
PROP 13	N/A

INSURANCE
(CITY)

City is self insured

INSURANCE
(OTHER PARTY)

- Coverage must include premises, contractual, personal injury, products, fire-legal liability, etc
- The City and its boards/commissions must be named as additional insureds
- Proof of insurance must be provided before possession and upon City's request

OTHER:

PRINT:

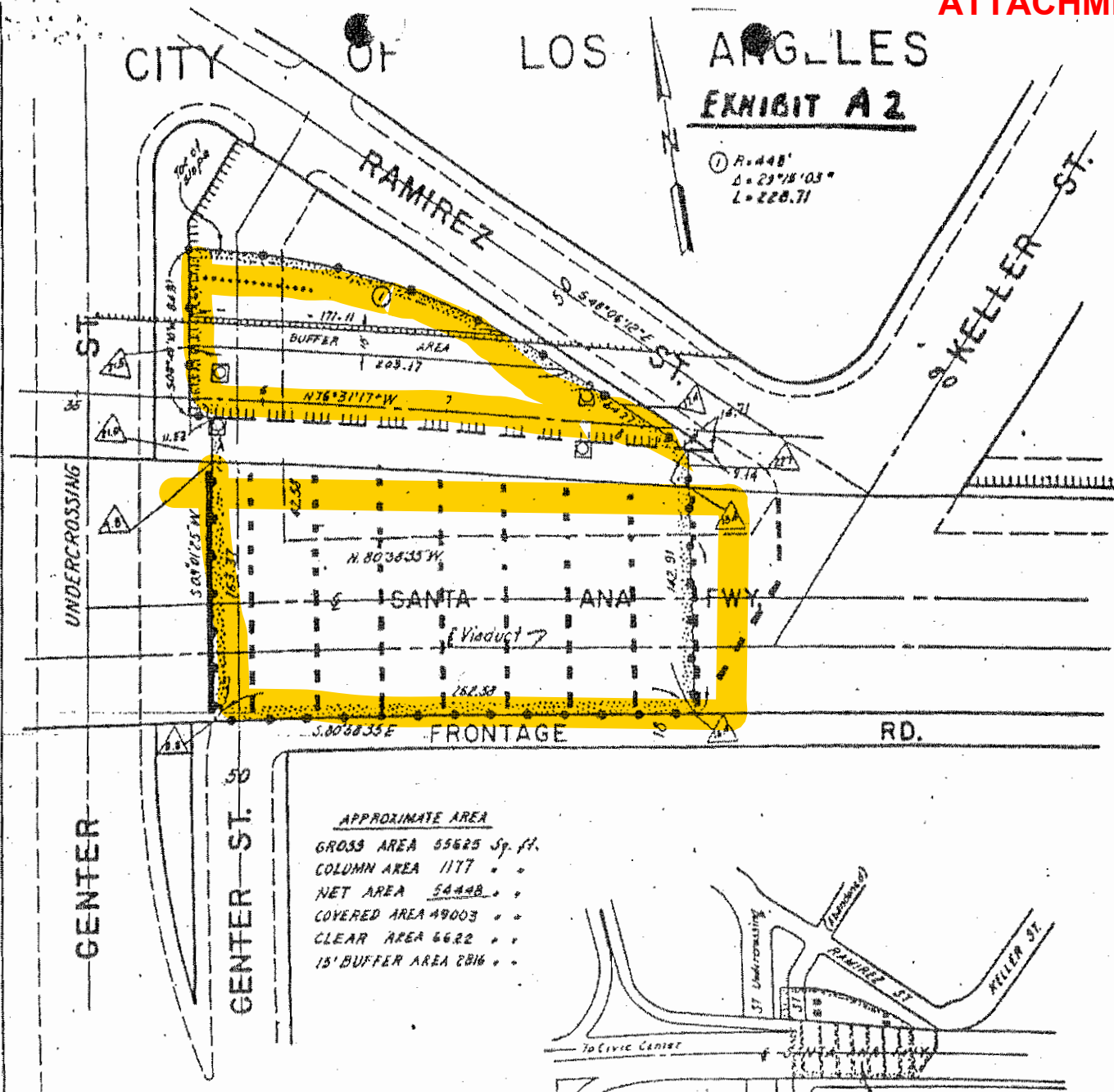
Rachel Kim

SIGNATURE:

CITY OF LOS ANGELES

EXHIBIT A2

① $R=448'$
 $\Delta=29^{\circ}18'03''$
 $L=226.71$



STATE OF CALIFORNIA BUSINESS AND TRANSPORTATION AGENCY DEPARTMENT OF TRANSPORTATION

INVENTORY

FREEWAY LEASE AREA 7-FLA-101-2

DRAWN: GEX CHK'D.
 DATE: (9-24-73) 7-20-89

50 0 50

Ref. Map F2014, APPR. FLA-25749-C

25288-C