



LONG BEACH REDEVELOPMENT AGENCY

333 WEST OCEAN BOULEVARD, THIRD FLOOR • LONG BEACH, CA 90802 • (562) 570-6615 • FAX (562) 570-6215

November 5, 2007

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Approve and authorize the Executive Director to:

- Hold a Public Hearing;
- Receive supporting documentation into the record and conclude the Public Hearing;
- Adopt the attached resolution of the Redevelopment Agency of the City of Long Beach certifying that the Final Supplemental Environmental Impact Report for the Shoreline Gateway Redevelopment Project (SCH No. 2005121066) has been completed in accordance with the provisions of the California Environmental Quality Act and state and local guidelines, making certain findings and determinations relative thereto; adopting a Statement of Overriding Considerations; and adopting a Mitigation Monitoring Reporting Program;
- Adopt a Resolution making certain findings and approve and authorize the Executive Director to execute an Owner Participation Agreement with Shoreline Gateway, LLC;
- Authorize the Executive Director to execute a loan guarantee in an amount not to exceed \$6,000,000 for pre-development costs secured by developer-owned property at 635 East Ocean Boulevard; and
- Approve Stage III design review plans for the Shoreline Gateway Project with conditions. (Central – District 2)

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DISCUSSION

Background

On February 4, 2005, the Redevelopment Agency (Agency) solicited development proposals from owners of property generally located between Alamos Avenue and Atlantic Avenue on the north side of Ocean Boulevard (Project Site) (Exhibit A – Site Map). On May 23, 2005, the Agency entered into exclusive negotiations with Shoreline Gateway, LLC (Participant) for the development of the Shoreline Gateway Project (Project).

Staff has recently concluded negotiations of an Owner Participation Agreement (OPA) with the Participant for the development of a two-phase project. Phase I of the project is the development of a 35-story residential tower at the eastern portion of the site (Phase I), and Phase II is the proposed development of additional towers to the west (Phase II).

Due to the uncertainty of land acquisition, the Participant will begin the construction of Phase I and will have the exclusive option to design and build Phase II through February 2012.

Terms and Conditions of the Sale

The terms and conditions of the sale and subsequent development are included in an Owner Participation Agreement (OPA) between the Agency and the Participant. The sale of the Agency parcel will allow for the sole development of Phase I. Under the terms of the OPA, the Participant will pay the Agency \$1,800,000 for the property located at 777 East Ocean Boulevard (Property). The valuation is the fair market value as determined by an independent appraisal.

Additionally, the Agency will sell to the Participant subsurface easements to Agency-owned parcels located at 645 East Ocean Boulevard and 19 Lime Avenue for \$410,000. The subsurface easement will allow for Phase I code-required subterranean parking. The Property and the subterranean easement will be conveyed to the Participant pursuant to the satisfactory completion of conditions set forth in the OPA.

The Participant will secure a third-party architectural and design loan to fund the preparation of the construction drawings for Phase I. The loan will be guaranteed by the Agency in an amount not to exceed \$6,000,000. In the event of the Participant's default, the Agency will cure the default and take possession of the Participant's 30-unit apartment building located at 635 East Ocean Boulevard, which is within the Project Site. Additionally, all Phase I construction documents completed at the time of default will become the property of the Agency. This will allow the Agency to continue the Project with an alternative participant and have full site control of the Phase II site.

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Stage III Plans – Phase I

The Phase I project is comprised of a single parcel and vacated public right-of-way (approximately 1 acre) generally located north of Ocean Boulevard and Medio Street, between Lime and Alamitos Avenues. The location of Phase I serves as an entrance to the East Village Arts District and the eastern edge of the downtown.

The Project proposes a mixed-use development involving a 35-story residential tower at the northwest corner of Ocean Boulevard and Alamitos Avenue. The Project results in 221 residential units including live/work spaces, townhomes, one- to three-bedroom units, penthouse units and associated amenities. The proposed building would incorporate 12,624 square feet of retail/gallery space in addition to townhomes and live/work units on the ground floor and podium levels to activate the edges along Ocean Boulevard, Alamitos Avenue and Medio Street (Exhibit B – Site Plan).

Parking for the Project would be four levels of subterranean parking to accommodate 464 stalls concealed from public view and vehicular access to the Project would occur from Medio Street.

The Project proposes the use of stone and metal and composite rainscreen cladding at the base of the building to provide durable and tactile surfaces for the lower level program uses. The upper levels of the residential tower will have a more elegant feel, being composed primarily of painted smooth finish concrete with aluminum curtainwall and window wall systems with clear and tinted glass. The upper levels will also have the opportunity for accent materials to be added such as metal panels, glass railing, and metal shading devices.

The Project proposes landscaping within the ground level public open space, roof decks and intermittently at balcony/terrace levels in the towers. The planting concept plan proposes that the promenade east of the tower is an intimate garden featuring a variety of plantings, fountains, sculptures, and public seating beneath a light shade of canopy trees.

The Participant will also participate in the Agency's Percent for Public Art Program, which requires an investment of public art into the Project. At this time, the public art program has not been fully defined, therefore, conditional Stage III approval is recommended. Once the program is fully defined, staff recommends that the Agency authorize the Executive Director to approve the program.

The Stage III design was presented and approved by the Central Project Area Committee at its May 3, 2007 meeting and presented to the Planning Commission in a study session in July 2007. The Planning Commission is scheduled to act on the project entitlements at its November 15, 2007 meeting and subsequent City Council approval.

Compliance with California Environmental Quality Act

On September 18, 2006, the Agency certified an Environmental Impact Report (EIR) for the proposed Shoreline Gateway Project, both Phase I and II.

Since the certification of the EIR, the Project was revised due to uncertainty in land assembly, design concerns and efforts to reduce impacts to the surrounding neighborhood. The revised Project (Revised Project) remains consistent with the Project certified in the EIR, with the exception of Phase I. The Revised Project proposes a 35-story tower at the northwest corner of Ocean Boulevard and Alamitos Avenue instead of a 24-story tower.

The development of the Revised Project would result in the same number of residential units, retail/gallery space and the respective code required parking as studied in the EIR.

In accordance with the California Environmental Quality Act (CEQA), the Revised Project triggered a Supplemental Environmental Impact Report (SEIR). The purpose of the SEIR is to determine whether the development of the Revised Project would result in significant environmental impacts and if so, whether those impacts could be mitigated to a level less than significant. The SEIR identified the following:

- The Revised Project would transform the visual character of the site by intensifying the density of the land uses on-site, as well as establishing a Gateway entry into the downtown area.
- The Revised Project would be consistent with the historically acceptable forms of high-rise urban development occurring within downtown Long Beach.
- The increase in height of the Gateway Tower would result in enlarged shade/shadow impacts thus creating a significant and unavoidable impact. It was also determined that the level of significance associated with aesthetics, light and glare, and shade and shadow could not be mitigated to a level less than significant.

If the Agency approves the SEIR, the Agency shall be required to adopt findings in accordance with Section 15091 of the *CEQA Guidelines* and prepare a Statement of Overriding Considerations in accordance with Section 15093 of the *CEQA Guidelines*.

The Final SEIR includes mitigation measures required to lessen impacts along with other mitigation measures that will reduce other environmental impacts to a level less than significant. A Mitigation Monitoring Program (MMP) has also been designed to ensure compliance with these mitigation measures.

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For the impacts that cannot be fully mitigated to a level less than significant, it is necessary for the Agency to determine whether the benefits of the Revised Project outweigh its unavoidable adverse environmental impacts and that such adverse environmental effects are acceptable given the following benefits of the project:

- The project is consistent with the City of Long Beach General Plan and zoning designation.
- Project implementation will contribute to long-range development goals identified by the City and Agency.
- The project will positively enhance revitalization in the downtown by developing underutilized sites with a diversity of residential unit types for downtown living.
- The project will add new high-density residential units within the downtown area, increasing the availability of housing in the City of Long Beach.
- The project will enhance the pedestrian environment through the closure of Lime Avenue, which will provide a linkage between uses situated north of the project site and Ocean Boulevard.
- The project will create a focal point to the East Village Arts District and downtown, establishing a clearly defined sense of arrival from the east through the establishment of a Gateway Tower.

Therefore, the Agency, having reviewed and considered the information in the SEIR, Technical Appendices and the public record, must adopt a Statement of Overriding Considerations that has been balanced against the unavoidable adverse impacts in reaching a decision on the project.

Adoption of a Statement of Overriding Considerations is also included in the attached Resolution.

The Draft SEIR, SCH No. 2005212066, for the Shoreline Gateway Project was available for public review for 45 days from July 23, 2007, through September 5, 2007. Nineteen written comments were received. Four were from public agencies and 15 were from members of the general public. The Final SEIR includes the responses to these comments, clarifications to the Draft SEIR, and the Mitigation Monitoring Program.

Summary Report and City Council Approval

Pursuant to California Redevelopment Law, the Agency has made available for public inspection and reproduction a Summary Report (Exhibit C – Section 33433 Summary Report) that contains the following:

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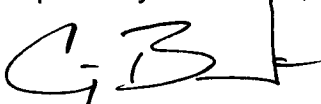
- The estimated value of the interest to be conveyed, determined at the highest and best use permitted under the Redevelopment Plan;
- The estimated value of the interest to be conveyed, determined at the use and with the conditions, covenants and development costs required by the Agreement;
- The purchase price;
- The cost of the Agreement to the Agency;
- The net cost/benefit to the Agency;
- An explanation of why the sale of the Site will assist in the elimination of blight; and
- An explanation of why the sale of the Site is consistent with the Agency's AB 1290 Implementation Plan.

Since the property was purchased by the Agency with tax increment monies, California Redevelopment Law requires that this sale also be approved by the City Council by resolution after a public hearing. This hearing has not been scheduled to date.

SUGGESTED ACTION:

Approve recommendation.

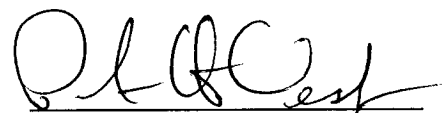
Respectfully submitted,



for MICHAEL P. CONWAY
EXECUTIVE DIRECTOR

MPC:CAB:DSW

APPROVED:



PATRICK H. WEST
CITY MANAGER

Attachments: Exhibit A – Site Map
Exhibit B – Site Plan
Exhibit C – Section 33433 Summary Report
Redevelopment Agency Resolutions



Source: Anderson Pacific LLC.

