



# CITY OF LONG BEACH

# R-13

DEPARTMENT OF DEVELOPMENT SERVICES

333 West Ocean Blvd., 4th Floor Long Beach, CA 90802 Phone: 562.570.5237 Fax: 562.570.6205

June 21, 2011

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Approve and authorize the City Manager to execute a First Amendment to the Agreement to Negotiate Exclusively with City Ventures, LLC, for the development of Broadway and Elm Avenue. (District 2)

## DISCUSSION

Redevelopment Agency (Agency) staff has been in negotiations with City Ventures, LLC, (Developer) for the development of the property located in the block bounded by Broadway, Elm Avenue, 3rd Street, and Alamo Court (Exhibit A – Site Map).

An Agreement to Negotiate Exclusively (Agreement) with the Developer was executed on June 22, 2010, and was subsequently assigned to the City Council on March 8, 2011. The Developer proposes to build a mixed-used project with approximately 44 residential units on the Site. To date, the Developer has completed due diligence, completed Conceptual Design Review through the Planning Bureau (Planning), and submitted pro formas to reflect various financing scenarios.

The Developer has met with Agency and Planning staff to review the feedback from the Conceptual Design Review process and has been incorporating staff's comments in refining the plans to ensure that they are in conformance with the goals and objectives of the proposed Downtown Plan.

As all parties wish to continue the negotiations necessary to finalize a Disposition and Development Agreement (DDA), staff recommends the Agreement be amended (First Amendment) as follows: (1) the First Amendment will be between the City of Long Beach, Agency, and Developer; (2) Amend Section 1 of the Agreement to exclude the buildings fronting 3rd Street as reflected in the revised Site Map (Exhibit A to the Agreement); (3) Amend Section 2 of the Agreement to extend the term to December 22, 2011, with the ability to extend for two additional 90-day periods at the discretion of the Agency's Executive Director; (4) Amend Section 3 of the Agreement to reflect the current proposed project with 44 residential units on the revised Site; and (5) amend the Schedule of Performance as needed to reflect modified milestones for the project. During this time, the Developer and staff propose to finalize business points, conclude negotiations, and bring forward a DDA for Agency Board consideration and recommendation to the City Council.

On June 6, 2011, the Agency Board approved a recommendation to authorize the execution of a First Amendment to the Agreement (Exhibit B – Redevelopment Agency Board Staff Report).

This letter was reviewed by Chief Assistant City Attorney Heather Mahood on May 23, 2011, and by Budget Management Officer Victoria Bell on June 3, 2011.

TIMING CONSIDERATIONS

City Council action is requested on June 21, 2011, to expedite implementation of the proposed Agreement.

FISCAL IMPACT

There will be no fiscal impact and no local job impact as a result of the recommendation. Any third-party costs will be paid from the Redevelopment Fund (RD) good faith deposit provided by the Developer pursuant to the original Agreement.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



AMY J. BODEK, AICP  
DIRECTOR OF DEVELOPMENT SERVICES

AJB:RMZ:CSM:BC

Attachments: Exhibit A – Site Map  
Exhibit B – Redevelopment Agency Board Staff Report

APPROVED:

  
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PATRICK H. WEST  
CITY MANAGER



## EXHIBIT A - SITE MAP



### Disclaimer

DISCLAIMER OF DATA ACCURACY: The services provided on this web site are intended for informational purposes only and the GIS data used is compiled from various sources and is subject to constant change. While reasonable effort has been made to ensure the accuracy of the data, the information provided herein may be inaccurate or out of date.



## Exhibit B

# Building A Better Long Beach

June 6, 2011

REDEVELOPMENT AGENCY BOARD MEMBERS  
City of Long Beach  
California

### RECOMMENDATION:

Approve and authorize the Executive Director to execute a First Amendment to the Agreement to Negotiate Exclusively with City Ventures, LLC, for the development of the Broadway and Elm Avenue project. (Downtown – District 2)

### DISCUSSION

Redevelopment Agency (Agency) staff has been in negotiations with City Ventures, LLC, (Developer) for the development of the property located in the block bounded by Broadway, 3rd Street, Elm Avenue, and Alamo Court (Exhibit A – Site Map).

An Agreement to Negotiate Exclusively (Agreement) with the Developer was executed on June 22, 2010, and was subsequently assigned to the City Council on March 8, 2011. The Developer proposes to build a mixed-use project with approximately 44 residential units on the Site. To date, the Developer has completed due diligence, completed Conceptual Design Review through the Planning Bureau, submitted to and received recommendations from the Arts Council for Long Beach, and submitted pro formas to reflect various financing scenarios.

The Developer has met with Agency and Planning staff to review the feedback from the Conceptual Design Review process and has been incorporating staff's comments in refining the plans to ensure that they are in conformance with the goals and objectives of the proposed Downtown Plan.

As both parties wish to continue the negotiations necessary to finalize a Disposition and Development Agreement (DDA), staff recommends the Agreement be amended (First Amendment) as follows: (1) the First Amendment will be between the City of Long Beach, Agency and Developer; (2) that Section 1 of the Agreement be amended to exclude the buildings fronting 3rd Street as reflected in the revised Site Map (Exhibit A to the Agreement); (3) that Section 2 of the Agreement be amended to extend the term to December 22, 2011, with the ability to extend for two additional 90-day periods at the

REDEVELOPMENT AGENCY BOARD MEMBERS

June 6, 2011

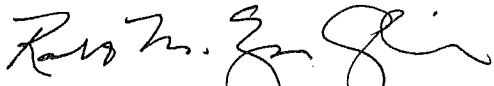
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discretion of the Agency's Executive Director; (4) that Section 3 of the Agreement be amended to reflect the current proposed project with 44 residential units on the revised Site; and (5) that the Schedule of Performance be amended as needed to reflect modified milestones for the project. During this period of time, the Developer and staff propose to finalize business points, conclude negotiations and bring forward a DDA for Agency Board consideration and recommendation to the City Council.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ROBERT M. ZUR-SCHMIEDE, AICP  
ASSISTANT EXECUTIVE DIRECTOR



AMY J. BODEK, AICP  
EXECUTIVE DIRECTOR

AJB:RMZ:CSM:BEC

Attachment: Exhibit A – Site Map