



Building A Better Long Beach

March 7, 2011

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Approve and authorize the Executive Director to execute an Exclusive Negotiating Agreement with LBTEC for the development of the southwest corner of 3rd Street and Elm Avenue. (Downtown – District 2)

DISCUSSION

The East Village Arts District Guide for Development (Guide) identifies strategies to redevelop the East Village into a distinct art center and neighborhood in downtown Long Beach. Two goals prioritized by the community are the adaptive reuse of existing buildings and the creation of employment opportunities for residents. To that end, the Redevelopment Agency (Agency) acquired property at the southwest corner of 3rd Street and Elm Avenue (Project Site) (Exhibit A – Site Map) to further the goals of the Guide. The Project Site is temporarily occupied by Phantom Galleries, the Art Exchange Annex, and John Valadez, muralist for Lyon West Gateway.

In accordance with the Guide, and to facilitate development compatible with the area's needs, staff has pursued discussions with LBTEC to permanently occupy the buildings on the Project Site. LBTEC is a digital technology business incubator founded in 2010. In addition to providing mentoring and business expertise to start-up businesses, their goal is to create jobs and contribute to the economic development of the City of Long Beach. Board members for LBTEC consist of local and regional entrepreneurs offering a diverse range of business expertise from work with companies such as Paypal, CapLinked, Disney, and Critiquelt.

To accommodate their operations, LBTEC proposes building improvements that provide office and collaborative meeting spaces. The spaces will be leased to digital technology start-ups selected by the LBTEC Board of Advisors. Once selected, start-ups will be mentored and evaluated for approximately two years before graduating and operating as independent local businesses.

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The Project Site was originally included in the June 2010 Exclusive Negotiating Agreement (ENA) with City Ventures for their development of the property bound by East Broadway, Elm Avenue, East 3rd Street, and Alamo Court (Exhibit B – 3rd Street and Elm Avenue Existing Buildings). However, as part of their ENA extension, in December 2010 both the Agency and City Ventures agreed to remove the Project Site from the development scope. A letter memorializing the release has been sent to City Ventures.

Although LBTEC is interested in occupying the space as soon as it is available, existing agreements will only allow a portion of the space to be occupied in the near term. The Art Exchange Annex will not be available until the Art Exchange is constructed, and John Valadez will need until Summer 2011 to finalize his work. Based on this, the development plans will account for phased construction.

Staff proposes entering into a 180-day ENA with LBTEC with the ability to renew for 30 days at the Executive Director's discretion. The intention is to negotiate a development agreement that will further direct the development of the Project Site.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ROBERT M. ZUR SCHMIEDE, AICP
ASSISTANT EXECUTIVE DIRECTOR



AMY J. BODEK, AICP
EXECUTIVE DIRECTOR

AJB:RMZ:DSW:TJK

Attachments: Exhibit A – Site Map
Exhibit B – 3rd Street and Elm Avenue Existing Buildings

Exhibit A

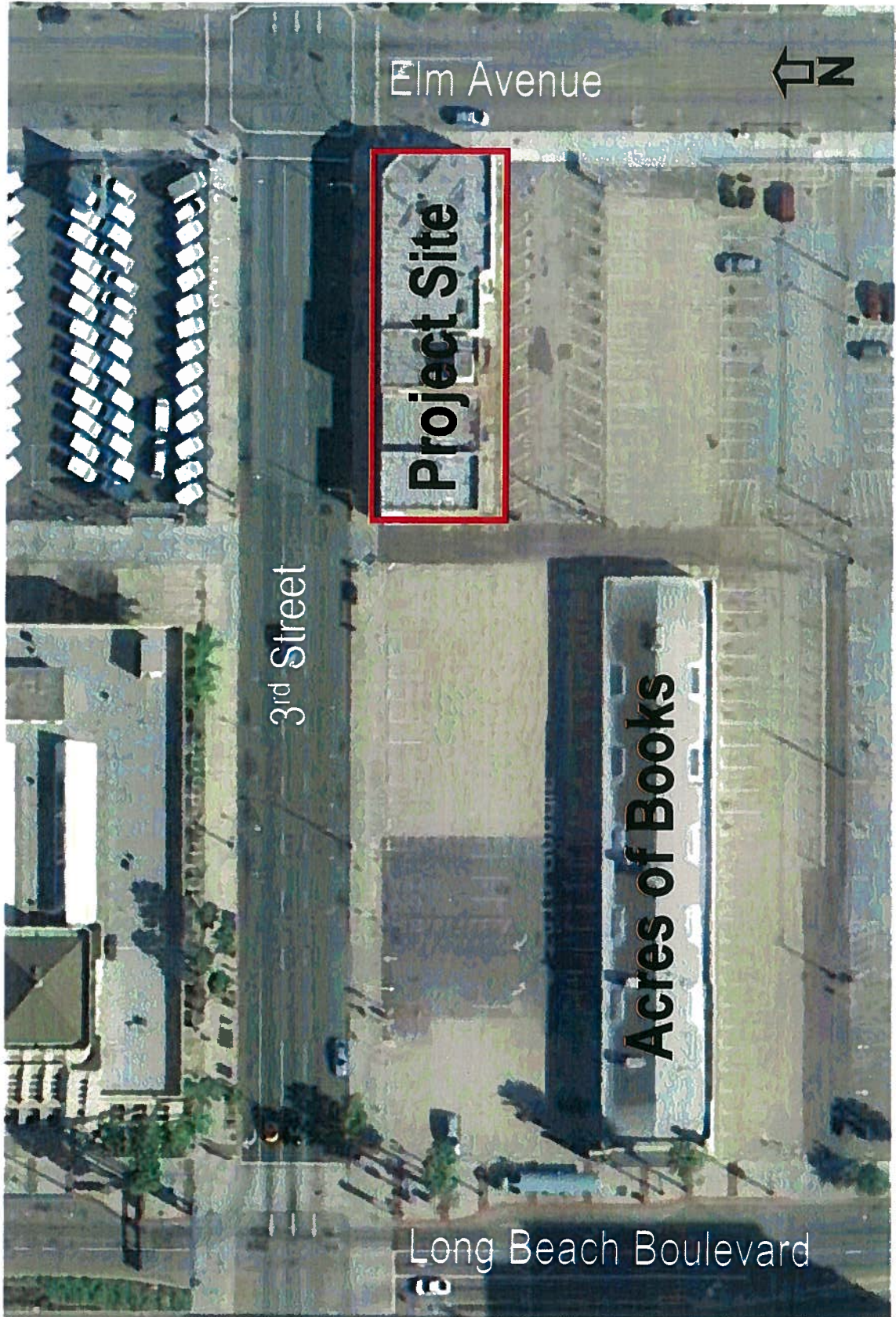


Exhibit B