— Project Site

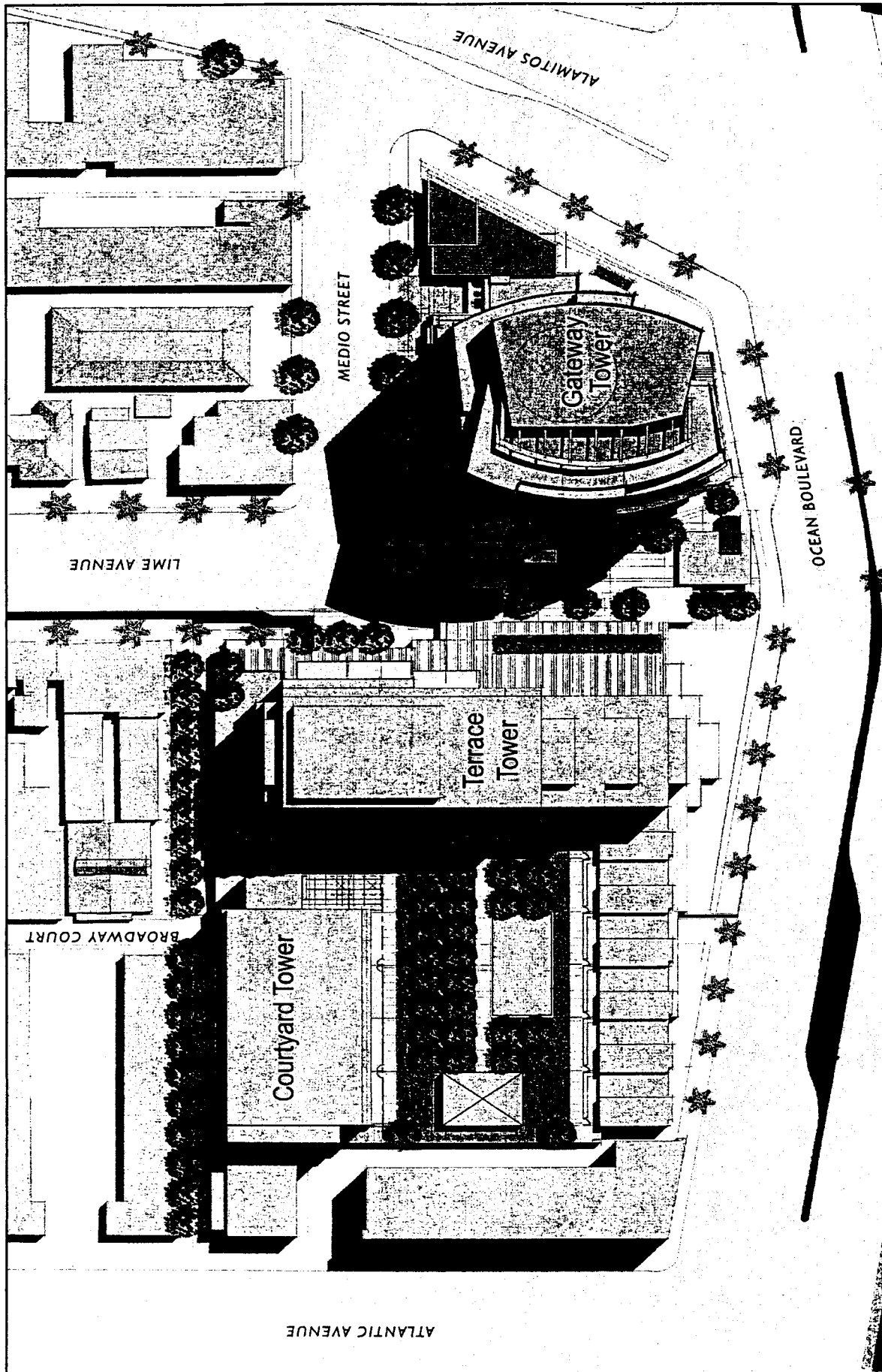


Not to Scale



PLANNING ■ DESIGN ■ CONSTRUCTION

07/07 • JN 10-105741



Source: SudioNEleven; June 27, 2007.



Not to Scale



PLANNING ■ DESIGN ■ CONSTRUCTION

07/07 • JN 10-105741

SHORELINE GATEWAY PROJECT
SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT

Revised 2007 Shoreline Gateway Project Roof Plan

EXHIBIT C

**SUMMARY REPORT PURSUANT TO
SECTION 33433
OF THE
CALIFORNIA HEALTH AND SAFETY CODE
ON A
OWNER PARTICIPATION AGREEMENT
BY AND BETWEEN THE
REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH
AND
SHORELINE GATEWAY, LLC**

The following Summary Report has been prepared pursuant to Section 33433 of the California Health and Safety Code. The report sets forth certain details of the proposed Owner Participation Agreement (Agreement) between the Redevelopment Agency of the City of Long Beach (Agency) and Shoreline Gateway, LLC (Participant).¹

The purpose of the Agreement is to effectuate the Central Long Beach Redevelopment Plan (Redevelopment Plan) by developing a two-phased mixed-use project on the 1.55-acre site located at the northwest corner of Ocean Boulevard and Alamitos Avenue (Site) in the Central Long Beach Redevelopment Project Area (Project Area) in the City of Long Beach (City). The Agreement is the result of the Agency extending to the Participant an opportunity to submit a proposal for the redevelopment of the Site.

The Agreement allows for the Project to be constructed on Site in two phases.² The Participant may choose to construct Phase II, but is under no obligation to do so. Under Phase I, the Site is comprised of the Agency Parcel, the Subterranean Easement Area and City Easement Areas and Vacation Streets (Phase I Site); Phase II of Site is comprised of the Owner Parcel and the Acquisition Parcels (Phase II Site).³

The following Summary Report is based upon information contained within the Agreement, and is organized into the following seven sections:

- I. **Salient Points of the Agreement:** This section summarizes the major responsibilities imposed on the Participant and the Agency by the Agreement.

¹ James R. Anderson, owner of the property at 635 East Ocean Boulevard, is the managing member of AndersonPacific, LLC (AP LLC). AP LLC is the managing member of Shoreline Gateway, LLC.

² Site refers to one or both of the Phase I Site and the Phase II Site.

³ The Participant is under no obligation to purchase the Acquisition Parcels or develop Phase II. However, if the Participant decides to pursue the development of Phase II, the established Purchase Price of the Acquisition Parcels is \$5.75 million (Acquisition Parcels Purchase Price).

- II. **Cost of the Agreement to the Agency:** This section details the total cost to the Agency associated with implementing the Agreement.
- III. **Estimated Value of the Interests to be Conveyed Determined at the Highest Use Permitted under the Redevelopment Plan:** This section estimates the value of the interests to be conveyed determined at the highest use permitted under the Property's existing zoning and the requirements imposed by the Redevelopment Plan.
- IV. **Estimated Reuse Value of the Interests to be Conveyed:** This section summarizes the valuation estimate for the Property based on the other conditions set forth in the Agreement.
- V. **Consideration Received and Comparison with the Established Value:** This section describes the compensation to be received by the Agency and explains any difference between the compensation to be received and the established highest and best use value of the Property.
- VI. **Blight Elimination:** This section describes the existing blighting conditions of the Property, and explains how the Agreement will assist in alleviating the blighting influence.
- VII. **Conformance with the AB1290 Implementation Plan:** This section describes how the Agreement achieves goals identified in the Agency's adopted AB1290 Implementation Plan.

This report and the Agreement are to be made available for public inspection prior to the approval of the Agreement.

I. SALIENT POINTS OF THE AGREEMENT

A. Land Acquisition

The 1.55-acre Site includes the following:

- 1. Phase I includes a total of 37,008 square feet of land area as follows:
 - a. Agency Parcel - The 15,171 square foot parcel is located at 777 East Ocean Boulevard, also known as Parcel 1a, and was owned by the City and leased to C.R. Visions (Tenant) which operated a video rental store. When the Tenant's lease expired, the Tenant opted to cease operations. The City then deemed the land as surplus property. In January 2007, the land was purchased by the Agency for redevelopment purposes and is currently being used as a parking lot.

The existing on-site improvement includes a 39-surface parking spaces and signage.

- b. Subterranean Easement Area - Includes 9,544 square feet of Parcels 2 and 4 of the Acquisition Parcels in Phase II, beneath Lime Street, Alamitos Avenue and Medio Street. Parcels 2 and 4 are also owned by the Agency.
 - c. City Easement Areas - Easements beneath Medio Street, Alamitos Avenue owned by the City.
 - d. Vacation Parcels - Portion of Lime Street, Alamitos Avenue, Medio Street and Lot line adjustment owned by the City totaling 21,837 square feet of land area.
2. Phase II includes a total 30,472 square feet of land area
- a. Participant Parcel - The Participant owns the 10,154 square foot parcel located at 635 E. Ocean Boulevard, which is also known as Parcel 2.
 - b. Acquisition Parcels - These parcels are owned by the Agency:
 - i. Parcel 2 – Located at 19/25 Lime Avenue, the parcel includes 5,750 square feet of land area.
 - ii. Parcel 3 – Located at 619 E. Ocean Boulevard totaling 9,784 square feet of land area.
 - iii. Parcel 4 – Located at 645 E. Ocean Boulevard, the parcel includes 4,784 square feet of land area.

B. Scope of Development

The Participant is proposing to develop the following on the Site:

- 1. Phase I - The Participant is proposing to develop a 35-story mixed-use project in Phase I which will include the following:
 - a. 221 residential units which includes:
 - i. Ground floor live/work units and townhomes;
 - ii. One to three bedroom units; and
 - iii. Penthouse units and associated amenities.
 - b. 12,624 square feet of retail/gallery space.

- c. A four-level subterranean parking garage, which will accommodate 464 parking spaces.
2. Phase II will include a mixed-use tower. The detailed scope of development will be determined at a later date.

C. Participant Responsibilities

The Agreement requires the Participant to accept the following responsibilities in regards to Phase I:

1. Provide \$100,000 to the Agency (Performance Deposit) as security for the performance obligations pursuant to the Agreement.
2. Purchase the Phase I Site with cash at the Close of Escrow as follows:
 - a. Purchase the Agency Parcel for \$1.80 million (Agency Parcel Purchase Price), or \$119 per square feet of land area.
 - b. Purchase the Subterranean Easement Parcel for \$410,000 (Subterranean Easement Parcel Purchase Price), or \$43 per square feet of land area.
 - c. Acknowledge that the Agency is selling these parcels on an "As Is With All Faults" basis.
3. Fulfill the following obligations, prior to the conveyance of the Agency Parcel and the Subterranean Easement Parcel:
 - a. Provide the Escrow Agent with Purchase Note, Assignment of Plans and its share of the closing costs;
 - b. Approve the environmental, geological and soils condition of the Phase I Site, including any mitigation measures and monitoring requirements required by the Agency;
 - c. Review the Pro Forma Title Policy and agree to proceed with escrow despite the information contained in the report;
 - d. Execute and deliver the Grant Deed, the Grant of Easement, the Covenant Agreement, and the Agency Deed of Trust, three days prior to the Close of Escrow; and
 - e. Not be in default under the Agreement.

