Council Meeting of
October 16, 2007

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the City Council:

SUBJECT: City Manager - Consent to Assignment of Lease from the City of Torrance to the City of Long Beach regarding the Worldport Lease formerly occupied by the Torrance/Lomita/Carson Workforce Investment Network.

RECOMMENDATION

The City Manager recommends that the City Council authorize the Mayor to Execute and the City Clerk to Attest an Assignment of Lease and Consent to Assignment for an Agreement by and between the City of Torrance, a municipal corporation, for CLT Worksource Investment Network (WIN) (formerly known as "The City of Torrance, a municipal corporation, for CLT Private Industry Council") (collectively, "Assignor"), and the City of Long Beach, a municipal corporation, for Worksource Development Bureau (collectively, "Assignee"), and Worldport, LLC, a Delaware limited liability company ("Landlord") for property located at 1891 North Gaffey Street, San Pedro, California.

Funding

Funding is not required.

BACKGROUND AND ANALYSIS

In December of 2006, the subject landlord was placed on notice that the Lease was the subject of early termination due to a reduction in funding. The current Lease was set to terminate on June 30, 2007.

In June of 2007 a Fifth Addendum to Lease was executed that reduced the size of the Leasehold area and set the Lease on a month-to-month basis.

The City of Long Beach has successfully retained the grant funding required to continue operating the subject facility. Long Beach will take over the Leasehold upon execution of this Assignment and Assumption Agreement. The City of Torrance will be required to pay any existing balances due through September 30, 2007. The Common Area Maintenance (CAM) charges will be reconciled after the Lease is transferred; the

Landlord will send an accounting of any outstanding balance to close out any residual balance owed.

Respectfully submitted,

LeRoy J. Jackson
City Manager

By _____
Brian K. Sunshine
Assistant to the City Manager

CONCUR:

_____
LeRoy J. Jackson
City Manager

Attachment: Assignment and Assumption Agreement

ASSIGNMENT OF LEASE
AND CONSENT TO ASSIGNMENT

THIS ASSIGNMENT OF LEASE AND CONSENT TO ASSIGNMENT (the "Assignment and Consent") is executed as of this 16th day of October, 2007 and effective October 1, 2007, by and between **THE CITY OF TORRANCE,** a municipal corporation, for CLT Worksource Investment Network (WIN)(formerly known as "The City of Torrance, a municipal corporation, for CLT Private Industry Council")("collectively,"Assignor"), and **THE CITY OF LONG BEACH,** a municipal corporation, for Workforce Development Bureau (collectively, "Assignee"), and **WORLDPORT LLC, a** Delaware limited liability company ("Landlord"), with reference to the following facts:

RECITALS:

A. Landlord is the Landlord and Assignor is the Tenant under that certain Lease dated June 26, 1998 between California Drive-In Theatres, Inc., as Landlord, and Tenant, and as amended by the First Addendum to Lease, dated as of July 30, 1999, between California Drive-In Theatres, Inc., as Landlord, and Tenant, and as amended by the Second Addendum to Lease, dated as of August 1, 2001 between Worldport LLC, as Landlord, and Tenant, and as amended by the Third Addendum to Lease, dated as of December 10th, 2002 between Worldport LLC, as Landlord, and Tenant, and as amended by the Fourth Addendum to Lease, dated as of September 28th, 2004, between Worldport LLC, as Landlord, and Tenant, and as amended by the Fifth Addendum to Lease, dated as of June 13, 2007 (collectively, the "Lease"), covering those certain Premises located in The Worldport Business Center, 1851 North Gaffey Street, Suites D, E, F, G and H, San Pedro, California, as more particularly described in the Lease (the "Premises").

B. Assignor desires to assign its interest in the Lease to Assignee and Assignee desires to accept the assignment.

C. Assignor and Assignee further desire that Landlord consent to the Assignment and Landlord is agreeable to the assignment subject to the terms and conditions herinafter set forth.

AGREEMENT:

NOW, THEREFORE, in consideration of the terms and conditions hereinafter set forth, the parties do hereby convenant and agree as follows:

1. Effective as of October 1, 2007 (the "Effective Date"), Assignor assigns, transfers and conveys to Assignee, all of Assignor's right, title and interest in and to the Lease (the "Assignment").

2. Assignee shall, and by acceptance of this Assignment hereby covenants and agrees to accept the Assignment and in addition expressly assumes, from and after the Effective Date, to keep, perform and fulfill each and every term, convenant, condition and obligation required to be kept, performed and fulfilled by Assignee as Tenant under the Lease, including the making of all payments due and payable on behalf of Tenant under the Lease when due and payable.

3. Landlord hereby consents to the Assignment to Assignee, provided, however, that:

a) Neither the Assignment nor this Assignment and Consent shall release or discharge Assignor from its obligations under the Lease until 11:59 PM September 30, 2007.

b) This Assignment and Consent shall apply only to the Assignment and shall not apply to any future assignments, subleases, or hypothecation with respect to the Lease or any interest therein; and

c) This Assignment and Consent shall not constitute a waiver by Landlord of any right, remedy, provision, term or condition contained in the Lease or given to Landlord by law or in equity.

4. The parties hereby acknowledge that Landlord shall retain, as the "Security Deposit," under the Lease, the Security Deposit which was posted by Assignor under the terms of the Lease and presently held by Landlord to pay for any outstanding charges including unpaid CAM, Industrial Rent and cost of repairs to vacated suites incurred through 11:59 PM September 30, 2007. All costs will be provided through statement to the City of Torrance and any remaining Security Deposit will be refunded, Any overage based on the aforementioned charges will be billed to the City of Torrance.

