

ICANN BOARD SUBMISSION No. 2012-02-02-01c

TITLE: Southern California Office Space Lease

PROPOSED ACTION: For Board Approval

EXECUTIVE SUMMARY

ICANN currently leases 30,300 square feet of space in Los Angeles. In addition, ICANN leases space in Washington, D.C. Palo Alto, California; and Brussels, Belgium. As part of ICANN's globalization plan, ICANN is exploring setting up hubs in other major regions of world, which would include, at the appropriate time, leasing office space in those regions as well.

ICANN's headquarters in Los Angeles has been designed to be multi-functional. It is both a central office for support operations and serves as a host location for small to mid-size meetings (e.g. Board workshops). Staffing requirements to support New the gTLD Program has caused the space to reach capacity. While it is intended that most future staffing will be in locations outside the U.S., the long term staffing plans would require seating for approximately 35 additional staff in Los Angeles.

There is one parcel of space remaining in the building in Los Angeles. The space is approximately 5,800 square feet and sits above ICANN's existing space. Should ICANN lease this space it can be connected to the existing space with a staircase.

Confidential Information Pending Negotiations

BOARD FINANCE COMMITTEE RECOMMENDATION:

The Board Finance Committee recommends that the Board authorize the Chief

Executive Officer or his designee(s) to negotiate and enter into a lease amendment that will provide ICANN with additional space in the building where ICANN's existing Los Angeles office currently sits.

PROPOSED BOARD RESOLUTION:

Whereas, ICANN's current lease in Los Angeles expires 30 June 2022.

Whereas, ICANN's primary operations and staff are located in the greater Los Angeles area.

Whereas, current and future office space needs for primary operations will be at least 35,000 square feet.

Whereas, the Board Finance Committee has recommended that the Board approve this resolution.

Confidential Information Pending Negotiations

Resolved (2013.02.02.xx), the Board approves the redaction of the details of Resolution (2013.02.02.xx), and corresponding rationale pending completion of negotiations.

PROPOSED BOARD RATIONALE:

Although ICANN is pursuing an aggressive internationalization plan, ICANN has no plans to relocate its headquarters in Los Angeles. The Los Angeles office has been designed to be multi-functional. It is both a central office for support operations and serves as a host location for small to mid-size meetings (e.g., Board workshops). Staffing requirements to support the New the gTLD Program has caused the existing space to reach capacity.

While most future staffing will be in hub offices and other locations outside the U.S., the long term staffing plans would require seating for approximately 35 additional staff

in Los Angeles. There is one parcel of space remaining in the building in Los Angeles. The space is approximately 5,800 square feet and sits directly above ICANN's existing space. Given the convenience of the location and the existing good working relationship with the current landlord, the Board has determined that entering into a lease amendment is appropriate.

While there will be a fiscal impact, it will not take effect during this fiscal year and it will be addressed in the FY14 budgeting process. This decision will have no impact on the security, stability or resiliency of the domain name system.

This is an Organizational Administrative Function not requiring public comment.

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