4. Execute the Grant of Easement which stipulates the following:
 - a. During construction, the Participant will have the right to enter Parcels 2 and 4 for construction staging, excavation and construction of the subterranean garage for Phase I;
 - b. Until construction of Phase II, the Participant will landscape the surface of Parcels 2 and 4 according to plans that integrate the surface of Parcels 2 and 4 with Phase I;
 - c. An easement for structural and subjacent support a landscape garden will be reserve for the Agency or its successors; and
 - d. Cooperate with the future developer of the remainder of Parcels 2 and 4.
 - e. Agree to develop the Phase I Site in accordance with the Scope of Development within the times set forth in the Schedule of Performance.
 - f. Request the City to abandon or vacate the Vacation Streets and to grant to Participant an easement in the City Easement Areas.

5. Taxes and Assessments:
 - a. Pay ad valorem taxes and assessments or any levied, assessed, or imposed after the conveyance of title for the Phase I Site.
 - b. Acknowledge that from the fiscal year in which the Certificate of Completion (COC) is issued for the Project and ending at the expiration of the time limit for repayment of indebtedness, the 2046-2047 fiscal year (Stipulated Tax Year), the "Taxable Assessed Value" will equal the sum of the following:
 - i. The Agency Parcel Purchase Price and the Subterranean Easement Parcel Purchase Price; plus
 - ii. The value of the improvements determined by the Planning and Building Department at the issuance of building permits for the Project (Stipulated Value).
 - c. Agree that the Participant or any successor in interest to the Phase I Site will pay the property tax bill for the Stipulated Tax Years and will not protest, appeal or attempt to lower the Taxable Assessed Value of the Site to an amount less than the Stipulated Value.

6. If necessary, seek to secure zoning at the time of conveyance to be such as to permit development of the Project, at its sole cost and expense.

7. Agree to indemnify and hold the Agency and City harmless from any losses and liabilities connected with the acquisition and development of the Agency Parcel, the Subterranean Easement Parcel, the City Easement Parcel and the Vacation Streets.
8. Provide evidence of having obtained the financing necessary for the acquisition of the Agency Parcel and Subterranean Easement Parcel.
9. Require contractors and subcontractors to utilize the City's Workforce Development Bureau in their hiring programs in connection with the development of the Project. Upon issuance of the COC, the Participant will provide the Agency with a report outlining its compliance with this requirement.
10. Recognize that construction of the Project must be in compliance with all federal and state labor standards. Prevailing wage must be paid for all portions of the Project for which it is required. Additionally, the Participant will indemnify the Agency against any claims against the Participant's compliance with applicable federal and state prevailing wage laws.
11. Agree that there will be no discrimination against or segregation against any person or group of persons in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site; comply with the Americans with Disabilities Act (ADA) and indemnify and hold harmless the Agency and City for any liability that arises from failure to comply.
12. Acknowledge that the Participant has the right to terminate the Agreement if any of the following occurs:
 - a. Agency fails to convey title to the Agency Parcel and the Subterranean Easement Parcel in the condition and time established in the Agreement; or
 - b. Agency fails to reconvey the Agency Deed of Trust within the time established by the Agreement.
 - c. Agency fails to convey the Acquisition Parcels in the condition and time established in the Agreement.
13. Agree that the return of the Performance Deposit will be subject to the following:
 - a. Failure to commence construction subject to the Schedule of Performance provides for the retention of \$10,000;
 - b. Failure to comply with the City's permitted hours of construction, after the third violation, provides for the retention of \$5,000 per violation;

- c. Material deviation from the Stage III plans, provides for the retention of \$50,000; and
 - d. Failure to complete construction within the timeframe established in the Schedule of Performance, provides for the retention of \$5,000 for every 30 days completion of the Project is delayed.
14. Assume all the costs of developing the Site and constructing all improvements associated with complying with the EIR and implementing any mitigation measures.
 15. Affirm that in accordance with the "Percent of Public Art Guidelines" the Participant will pay the Agency a public art fee of approximately \$1.02 million.
 16. Acknowledge that prior to the date set in the Schedule of Performance, the Agency may require that 20% of the residential units within the Project be made available for sale to persons and families of moderate income (Affordable Units) at an affordable price as defined by Section 50052.5(b)(4) of the California Health and Safety Code for not less than 45 years from the date of the COC (Affordability Covenant).⁴
 17. Agree that the Agency will pay a fee (Covenant Fee) equal to the difference between the fair market price of the condominium unit fee of Affordability Covenants and the affordable housing cost of the Affordable units.⁵
 18. Agree to indemnify the Agency against all cost incurred by the Agency pursuant to the loan guaranty in excess of the sum of the principal amount of the Bank loan, plus three months' interest, plus fees charged by the Bank as allowed by the Deed of Trust securing the loan.
 19. Agree that prior to delivery of Agency's loan guaranty, the Participant will provide the Agency with the following:
 - a. Accounting of all amount incurred to date for the design and construction drawings and indicate which amounts are paid and which are outstanding;
 - b. Budget for the completion of the construction drawings and submit to the Agency the construction drawings at various stages of completion;
 - c. All records relevant to the disbursement of the Bank loan; and

⁴ If the Participant does not receive a written request for the designation of affordable units, the Participant will not be obligated to include Affordable Units within the Project.

⁵ Assumes that the purchaser pays 3% of the purchase price in cash and finances the remainder with a fixed rate loan amortized over 30 years and will be responsible to pay the homeowner's association dues.

- d. Warrants that all proceeds of the Bank loan will be used only to pay for current invoices for design and construction drawings.
20. Request that the Agency assist the Participant in obtaining financing to pay a portion of its predevelopment costs through a loan guaranty. The terms and conditions of the loan guaranty are as follows:
- a. The loan amount is up to \$6.00 million;
 - b. It is secured by the First Deed of Trust encumbering the Participant Parcel owned by the Participant, the assignment of the Project construction and all related drawings; and
 - c. The guaranty carries a two-year term, plus a two-year option to extend.

The Participant has no obligation to develop Phase II of the Site and has no obligation to purchase the Acquisition Parcels. However, the Participant will have the option to purchase the Acquisition Parcels for \$5.75 million, less the \$410,000 credit for the Subterranean Easement Area, through 2012.

D. Agency Responsibilities

The Agreement requires the Agency and/or City to accept the following responsibilities:

- 1. Agree to sell the Agency Parcel to Participant for \$1.80 million (Agency Parcel Purchase Price) and to deliver the Agency Parcel to the Participant free of occupants and in a condition suitable for the development of the Project.
- 2. Agree to sell the Subterranean Easement Area to Participant for \$410,000 (Subterranean Easement Area Purchase Price).
- 3. Fulfill the following obligations, prior to the conveyance of the Agency Parcel and Subterranean Easement Area:
 - a. Issue a title insurance policy insuring that title to the Agency Parcel is vested to the Participant subject only to those title exceptions outlined in the Pro Forma Title Policy;
 - b. Approval of the Participant's evidence of insurance by the City's Risk Manager;
 - c. Title to the Acquisition Parcels must be vested in the Agency;
 - d. Adopt a resolution vacating with Vacation Streets and granting the Participant an easement in the City Easement Parcels;

- e. Receive certification from the lead agency for the Environmental Impact Report and the Supplemental Environmental Impact Report;
 - f. Deposit the Grant Deed, The Grant of Easement, the Option to Purchase and the Agreement Containing Covenants and all other documents and funds into escrow;
 - g. Provide Participant with Disclosure Statements and Site Remediation reports; and
 - h. Not be in default under the Agreement.
4. Pay into Escrow the following, promptly after receiving notification from the Escrow Agency:
- a. One half of the escrow fee;
 - b. Recording fees as appropriate;
 - c. Notary fees;
 - d. The premium for a CTLA standard owner's policy of the title insurance; and
 - e. Any State, County or City documentary stamps or transfer tax.
5. Prepare, at the Agency's cost, a Phase I report in line with the regulations issued by the Environmental Protection Agency six months prior to the Close of Escrow.
6. Agree to take any actions necessary to ensure that the condition of the Site is suitable for the development of the Project and at the Agency's cost, request that a soils engineer perform a file review of the Water Resources Regional Board's files and the City's Fire Department files on any releases from the adjacent property formerly used as a gas station. Agency will prepare a soil vapor and groundwater sampling plan for the Agency Parcel.
7. Agree that no amendment to the Redevelopment Plan on or after the execution of the Agreement can be executed before the COC without the consent of the Participant.
8. Agree to indemnify the Participant from any claims of damages or liabilities related to the termination of City or Agency lease, tenancy or occupancy of the Agency Parcel, Subterranean Easement Parcel, City Easement Parcel and Acquisition Parcels.

9. Assist the Participant with the following related to the Site or the Project:
 - a. Release or relocate City, Agency or department utility easements or other easements necessary to construct and develop the Project;
 - b. Release or relocate any easements or claims by adjacent property owners which may arise from the vacation of the Vacation Streets and City Easement Parcels; and
 - c. Cooperate in obtaining the release, extinguishment or acquisition of conditions, covenants, use restrictions, easement or other third party rights affecting the Site or Project.
10. Deposit Grand Deed and the Grant of Easements to the Escrow Agency three days before the Close of Escrow as outlined in the Schedule of Performance.
11. Encourage City to grant a variance to the City's parking code to allow the following:⁶
 - a. One parking stall for the one bedroom and den units;
 - b. Seek alternatives to the City's parking code for one bedroom units;⁷ and
 - c. Allow a transit oriented discount of 5% on the number of parking spaces required by the City's parking code.
12. Review and approve drawings and related documents for the development of the Site within the times set forth in the Schedule of Performance.
13. Pay all costs related to the demolition of all structures on the Site, removal of debris from the Site, remediation of the Site, and the removal of asbestos from the Site.
14. Conditionally approve the Participant's Stage III Final Review Drawings for Phase I and approve the design for Phase II as presented in the EIR.
15. Encourage City to apply the development impact fee, the parks and recreation impact fee and the transit fee towards public improvements to be constructed adjacent to or near the Project.