5. Notwithstanding anything contained in the Lease, Assignee's sole address for notices pursuant to Paragraph 18 of the Basic Lease Provisions shall be 1851 North Gaffey Street, Suite F, San Pedro, California 90731.

6. This Assignment and Consent shall be binding upon and to the benefit of parties hereto, their heirs, executors, successor-in-interest and assigns.

7. Paragraph 2 of the Lease is hereby supplemented by addition of the following:

a) Section 2.4 Landlord (s) Termination Right:
Notwithstanding anything herein to the contrary, Landlord shall have the Right to terminate this lease and all future rights and obligations of the parties at anytime during the term of this lease, upon not less than (90) days prior written notice to Tenant, if Landlord intends to demolish and or redevelop all or part of the Worldport Business Center.

_____(Tenant's Initials)_____(Landlord's Initials)

8. Except as herein specifically provided, no other amendment or modification of the Lease is intended by this Assignment and all provisions of the Lease shall remain unchanged and in full force and effect in accordance with their terms.

IN WITNESS WHEREOF, the undersigned have caused this Assignment and Consent to be executed as of the date first above written.

"ASSIGNOR":

THE CITY OF TORRANCE, a municipal corporation

By: _____
Name: Frank Scotto
Title: Mayor

APPROVED AS TO FORM:

John L. Fellows, III,
City Attorney,
By: _____
Name:_____
Title: Deputy City Attorney

ATTEST:
Sue Herbers,
City Clerk
By: _____

"LANDLORD":

WORLDPORT, LLC,
a Delaware limited liability company

By: Worldport, Inc., a Delaware corporation, Manager

By: _____
Name:_____
Title: _____

"ASSIGNEE":

THE CITY OF LONG BEACH, a municipal corporation

By: _____
Name: _____
Title: _____
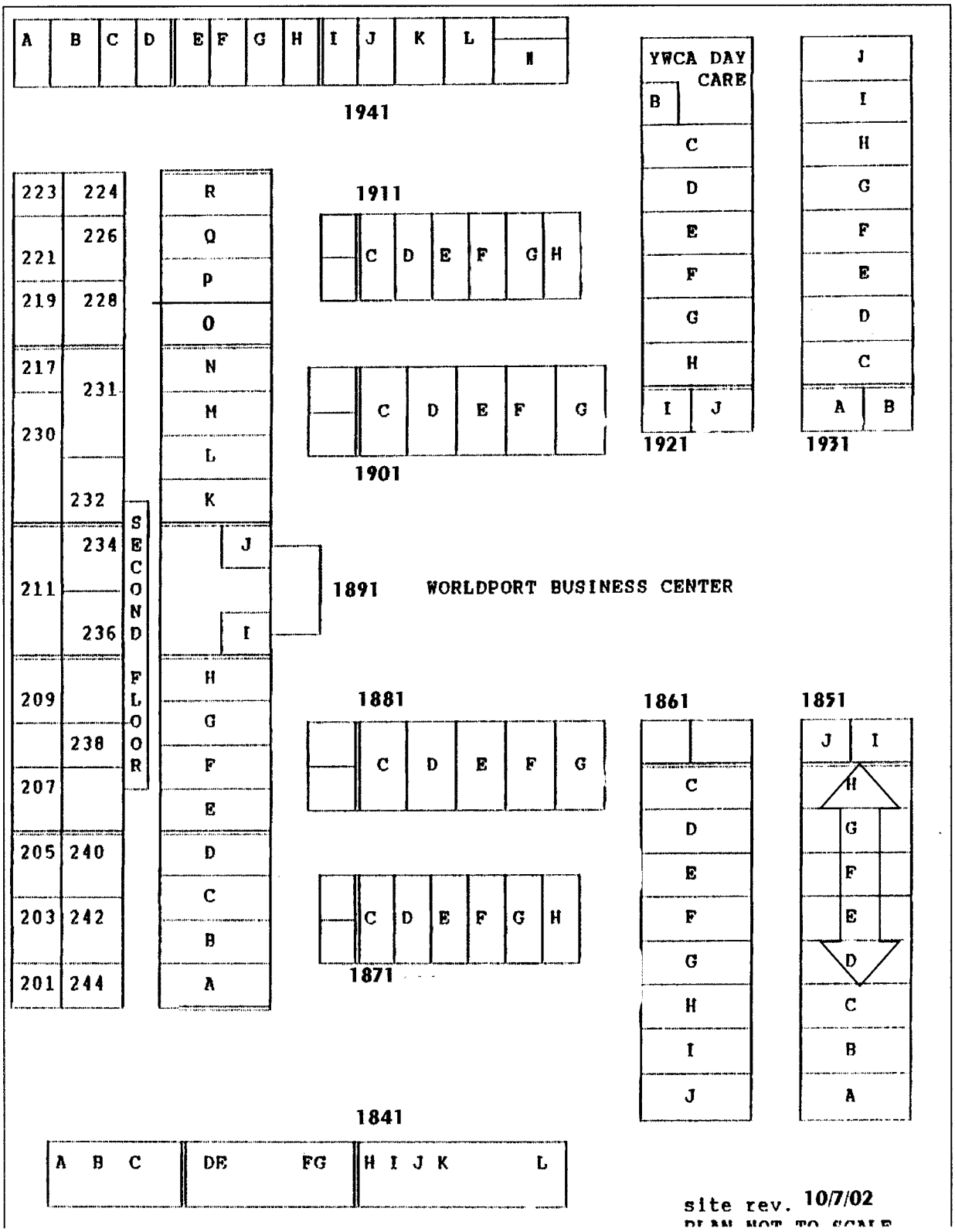
EXHIBIT A
LOCATION OF THE PREMISES