

BOARD MEETING DATE: August 7, 2026

AGENDA NO. 11

PROPOSAL: Approve Continued Leasing of South Bay Field Office Through April 2027

SYNOPSIS: In October 2019, the Board approved a seven-year lease extension and expansion for the South Bay field office, located in Long Beach, used by staff for inspection and monitoring activities relating to refinery and other facilities in the area. Specifically, Board action was for a lease through September 30, 2026. However, due to upgrades and modifications to the space, full occupancy began May 2020. This action is to approve continuing the lease with GFC Long Beach, LLC through April 30, 2027, which completes the seven-year term. Sufficient funds for the continued lease are available in the FY 2026-27 Budget.

COMMITTEE: Administrative, June 12, 2026; Recommended for Approval

RECOMMENDED ACTION:

Approve continuing the lease with GFC Long Beach, LLC, for the South Bay field office, through April 30, 2027, and authorize the Executive Officer to execute any lease documents required to implement the continuation.

Wayne Nastri
Executive Officer

AJO:vl

Background

Since 1995, South Coast AQMD has maintained an office in Long Beach, serving the South Bay area, for the purpose of providing staff strategic access to petroleum refining facilities and industrial and port operations. A lease agreement for the office space was approved in July 2016, with property owners Circle Racquetball Courts, LP. The South Bay field office, located in Long Beach, provided 4,093 square feet of office space and was assigned to twelve staff to work from this location. The workspace provided enforcement and monitoring that was in close proximity to refineries and other facilities in the South Bay for quicker response times and better access to refinery fence line and community monitors.

In October 2019, based on the need to expand South Coast AQMD's presence in the South Bay area to implement Rule 1180 for fenceline and community monitoring, an expansion of the leased space was initiated. The additional space would allow staff to install, operate, maintain and repair air monitoring equipment, as well as to conduct mobile optical remote sensing community surveys, data analysis and reporting. Locating this workspace in the South Bay provided a nearby location where staff could repair equipment to minimize downtime for monitoring equipment and was more efficient than hauling equipment and staff more than 30 miles to Diamond Bar.

The expansion of the leased space took seven months to be completed. It involved refurbishing and reconfiguring the work areas to increase the office space from 4,093 square feet to 11,997 square feet, allowing 45 additional compliance and monitoring staff to work at the South Bay field office. The construction included the creation of two workshops for monitoring equipment and systems, installation of new flooring, and reconfiguration of two small conference rooms into one large conference space. In addition, the allocation of parking spaces increased from 15 to 47, and two additional parking spaces were allocated where South Coast AQMD built an enclosed structure to secure monitoring equipment. Full occupancy of the expanded space began May 2020.

In May 2022, the South Bay field office was sold to GFC Long Beach, LLC. All obligations from the lease with Circle Racquetball Courts, LP were assigned and transferred to GFC Long Beach, LLC. The current lease term expires April 30, 2027.

Proposal

This action is to approve continuing the South Bay field office lease through April 30, 2027, in order to align prior Board approval of a 7-year term with the current agreement. The lease covers the base rent and Common Area Maintenance fees. Common Area Maintenance fees cover costs for general building operating expenses, such as utilities, taxes, insurance, and janitorial and landscape services. The Long Beach location has functioned very well as a center for compliance and monitoring activities relating to petroleum refining facilities and industrial and port operations.

Staff is currently exploring options for a new lease extension for this South Bay field office location. A proposal would be presented to the Board for approval.

Resource Impacts

The cost for the remainder of the South Bay field office lease term is \$236,402, to cover base rent and CAM fees. Funding was approved in the FY 2026-27 Budget, allocated from the Office of Compliance and Enforcement and the Monitoring and Analysis Division department budgets, and includes, but is not limited to, Rule 1180 Refinery-Related Community Air Monitoring System Annual Operating and Maintenance Fees pursuant to Rule 301(aa).