⁶ Agency will make its best efforts to secure zoning, variance and discounts; however, the Participant acknowledges that the Agency can not make any change in zoning over the City's refusal or require the City to grant variances or discounts.

⁷ Such as allowing automobile lifts in lieu of two parking spaces.

16. Work with the City to resolve the requirements listed in the EIR mitigation measures to install signalization at Alamitos Avenue and 7th Street; if the signalization is required, the Agency will pay the cost to install the signalization.
17. The Agency will have the right to terminate the Agreement if any of the following occurs:
 - a. Participant attempts to assign the Agreement or makes any total or partial sale, transfer, conveyance, or subleasing of the whole or part of the Site; or
 - b. There is any Significant Change in ownership or identity of the Participant; or
 - c. Participant fails to pay the Agency Parcel Purchase Price or the Subterranean Easement Parcel Purchase Price; or
 - d. Participant decides to develop Phase II and the Participant fails to pay the Acquisition Parcels Purchase Price; or
 - e. Participant does not take title to the Agency Parcel, Subterranean Easement Parcel, or the Acquisition Parcels (if Participant decides to do Phase II); or
 - f. Participant fails to submit evidence of financing by the time set forth in the Schedule of Performance; or
 - g. Participant breaches any of the representations, warranties, or covenants of the Agreement; or
 - h. Participant does not submit plans, drawings and related documents required by the Agreement by the time set forth in the Schedule of Performance; and/or
 - i. Participant violates any other material obligation.
18. Agree to pay the Participant the costs associated with the development of any and all plans, drawings, studies and related documents concerning the Site if the Agreement is terminated, at the Agency's request, before the construction begins.
19. Agree to return the Performance Deposit to the Participant at the issuance of the COC, if the Agreement is not canceled or terminated.
20. Affirm that in compliance with the "Percentage of Public Art Guidelines" 85% of the public art fee can be used on-site with Agency approval and 15% of the public art fee must be payable in cash.
21. Acknowledge that within 30 days of receiving the offering sales prices for the potential Affordable Units, the Agency Executive Director will select the Affordable Units and

provide the Participant with the affordable housing costs for each unit and the resulting Covenant Fee for each Affordable Unit.

22. Agree that any Affordable Units for which the Agency does not purchase an affordability covenant, the Participant will notify the Agency of any sales price reduction of more than 5% and allow the Agency the opportunity to purchase an affordability covenant.
23. Affirm that at the close of escrow for each affordable units, the following will occur:
 - a. Agency and Participant will execute and record in the official records of Los Angeles County a covenant agreement detailing the affordability restrictions;
 - b. Agency will pay the Covenant Fee; and
 - c. Agency and buyer will execute and record the covenants as determined by the Agency and acceptable to the Long Beach Housing Development Company.⁸
24. Provide an option for the Participant to purchase the Acquisition Parcels for \$5.75 million less the \$410,000 credit for the Subterranean Easement Area that is to extend through 2012.

II. COST OF THE AGREEMENT TO THE AGENCY

The total Agency Costs to implement the Agreement include the following:

Phase I

Agency Parcel Acquisition Cost	\$1,800,000
Subterranean Easement Area Acquisition Cost	410,000
Demolition Costs	64,805
Site Improvement Costs	66,606
Bond Interest Costs ⁹	276,210
Total Agency Costs – Phase I	\$2,617,621

⁸ The Long Beach Housing Development Company is a third party beneficiary , and at the election of the Agency, the Long Beach Housing Development Company may exercise the right to purchase affordability covenants under this Agreement.

⁹ Estimate based on 4% of the \$57 million bond allocation, which is the portion that has been directed to Phase I acquisition costs.

The Agency costs for Phase I of the proposed Project totals \$2.62 million. However, these costs are offset by the following revenues:

Agency Parcel Purchase Price	\$1,800,000
Subterranean Easement Area Purchase Price	410,000
Parking Lot Revenue	7,040
Present Value of Net Tax Increment Revenue ¹⁰	15,234,000
Total Agency Revenues	\$17,451,040

Therefore, it is anticipated that the Agency will net \$14.83 million from Phase I of the proposed Project.

Phase II

Acquisition Parcels Acquisition Costs	\$5,750,000
Demolition Costs	TBD
Relocation Costs	TBD
Bond Interest Costs	TBD
Total Agency Costs – Phase I	\$5,750,000

The Agency costs for Phase II of the proposed Project will total at least \$2.62 million. However, these costs will be offset by the Participant's purchase price payment of \$5.75 million plus the net tax increment revenue generated by Phase II. Given that the Phase II Scope of Development is not clearly defined, an estimate of the net tax increment revenue to be received by the Agency could not be calculated.

III. ESTIMATED VALUE OF THE INTERESTS TO BE CONVEYED DETERMINED AT THE HIGHEST USE PERMITTED UNDER THE REDEVELOPMENT PLAN

Section 33433 of the California Health and Safety Code requires the Agency to identify the value of the interests being conveyed at the highest use allowed by the Property's zoning and the requirements imposed by the Redevelopment Plan. The valuation must be based on the assumption that near-term development is required, but the valuation does not have to take into consideration any extraordinary use, quality and/or income restrictions being imposed on the development by the Agency.

¹⁰ Based on the net tax increment projections provided by the Revenue Generation Analysis by Economic Planning Specialists, dated July 24, 2007. Assumes a 6% discount rate to arrive at the present value of the net tax increment payments projected for fiscal years 2009/10 through 2046/47.

The Agency Parcel is a 15,171 square foot lot within the Central Business District (PD-30) which permits various commercial and office oriented uses, in addition to multi-family residential developments. The Agency purchased the Agency Parcel from the City on January 25, 2007, at the negotiated price of \$1.80 million based on appraisals commissioned by the City and Agency. Therefore, it is concluded that the Agency Parcel's value at the highest and best use is \$1.80 million, or approximately \$119 per square foot of land area.

The Agency also has acquired or is in the process of acquiring the Acquisition Parcels based on independent appraisals commissioned in 2007 for a total of \$5.75 million. Therefore, it is concluded that the value of the Acquisition Parcels at the highest and best use is \$5.75 million, or \$283 per square foot of land area. However, it should be noted that \$410,000 of the value should be deducted due to the bifurcation of the below grade portion of Parcels 2 and 4 that are included in Phase II.

The value of the Subterranean Easement Area is estimated to be 10% of the value of Parcels 2 and 4 of the Acquisition Parcels. The value for the two parcels is set at \$4.10 million; therefore, the value of the Subterranean Easement Area is \$410,000.

In summary, the estimated value at the highest and best use of the Agency-owned parcels is as follows:

Agency Parcel	\$1,800,000
Subterranean Easement Area	410,000
Acquisition Parcels (net)	5,340,000
Total Agency-owned Parcels	\$7,550,000

IV. ESTIMATED REUSE VALUE OF THE INTERESTS TO BE CONVEYED

The fair reuse value of the Site is defined as the fair market value of the land to be conveyed, less the economic value of any development restrictions placed on a project by the Agency. The Participant intends to develop the Phase I Site with 221 market rate units and 12,624 square feet of retail and gallery space. Under the Agreement, the Agency is required to convey the Agency Parcel and the Subterranean Easement Area to the Participant with no restrictions that would reduce the fair market value of the parcels. Therefore, the reuse value of the Agency Parcel and the Subterranean Easement is equal to the fair market value at the highest and best use, which is \$2.21 million.

While the Scope of Development for the Phase II is not clearly defined, the Agreement requires the Agency to convey the Acquisition Parcels to the Participant with no restrictions that would reduce the fair market value of the Site. Therefore, the reuse value of the Acquisition Parcels is also equal to the fair market value at the highest and best use, which is \$5.34 million.

V. CONSIDERATION RECEIVED AND COMPARISON WITH THE ESTABLISHED VALUE

The Agreement requires the Agency to convey the Agency-owned parcels to the Participant for the following consideration:

Agency Parcel	\$1,800,000
Subterranean Easement Area	410,000
Acquisition Parcels (net)	5,340,000
Total Agency-owned Parcels	\$7,550,000

The total consideration to be received for the Agency-owned parcels is \$7.55 million. This amount equals the established fair market value of \$7.55 million identified above. Thus, it can be concluded that the Agency is receiving fair consideration for the interest being conveyed to the Participant.

VI. BLIGHT ELIMINATION

The Site is currently used as a surface parking lot, operated by the Agency. In its current condition, the Site is considered an underutilized property that does not further the revitalization of the Downtown area as stipulated in the City's General Plan, the Downtown Long Beach Strategic Action Plan and the East Village Art District Guide. Development of the Project will contribute to elimination of the current physical blighting conditions and will create an economically viable use on the Site. Thus, the proposed development fulfills the blight elimination requirement.

VII. CONFORMANCE WITH THE AB 1290 IMPLEMENTATION PLAN

The Project conforms to the Project Area's Implementation Plan for 2004 - 2009. Specifically, the Project meets the following goals:

1. The Elimination of blighting influences, and the correction of environmental deficiencies in the Project Area, including, among others, small and irregular lots, obsolete and aged building types, incompatible and uneconomical land uses, and inadequate or deteriorated public improvements and facilities.
2. The assembly of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.
3. The preplanning, redesign and development of portions of the Project Area which are stagnant and improperly utilized.

RESOLUTION NO. R. A.

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA, RE-CERTIFYING THAT THE SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT FOR THE REVISED SHORELINE GATEWAY PROJECT HAS BEEN COMPLETED IN ACCORDANCE WITH THE PROVISIONS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND STATE AND LOCAL GUIDELINES; MAKING CERTAIN FINDINGS AND DETERMINATIONS RELATIVE THERETO; ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS; AND ADOPTING A MITIGATION MONITORING PROGRAM

The Redevelopment Agency of the City of Long Beach does hereby find, determine and resolve as follows:

Section 1. That on October 15, 2007, and November 5, 2007, the Redevelopment Agency of the City of Long Beach, California, scheduled duly noticed public hearings on the Supplemental Environmental Impact Report (SEIR) for that certain project entitled the Revised Shoreline Gateway Project ("the Project"). On said dates, the Redevelopment Agency, as lead agency, conducted public hearings at which time evidence, both written and oral, was presented to, and considered by the Redevelopment Agency. Notice of the time, place and purpose of the Redevelopment Agency's hearings were provided in accordance with applicable law. At the conclusion of the hearings, and after reviewing and considering the information contained in the

Supplemental Environmental Impact Report (SEIR), the Redevelopment Agency certifies that the SEIR has been completed in compliance with all aspects of the California Environmental Quality Act (CEQA), adopts findings in accordance therewith, and adopts a Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program (MMRP). Copies of the Facts, Findings and Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program, as adopted by the Redevelopment Agency, are attached hereto as Exhibit "A", and incorporated herein by this reference as though set forth in full, word for word. The Redevelopment Agency specifically finds that the SEIR has been completed in accordance with CEQA, that the Redevelopment Agency, as the decision-making body, reviewed and considered the information contained in the SEIR, and the administrative record prior to certifying the SEIR, and that the SEIR reflects the Redevelopment Agency's independent judgment and analysis with respect to the Project.

APPROVED AND ADOPTED by the Redevelopment agency of the City of Long Beach, California, on this _____ day of _____, 2007.

Executive Director/Secretary

APPROVED:

Chairman

REDEVELOPMENT AGENCY BOARD RESOLUTION NO. _____

EXHIBIT "A"

**FACTS, FINDINGS AND
STATEMENT OF OVERRIDING CONSIDERATIONS
REGARDING THE
ENVIRONMENTAL EFFECTS FOR THE
REVISED SHORELINE GATEWAY PROJECT**

SCH # 2005121066

Lead Agency:

CITY OF LONG BEACH REDEVELOPMENT AGENCY

333 West Ocean Boulevard, Seventh Floor
Long Beach, California 90802

Contact: Ms. Angela Reynolds
562.570.6357

October 2007



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STATEMENT OF FACTS AND FINDINGS

I. INTRODUCTION

The California Environmental Quality Act (CEQA) requires that a Lead Agency issue two sets of findings prior to approving a project that will generate a significant impact on the environment. The Statement of Facts and Findings is the first set of findings where the Lead Agency identifies the significant impacts, presents facts supporting the conclusions reached in the analysis, makes one or more of three findings for each impact, and explains the reasoning behind the agency's findings.

The following statement of facts and findings has been prepared in accordance with the California Environmental Quality Act (CEQA) and Public Resources Code Section 21081. *CEQA Guidelines* Section 15091 (a) provides that:

No public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant environmental effects of the project unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding.

There are three possible finding categories available for the Statement of Facts and Findings pursuant to Section 15091 (a) of the *CEQA Guidelines*.

- (1) *Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR.*
- (2) *Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.*
- (3) *Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the final EIR.*

These findings relevant to the project are presented in Sections V and VI.

The Statement of Overriding Considerations is the second set of findings. Where a project will cause unavoidable significant impacts, the Lead Agency may still approve the project where its benefits outweigh the adverse impacts. Further, as provided in the Statement of Overriding Considerations, the Lead Agency sets forth specific reasoning by which benefits are balanced against effects, and approves the project.

The City of Long Beach Redevelopment Agency, the CEQA Lead Agency, finds and declares that the proposed Shoreline Gateway Project Supplemental Environmental Impact Report (SEIR) has been completed in compliance with CEQA and the *CEQA Guidelines*. The City of Long Beach Redevelopment Agency (the "City") finds and certifies that the SEIR was reviewed



and information contained in the SEIR was considered prior to approving the proposed Shoreline Gateway Project, herein referred to as the "project."

Based upon its review of the SEIR, the Lead Agency finds that the SEIR is an adequate assessment of the potentially significant environmental impacts of the proposed project, represents the independent judgment of the City, and sets forth an adequate range of alternatives to this project.

The Final SEIR is composed of the following elements:

- Draft Shoreline Gateway Project Supplemental Environmental Impact Report, July 2007;
- Responses to Comments, September 2006; and
- Mitigation monitoring program.

The remainder of this document is organized as follows:

- II. Description Of Project Proposed For Approval;
- III. Effects Determined To Be Less Than Significant;
- IV. Effects Determined To Be Less Than Significant With Mitigation and Findings;
- V. Environmental Effects Which Remain Significant And Unavoidable After Mitigation and Findings; and
- VI. Alternatives To The Proposed Project.

II. DESCRIPTION OF PROJECT PROPOSED FOR APPROVAL

The project is comprised of nine parcels (approximately 2.23 acres) generally located north of Ocean Boulevard, between Atlantic and Alamitos Avenues.

The project site is currently developed with multiple-family residential, restaurant, office and parking uses. The September 2006 Final EIR had identified the Video Choice building at the northwest corner of Ocean Boulevard and Alamitos Avenue. The Video Choice structure was demolished in October 2006 and the corner parcel has been improved with landscaping and a public parking lot with 39 spaces.

On September 18, 2006, the City of Long Beach Redevelopment Agency certified the Shoreline Gateway Project (SCH No. 2005121066). Certification of the EIR by the Redevelopment Agency also included adoption of the Mitigation Monitoring and Reporting Program.

The September 2006 Shoreline Gateway project description proposed a mixed-use development involving a 22-story residential tower (Gateway Tower) at the northwest corner of Ocean Boulevard and Alamitos Avenue, a 15- to 19-story stepped slab building (Terrace Tower) west of the existing Lime Avenue and Ocean Boulevard intersection and a 10-story building (Courtyard Tower) northeast of the existing Artaban building. The buildings would be situated over a two-story podium of residential, retail and live/work units, resulting in a maximum height of 24, 21 and 12 stories, respectively, from grade.



Development of the September 2006 project description would result in 358 residential units including live/work spaces, townhomes, one to three bedroom apartment units, penthouse units and associated amenities. The project involved locating live/work units adjacent to Ocean Boulevard and townhouse units adjacent to the Bronze Way alley and Medio Street. Additionally, the September 2006 project description proposed 13,561 square feet of retail/gallery space, which would front the proposed residential tower and stepped slab building on Ocean Boulevard.

Building Heights and Materials. With the two-story podium, the height of the 24-story tower would be approximately 284 feet (not including an optional beacon). The maximum height of the 21-story stepped slab building would be approximately 233 feet and the 12-story building would be approximately 124 feet. The September 2006 project description proposed the use of terra cotta cladding, stone, translucent and clear glass materials of warm hues, compatible with development in the surrounding area.

Site Access and Relocation of Roadways. Vehicular access, as described in the September 2006 project description, would occur from Ocean Boulevard, Atlantic Avenue and at the western terminus of Medio Street. Bronze Way alley would be relocated from its current location northward to the edge of the project site. It would then serve as a one-way street providing direct access to the proposed townhouse units. Additionally, Lime Avenue, between Medio Street and Ocean Boulevard, would be vacated to allow for an elliptical-shaped paseo between the proposed residential tower and stepped slab building on Ocean Boulevard.

Parking. Parking for approximately 820 vehicles would be provided in three subterranean parking levels and in a concealed parking structure located at-grade and one level above-grade. The parking structure would be concealed from the public by the proposed live/work and townhouse units and the proposed retail uses. Additionally, a residential garden would be located directly above the structure, surrounded by the existing Artaban building on the west and proposed residential uses on the north, east and south.

Landscaping. The September 2006 project description proposed landscaping within the residential garden, public paseo and along the project frontages. The planting concept plan proposes the use of palms and shade trees within the public paseo and leisure spaces and flowering trees along Bronze Way, Medio Street and Lime Avenue. Under plantings, shrubs and bushes would be used within community spaces.

The project proposes a mixed-use development involving a 22-story residential tower (Gateway Tower) at the northwest corner of Ocean Boulevard and Alamitos Avenue, a 15- to 19-story stepped slab building (Terrace Tower) west of the existing Lime Avenue and Ocean Boulevard intersection and a 10-story building (Courtyard Tower) northeast of the existing Artaban building. The proposed buildings would be situated over a two-story podium of residential, retail and live/work units, resulting in a maximum height of 24, 21 and 12 stories, respectively, from grade.

Development of the project would result in 358 residential units including live/work spaces, townhomes, one to three bedroom apartment units, penthouse units and associated amenities. The project proposes locating live/work units adjacent to Ocean Boulevard and townhouse units adjacent to the Bronze Way alley and Medio Street. The project proposes 13,561 square feet of retail/gallery space, which would front the proposed residential tower and stepped slab building on Ocean Boulevard.



The Revised 2007 Shoreline Gateway Project (revised project) remains consistent with the September 2006 project description described above, with the exception of the Gateway Tower. The revised project proposes a 35-story residential tower at the northwest corner of Ocean Boulevard and Alamitos Avenue. With the three to four level podium, the height of the proposed 35-story tower would be approximately 417 feet. The revised project proposes the use of stone and metal and composite rainscreen cladding at the base of the Gateway Tower and painted smooth finish concrete with aluminum curtainwall and window wall systems with clear and tinted glass on the upper levels. The upper levels would also have accent materials such as metal panels, glass raining and metal shading devices. The Terrace Tower and Courtyard Tower would remain unchanged from the September 2006 project description.

As with the September 2006 project description, development of the revised project would result in 358 residential units including live/work spaces, townhomes, one to three bedroom apartment units, penthouse units and associated amenities and 13,561 square feet of retail/gallery space. Site access, parking and landscaping for the 2007 revised project would be consistent with the September 2006 project description. Although a public plaza area would continue to be provided between the Gateway and Terrace Towers, the shape of the plaza area would no longer be elliptical.

Table 1, *Project Comparison*, provides a comparison of the September 2006 project description and the revised 2007 project description.

Table 1
Project Comparison

Project Components	September 2006 Project	2007 Revised Project
Residential Units	358	358
Retail/Gallery	13,561	13,561
Parking Spaces	820	820
Stories / Height (feet)		
Gateway Tower	24 / 284	35 / 417
Terrace Tower	21 / 233	21 / 233
Courtyard Tower	12 / 124	12 / 124

As indicated in Table 1, the 2007 revised project would be unchanged from the 2006 project with the exception of the Gateway Tower, which would be 11 stories and 133 feet taller than the 2006 project. Additionally, the design of the Gateway Tower would be modified to provide a more slender tower with a smaller footprint than the 2006 project. Specifically, the revised project proposes a three to four level podium at the southwest corner of Medio Street and Alamitos Avenue, with the 35-story residential tower to the west. The residential tower would be setback an additional 16'-6" to 28'-5" from the eastern property line, compared to the 2006 project.

The September 2006 project description proposed the use of terra cotta cladding, stone, translucent and clear glass materials of warm hues. The 2007 revised project proposes the use of stone and metal and composite rainscreen cladding at the base of the Gateway Tower and



painted smooth finish concrete with aluminum curtainwall and window wall systems with clear and tinted glass on the upper levels. The upper levels would also have accent materials such as metal panels, glass railing and metal shading devices.

CERTIFICATION OF THE SHORELINE GATEWAY PROJECT EIR (SCH No. 2005121066)

Prior to completion of the September 2006 EIR, an Initial Study was conducted to determine the significant effects of the project. In the course of this evaluation, certain impacts of the project were found to be less than significant due to the inability of the project of this scope to create such impacts or the absence of project characteristics producing effects of this type. The topics determined to have less than significant impacts included:

- Agricultural Resources;
- Biological Resources;
- Geology and Soils; and
- Mineral Resources.

The September 2006 EIR evaluated potential environmental impacts with respect to the following issue areas:

- Land Use and Relevant Planning;
- Aesthetics/Light and Glare;
- Traffic and Circulation;
- Air Quality;
- Noise;
- Hazards and Hazardous Materials;
- Cultural Resources; and
- Public Services and Utilities.

A total of 44 mitigation measures were applied to the project. With implementation of mitigation measures, potentially significant impacts were reduced to a less than significant level with the exception of Aesthetics/Light and Glare (shade and shadow impacts), Traffic and Circulation (forecast year 2015 with project impacts, Los Angeles County CMP facilities impacts and cumulative impacts), Air Quality (short-term construction impacts [NO_x emissions]), Noise (short-term construction noise impacts and long-term mobile noise impacts) and Cultural Resources (historic structure [40 Atlantic Avenue]). In accordance with *CEQA Guidelines* Section 15091 and Section 15093, the City of Long Beach adopted findings and prepared a Statement of Overriding Considerations.

III. EFFECTS DETERMINED TO BE LESS THAN SIGNIFICANT

The City of Long Beach Redevelopment Agency found that the proposed project would have a less than significant impact on for each of the following topic areas listed below.

AESTHETICS/LIGHT AND GLARE

Long-Term Aesthetics. Although development of proposed uses would alter the visual character of the project site and surrounding area, it would not substantially degrade the existing visual character or quality of the sites or their surroundings.



IV. EFFECTS DETERMINED TO BE LESS THAN SIGNIFICANT WITH MITIGATION AND FINDINGS

The City of Long Beach Redevelopment Agency, having reviewed and considered the information contained in the Final SEIR and the administrative record, finds, pursuant to California Public Resources Code 21081 (a)(1) and *CEQA Guidelines* 15091 (a)(1) that changes or alterations have been required in, or incorporated into, the proposed project which would avoid or substantially lessen to below a level of significance the following potentially significant environmental effects identified in the Final SEIR in the following categories: Aesthetics (short-term construction and long-term light and glare) The potentially significant adverse environmental impacts that can be mitigated are listed below. The City of Long Beach Redevelopment Agency finds that these potentially significant adverse impacts can be mitigated to a level that is considered less than significant after implementation of mitigation measures identified in the Final SEIR.

AESTHETICS/LIGHT AND GLARE

The project's potential impacts with regard to aesthetics, light and glare and shade and shadow that can be mitigated or are otherwise less than significant are discussed in Section 5.1, *Aesthetics/Light and Glare*, of the Draft SEIR.

LESS THAN SIGNIFICANT IMPACT WITH MITIGATION INCORPORATED.

Short-Term Construction Aesthetics. *Development of the revised project would result in grading and construction activities that would temporarily alter the visual character of the project site and the surrounding area and introduce new sources of light and glare.*

Findings

1. *Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Draft SEIR.*

Facts in Support of Findings

The potential short-term aesthetic impacts from short-term construction activities at the project site has been eliminated or substantially lessened to a level of less than significant by virtue of mitigation measures identified in the Draft SEIR.

Mitigation Measures:

- AES-1 From the Shoreline Gateway 2006 FEIR: Construction equipment staging areas shall use appropriate screening (i.e., temporary fencing with opaque material) to buffer views of construction equipment and material, when feasible. Staging locations shall be indicated on Final Development Plans and Grading Plans.



- AES-2 From the Shoreline Gateway 2006 FEIR: All construction-related lighting shall include shielding in order to direct lighting down and away from adjacent residential areas and consist of the minimal wattage necessary to provide safety at the construction site. A construction safety lighting plan shall be submitted to the City for review concurrent with Grading Permit application.

Long-Term Light and Glare. *Development of the revised project would introduce new sources of light and glare into the project area.*

Findings

1. *Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Draft SEIR.*

Facts in Support of Findings

The potential long-term light and glare impacts from operation of proposed uses have been eliminated or substantially lessened to a level of less than significant by virtue of mitigation measures identified in the Draft SEIR.

Mitigation Measures:

- AES-3 From the Shoreline Gateway 2006 FEIR: Prior to the issuance of any building permits, the applicant shall submit lighting plans and specifications for all exterior lighting fixtures and light standards to the Redevelopment Agency and the Planning and Building Department for review and approval. The plans shall include a photometric design study demonstrating that all outdoor light fixtures to be installed are designed or located in a manner as to contain the direct rays from the lights on-site and to minimize spillover of light onto surrounding properties or roadways. All parking structure lighting shall be shielded and directed away from residential uses. Such lighting shall be primarily located and directed so as to provide adequate security.
- AES-4 From the Shoreline Gateway 2006 FEIR: Prior to the issuance of any building permits, the applicant shall submit plans and specifications for all building materials to the Redevelopment Agency and the Planning and Building Department for review and approval. All structures facing any public street or neighboring property shall use minimally reflective glass and all other materials used on the exterior of buildings and structures shall be selected with attention to minimizing reflective glare. The use of glass with over 25 percent reflectivity shall be prohibited in the exterior of all buildings on the project site.
- AES-5 From the Shoreline Gateway 2006 FEIR: Prior to the issuance of any building permits, the applicant shall demonstrate to the Planning and Building Department that all night lighting installed on private property within the project site shall be shielded, directed away from residential uses and confined to the project site. Rooftop lighting shall be limited to security lighting or aviation warning lights in accordance with Airport/Federal Aviation Administration (FAA) requirements.



Additionally, all lighting shall comply with all applicable Airport Land Use Plan (ALUP) Safety Policies and FAA regulations.

Cumulative Aesthetics and Light and Glare. *Development associated with the revised project and related cumulative projects would result in significant cumulative aesthetic, light or glare impacts.*

Findings

1. *Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Draft SEIR.*

Facts in Support of Findings

The potential cumulative aesthetic and light and glare impacts from operation of proposed uses have been eliminated or substantially lessened to a level of less than significant by virtue of mitigation measures identified in the Draft SEIR.

V. ENVIRONMENTAL EFFECTS WHICH REMAIN SIGNIFICANT AND UNAVOIDABLE AFTER MITIGATION AND FINDINGS

The City of Long Beach Redevelopment Agency, having reviewed and considered the information contained in the Final SEIR and the administrative record finds, pursuant to California Public Resources Code 21081 (a)(3) and CEQA Guidelines 15091 (a)(3), that specific economic, legal, social, technological, or other considerations, make infeasible the mitigation measures identified in the Final SEIR and, therefore, the project will cause significant unavoidable impacts in the category of Aesthetics (shade and shadow).

AESTHETICS/LIGHT AND GLARE

SIGNIFICANT AND UNAVOIDABLE IMPACT.

Shade and Shadow. *Development of the revised project would result in significant and unavoidable shade shadow impacts in regards to adjacent buildings within the project area.*

Findings

1. *Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the environmental impact report.*

Facts in Support of Findings

The proposed project would be consistent with the historically acceptable forms of high-rise urban development occurring within downtown Long Beach. However, the increase in building massing and scale would result in enlarged shade and shadow impacts to residential uses located north of Bronce Way alley and Medio Street, northeast of Ocean Boulevard and Alamitos Avenue and residential uses on Ocean Boulevard, east of Alamitos Avenue.



Additionally the project would result in enlarged shade and shadow impacts to hotel uses north of the project site and to adjacent roadways (i.e., Lime Avenue, Medio Street, Bronce Way Alley, Atlantic Avenue and Alamitos Avenue). No mitigation measures have been identified that could feasibly reduce the significant shade and shadow impacts resulting from the proposed project. Shade and shadow impacts are considered significant and unavoidable.

The overriding social, economic and other considerations set forth in the Statement of Overriding Considerations and in the Findings regarding the Shoreline Gateway Project provide additional facts in support of these findings. Any remaining, unavoidable significant effects are acceptable when balanced against the facts set forth therein.

Mitigation Measures:

No mitigation measures have been identified that could feasibly reduce the significant shade and shadow impacts referenced to a less than significant level.

VI. ALTERNATIVES TO THE PROPOSED PROJECT

The Draft SEIR addresses the environmental effects of alternatives to the proposed project. A description of these alternatives, a comparison of their environmental impacts to the proposed project, and the City's findings are listed below. These alternatives are compared against the project relative to the identified project impacts, summarized in section IV and V, above, to the project objectives, as stated in Section 3.3 of the Draft SEIR.

In making the following alternatives findings, the City of Long Beach Redevelopment Agency certifies that it has independently reviewed and considered the information on alternatives provided in the Draft SEIR, including the information provided in the comments on the Draft SEIR and the responses thereto.

NO PROJECT/NO DEVELOPMENT ALTERNATIVE

The No Project/No Development Alternative assumes that the proposed project would not be implemented and the project site would remain in its current condition. With this Alternative, the proposed 24-, 21- and 12-story structures with 358 residential units and 13,561 square feet of retail/gallery space would not be developed. Bronce Way alley would not be relocated and Lime Avenue, between Medio Street and Ocean Boulevard, would not be vacated. The existing residential, retail, restaurant and office uses would remain on-site.

Findings

1. *Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the environmental impact report.*

Facts in Support of Findings

The No Project/No Development Alternative results in fewer impacts on aesthetics/light and glare. Under this Alternative, no unavoidable significant adverse impacts are expected.



The No Project/No Development Alternative would not implement the objectives of the proposed project, which include providing an iconic gateway tower to the East Village Arts District and downtown, providing a forecourt plaza and formal civic space for outdoor dining and gathering opportunities and providing a diversity of residential unit types including live/work spaces, townhomes, apartment units and penthouse units. Under this Alternative, the proposed residential and retail/gallery uses would not be developed. Therefore, none of the project objectives identified in the Draft SEIR, would be met under the No Project/No Development Alternative. Additionally, the No Project/No Development Alternative would be inconsistent with Redevelopment Plan policies identified for the project site and surrounding area.

The findings of the proposed project set forth in this document and the overriding social, economic and other considerations set forth in the Statement of Overriding Considerations provide support for the proposed project and the elimination of the Alternative from further consideration.

REDUCED PROJECT ALTERNATIVE

The Reduced Project Alternative involves a mixed-use development on five parcels (approximately 1.53 acres) generally bounded by Bronce Way Alley and Medio Street on the north, Alamitos Avenue on the east, Ocean Boulevard on the south and Broadway Court on the west. Currently the site is developed with 63 multiple-family residential units and the vacant corner where the approximately 9,629 square foot Video Choice retail use was located. Implementation of the Reduced Project Alternative would result in the removal of these uses. The Reduced Project Alternative would not involve the parcels currently developed with the Long Beach Café and the 40 Atlantic Avenue office building. Therefore, these uses would remain on-site.

The Reduced Project Alternative would involve a mixed-use development consisting of a 19-story residential tower at the northwest corner of Ocean Boulevard and Alamitos Avenue and a 14-story residential tower on Ocean Boulevard south of Bronce Way Alley, between the existing Long Beach Café and Lime Avenue. The buildings would be situated over a 3- and 6-story podium, respectively, of residential, retail, gallery and live/work units, resulting in a maximum height of 22- and 20-stories, respectively, from grade. The maximum heights of the buildings would be 250 and 220 feet, respectively.

Development of this Alternative would result in 305 residential units including live/work spaces, townhomes, one to three bedroom apartment units, and penthouse units and associated amenities. This Alternative involves live/work spaces adjacent to Bronce Way Alley, Lime Avenue and Medio Street. Approximately 12,000 square feet of retail/gallery space would front the residential towers adjacent to Ocean Boulevard, with residential units located above.

Vehicular access to the site would occur from Bronce Way alley and Medio Street. Implementation of this Alternative would result in the vacation of Broadway Court. Additionally, Lime Avenue, between Medio Street and Ocean Boulevard, would be vacated to allow for a landscaped courtyard between the proposed residential towers.

Parking for approximately 723 vehicles would be provided in three subterranean parking levels and in a concealed parking structure located at-grade and three levels above-grade. The parking structure would be concealed from the public by the residential, live/work and retail/gallery uses.



Findings

1. *Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the environmental impact report.*

Facts in Support of Findings

The Reduced Project Alternative results in fewer impacts on traffic and circulation, air quality, cultural resources and public services and utilities. The impacts on land use and relevant planning, aesthetics/light and glare and noise are similar to the proposed project. The impacts on hazards and hazardous materials would be greater than the proposed project. Under this Alternative, unavoidable significant adverse impacts are expected.

The Reduced Project Alternative would only partially implement the goals and objectives of the proposed project. Under this Alternative, a diversity of residential unit types and retail/gallery uses would be developed within an iconic gateway into the East Village Arts District and downtown. However, development of this Alternative would provide fewer residential units when compared to the proposed project. As such, the Reduced Project Alternative would not accommodate projected growth within Long Beach to the extent of the proposed project. The Reduced Project Alternative would provide landscaped open space, retail frontage and an interior plaza. Similar to the proposed project, low-scaled residential units would provide a transitional edge between the towers and neighboring residential community. Because this Alternative would not involve development adjacent to the existing Artaban building, a landscaped courtyard would not be provided, as with the proposed project. Therefore, while all but one of the project objectives identified in the Draft SEIR, would be met under the Reduced Project Alternative, none of these goals would be met to the same degree as with the proposed project.

This Alternative was selected as the environmentally superior alternative, based on the consideration of how the alternative fulfills the project objectives and how the alternative either reduced significant, unavoidable impacts or substantially reduces the impacts to the surrounding environment.

The findings of the proposed project set forth in this document and the overriding social, economic and other considerations set forth in the Statement of Overriding Considerations provide support for the proposed project and the elimination of the Alternative from further consideration.

HOTEL/OFFICE ALTERNATIVE

The Hotel/Office Alternative proposes development of the 2.2-acre site with hotel and office uses within two towers. An 18-story hotel tower would be situated at the northwest corner of Ocean Boulevard and Alamitos Avenue. An 11-story office tower would be situated north of Ocean Boulevard, west of Lime Avenue, east of the Artaban building and south of Bronze Way alley. The proposed hotel tower would be situated over a three-story podium and the proposed office tower would be situated over a four-story podium, resulting in a maximum height of 21-



and 15-stories, respectively, from grade. The maximum heights of the buildings would be 245 and 200 feet, respectively.

Development of this Alternative would result in a 300-room hotel with 20,000 square feet of banquet facilities and a 200,000 square foot office tower. Approximately 10,000 square feet of retail uses would be situated adjacent to the office tower and within the hotel building.

Vehicle access to the site would occur from Atlantic Avenue, Ocean Boulevard and at the western terminus of Medio Street. This Alternative would involve relocating the existing Bronze Way alley, northward to the edge of the project site. Additionally, Lime Avenue, between Medio Street and Ocean Boulevard, would be vacated to allow for a landscaped courtyard between the proposed hotel and office towers.

Parking for 960 vehicles would be provided in three subterranean parking levels beneath the entire site area and in a concealed parking structure located within the podium of the office building at grade and three levels above-grade.

Findings

1. *Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the environmental impact report.*

Facts in Support of Findings

The Hotel/Office Alternative results in fewer impacts on public services and utilities. The impacts on land use and relevant planning, aesthetics/light and glare, noise, hazards and hazardous materials and cultural resources are similar to the proposed project. The impacts on traffic and circulation and air quality would be greater than the proposed project. Under this Alternative, unavoidable significant adverse impacts are expected.

The Hotel/Office Alternative would not implement all of the objectives of the proposed project. The Alternative would provide an iconic gateway tower to the East Village Arts District and downtown and a public paseo between the two towers. However, the Hotel/Office Alternative would not provide residential uses to the area or a low-scaled transitional edge between the towers and neighboring residential community, when compared to the proposed project. As such, the Hotel/Office Alternative would not accommodate projected growth within Long Beach to the extent of the proposed project. Additionally, views of the neighboring Artaban building would not be protected and a landscaped courtyard would not be provided. The Hotel/Ocean Alternative would not meet the objectives identified in the Draft SEIR.

The findings of the proposed project set forth in this document and the overriding social, economic and other considerations set forth in the Statement of Overriding Considerations provide support for the proposed project and the elimination of the Alternative from further consideration.



STATEMENT OF OVERRIDING CONSIDERATIONS

I. INTRODUCTION

The California Environmental Quality Act (CEQA) and the *CEQA Guidelines* provide in part the following:

- CEQA requires that the decision makers balance the benefits of a proposed project against its unavoidable environmental risks in determining whether to approve the project. If the benefits of the proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable."
- Where the decision of the public agency allows the occurrence of significant effects that are identified in the Environmental Impact Report (EIR) but are not mitigated, the agency must state in writing the reasons to support its action based on the EIR and/or other information in the record. This statement may be necessary if the agency also makes the finding under Section 15091 (a)(2) or (a)(3) of the *CEQA Guidelines*.
- If an agency makes a statement of overriding considerations, the statement should be included in the record of the project approval and should be mentioned in the Notice of Determination (Section 15093 of the *CEQA Guidelines*).

The City of Long Beach Redevelopment Agency Board, having reviewed and considered the information contained in the Supplemental Environmental Impact Report (SEIR) for the Shoreline Gateway Project (the project), Responses to Comments and the public record, adopts the following Statement of Overriding Considerations that has been balanced against the unavoidable adverse impacts in reaching a decision on this project.

II. SIGNIFICANT UNAVOIDABLE ADVERSE IMPACTS

Although all potential project impacts have been substantially avoided or mitigated as described in the preceding findings, there is no complete mitigation for the following project impacts:

- Aesthetics/Light and Glare – Shade and Shadow;

Details of this significant unavoidable adverse impact were discussed in the Shoreline Gateway Project Supplemental EIR and are summarized, or were otherwise provided in Section V, Environmental Effects Which Remain Significant and Unavoidable After Mitigation and Findings, in the Statement of Facts and Findings.

III. OVERRIDING CONSIDERATIONS

The proposed action consists of the certification of the Shoreline Gateway Project Supplemental EIR. Analysis in the SEIR for this project has concluded that the proposed project will result in aesthetics/light and glare impacts that cannot be mitigated to a less than significant level. All other potential significant adverse project impacts related to aesthetics/light and glare have been mitigated to a less than significant level based on mitigation measures in the Final SEIR.



The California Environmental Quality Act requires the lead agency to balance the benefits of a proposed project against its unavoidable environmental risks in determining whether to approve the project.

The City of Long Beach Redevelopment Agency Board has determined that the significant unavoidable adverse project impacts, which will remain significant after mitigation, are acceptable and are outweighed by social, economic and other benefits of the project. Further, the alternatives that were identified in the Final SEIR would not provide the project benefits, as summarized below, to the same extent as the proposed project:

1. The City of Long Beach Redevelopment Agency Board finds that all feasible mitigation measures have been imposed to lessen project impacts to less than significant levels; and furthermore, that alternatives to the project are infeasible because while they have similar or less environmental impacts, they do not provide the benefits of the project, or are otherwise socially or economically infeasible when compared to the project, as described in the Statement of Facts and Findings.
2. The project is consistent with the *City of Long Beach General Plan* land use designation (LUD No. 7), which allows for a combination of land uses including employment centers, such as retail, offices, medical facilities; higher density residences; visitor-serving facilities; personal and professional services; or recreational facilities. The project is also consistent with the zoning designation (PD-30) and applicable district (Downtown Core District) of PD-30, which is intended for a mix of uses, including office, retail, entertainment and high-density residential uses.
3. Project implementation will contribute to long-range development goals identified by the City and Redevelopment Agency. The project is consistent with the goals and policies of the Redevelopment Plan and relevant strategic planning documents, which establish specific goals, policies and action items to ensure future development within the area is consistent with the Redevelopment Plan. Although specific land uses for the project site are not always identified, the strategic plans encourage intensification of the Ocean Boulevard frontage between Atlantic and Alamitos Avenues and encourage the area to continue as the City's premier location for corporate headquarters and other large-scale office projects, visitor and convention-oriented hotels, major civic offices and facilities and high-density residential projects. Additionally, the project is consistent with objectives and actions identified for downtown, as project implementation would place residential and retail/gallery uses in proximity to existing employment, transit and other retail opportunities, encouraging activity in the downtown area into the evenings. The proposed gallery space would extend art-related uses within the East Village Arts District to Ocean Boulevard.
4. The project will positively enhance revitalization in the downtown by developing underutilized sites with a diversity of residential unit types for downtown living, including live/work spaces, townhomes, apartment units and penthouse units in proximity to employment opportunities.
5. The project will enhance the pedestrian environment through the closure of Medio Street, which will provide a linkage between uses situated north of the project site and Ocean Boulevard. The relocation of the existing Bronce Way alley, northward to the



edge of the project site, will serve as a one-way street providing direct access to the proposed townhouse units. The alley would be paved and landscaped, providing pedestrian access between the project site and downtown uses. Additionally, proposed public space, including the landscaped elliptical paseo and forecourt would provide gathering opportunities, extending activity within downtown.

6. The project will create a focal point to the East Village Arts District and downtown, establishing a clearly defined sense of arrival from the east through the establishment of a gateway tower.
7. The project will add new high-density residential units within the downtown area, increasing the availability of housing in the City of Long Beach, enhancing the jobs/housing balance and encouraging walking and transit use.
8. The project will enhance opportunities for private financial investments through home ownership opportunities and retail opportunities.

Therefore, the Long Beach Redevelopment Agency Board, having reviewed and considered the information contained in the Final SEIR and the public record, adopts the Statement of Overriding Considerations that has been balanced against the unavoidable adverse impacts in reaching a decision on this project.

**SHORELINE GATEWAY PROJECT
SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT
MITIGATION MONITORING AND REPORTING CHECKLIST**

Mitigation Measure	Monitoring Phase	Enforcement Agency	Monitoring Agency	Action Indicating Compliance	Verification of Compliance			
					Initials	Date	Remarks	
AESTHETICS/LIGHT AND GLARE								
Short-Term Construction Aesthetic Impacts								
AES-1	From the Shoreline Gateway 2006 FEIR: Construction equipment staging areas shall use appropriate screening (i.e., temporary fencing with opaque material) to buffer views of construction equipment and material, when feasible. Staging locations shall be indicated on Final Development Plans and Grading Plans.	Pre-Construction/ Construction	City of Long Beach Planning and Building Department	City of Long Beach Planning and Building Department	Final development plan and grading plan review/ Issuance of grading permits			
AES-2	From the Shoreline Gateway 2006 FEIR: All construction-related lighting shall include shielding in order to direct lighting down and away from adjacent residential areas and consist of the minimal wattage necessary to provide safety at the construction site. A construction safety lighting plan shall be submitted to the City for review concurrent with Grading Permit application.	Pre-Construction/ Construction	City of Long Beach Planning and Building Department	City of Long Beach Planning and Building Department	Issuance of grading permits			
Long-Term Light and Glare								
AES-3	From the Shoreline Gateway 2006 FEIR: Prior to the issuance of any building permits, the applicant shall submit lighting plans and specifications for all exterior lighting fixtures and light standards to the Redevelopment Agency and the Planning and Building Department for review and approval. The plans shall include a photometric design study demonstrating that all outdoor light fixtures to be installed are designed or located in a manner as to contain the direct rays from the lights on-site and to minimize spillover of light onto surrounding properties or roadways. All parking structure lighting shall be shielded and directed away from	Pre-Construction/ Construction	City of Long Beach Redevelopment Agency and City of Long Beach Planning and Building Department	City of Long Beach Planning and Building Department	Lighting plan review/ Issuance of building permits			

Mitigation Measure	Monitoring Phase	Enforcement Agency	Monitoring Agency	Action Indicating Compliance	Verification of Compliance		
					Initials	Date	Remarks
	residential uses. Such lighting shall be primarily located and directed so as to provide adequate security.						
AES-4	From the Shoreline Gateway 2006 FEIR: Prior to the issuance of any building permits, the applicant shall submit plans and specifications for all building materials to the Redevelopment Agency and the Planning and Building Department for review and approval. All structures facing any public street or neighboring property shall use minimally reflective glass and all other materials used on the exterior of buildings and structures shall be selected with attention to minimizing reflective glare. The use of glass with over 25 percent reflectivity shall be prohibited in the exterior of all buildings on the project site.	Pre-Construction/ Construction	City of Long Beach Redevelopment Agency and City of Long Beach Planning and Building Department	City of Long Beach Planning and Building Department	Review of building materials and specifications/ Issuance of building permits		
AES-5	From the Shoreline Gateway 2006 FEIR: Prior to the issuance of any building permits, the applicant shall demonstrate to the Planning and Building Department that all night lighting installed on private property within the project site shall be shielded, directed away from residential uses and confined to the project site. Rooftop lighting shall be limited to security lighting or aviation warning lights in accordance with Airport/Federal Aviation Administration (FAA) requirements. Additionally, all lighting shall comply with all applicable Airport Land Use Plan (ALUP) Safety Policies and FAA regulations.	Pre-Construction/ Construction	City of Long Beach Planning and Building Department	City of Long Beach Planning and Building Department	Site plan review/ Issuance of building permits		

RESOLUTION NO. R. A.

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA, FINDING THAT THE CONSIDERATION FOR THE SALE OF CERTAIN REAL PROPERTY IN THE CENTRAL LONG BEACH REDEVELOPMENT PROJECT IS NOT LESS THAN FAIR MARKET VALUE IN ACCORDANCE WITH COVENANTS AND CONDITIONS GOVERNING SUCH SALE; APPROVING THE SALE OF PROPERTY TO SHORELINE GATEWAY, LLC; APPROVING THE OWNER PARTICIPATION AGREEMENT PERTAINING THERETO; AND AUTHORIZING THE EXECUTION OF THE OWNER PARTICIPATION AGREEMENT

WHEREAS, the Redevelopment Agency of the City of Long Beach, California (the "Agency"), is engaged in activities necessary to execute and implement the Redevelopment Plan for the Central Long Beach Redevelopment Project (the "Project"); and

WHEREAS, in order to implement the Redevelopment Plan, the Agency proposes to sell certain real property (the "Property") in the Project pursuant to the terms and provisions of an Owner Participation Agreement (the "Agreement") and which Property is described in Exhibit "A" which is attached and incorporated by reference; and

WHEREAS, Shoreline Gateway, LLC , a Delaware limited liability company, (the "Developer"), has submitted to the Agency a written offer in the form of the Agreement to purchase the Property for not less than fair market value for uses in accordance with the Redevelopment Plan and the covenants and conditions of the

Agreement; and

WHEREAS, the proposed Agreement contains all the provisions, terms and conditions and obligations required by Federal, State and local law; and

WHEREAS, Developer possesses the qualifications and financial resources necessary to acquire and insure development of the Property in accordance with the purposes and objectives of the Redevelopment Plan; and

WHEREAS, Agency has prepared a summary setting forth the cost of the Agreement to the Agency, the estimated value of the interest to be conveyed, determined at the highest uses permitted under the Redevelopment Plan and the purchase price and has made the summary available for public inspection in accordance with the California Redevelopment Law; and

WHEREAS, the Agency has certified EIR No. 2005-121066 under the California Environmental Quality Act; and

WHEREAS, pursuant to the provisions of the California Community Redevelopment Law, the Agency held a public hearing on the proposed sale of the Property and the proposed Agreement after publication of notice as required by law; and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed sale and has found that the redevelopment of the Property pursuant to the proposed Agreement is in the best interests of the City and the health, safety, morals and welfare of its residents and in accord with the public purposes and provisions of applicable Federal, State and local law;

NOW, THEREFORE, the Redevelopment Agency of the City of Long Beach, California resolves as follows:

Section 1. The Agency hereby certifies EIR No. 2005-121066 under the California Environmental Quality Act.

Section 2. The Agency finds and determines that the consideration for sale of the Property pursuant to the Agreement is not less than fair market value in

accordance with covenants and conditions governing the sale.

Section 3. The sale of the Property by the Agency to Developer and the Agreement which establishes the terms and conditions for the sale and development of the Property are approved.

Section 4. The sale and development of the Property shall eliminate blight within the Project Area and is consistent with the implementation plan for the Project adopted pursuant to Health and Safety Code Section 33490.

Section 5. The Executive Director of the Agency is authorized to execute the Agreement (including attachments).

Section 6. The Executive Director of the Agency is authorized to take all steps and to sign all documents and instructions necessary to implement and carry out the Agreement on behalf of the Agency.

APPROVED AND ADOPTED by the Redevelopment Agency of the City of Long Beach, California this ____ day of _____, 2007.

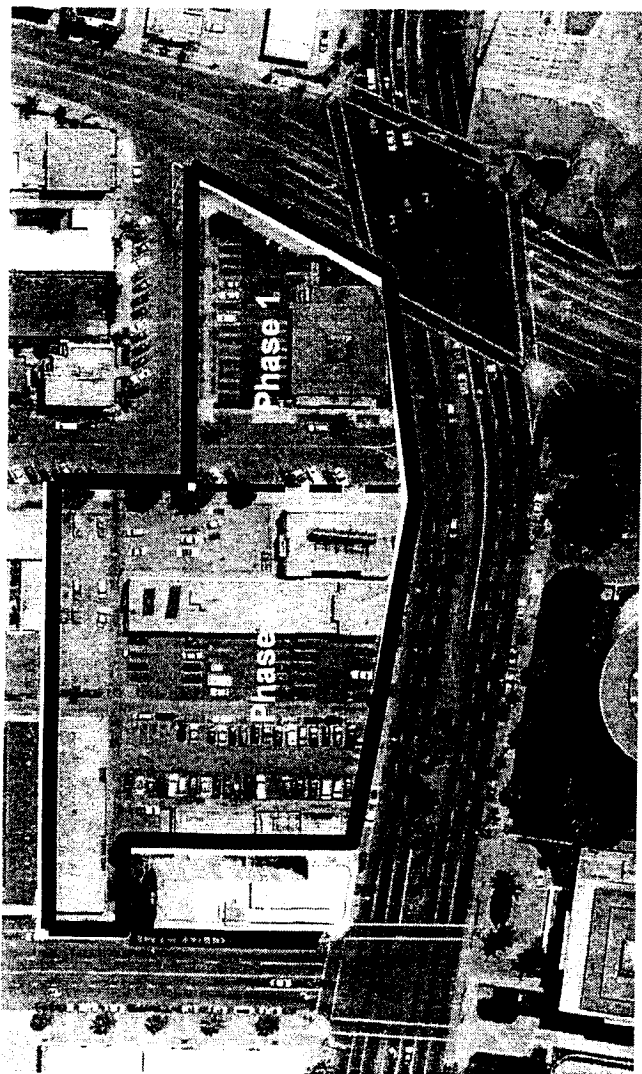
Executive Director/Secretary

APPROVED:

Chair

HAM:fl
10/25/07
#07-05170

Original Project Area Boundary



Revised Project Area Boundary



SHORELINE GATEWAY

Long Beach, California

x