

R-33

August 8, 2023

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to enter into an Exclusive Negotiation Agreement (ENA) with the Long Beach Community College District, familiarly known as Long Beach City College (LBCC), to commence negotiations in connection with the disposition and development of City of Long Beach-owned Exempt Surplus properties at 5870 Atlantic Avenue (a portion of APN 7124-032-900), 5895 Lime Avenue (APN 7124-032-912), and 5885 Lime Avenue (APN 7124-032-914). (District 9)

DISCUSSION

The City of Long Beach (City) is currently fee owner of properties located at 5870 Atlantic Avenue (a portion of APN 7124-032-900), 5895 Lime Avenue (APN 7124-032-912), and 5885 Lime Avenue (APN 7124-032-914) (collectively "Subject Properties" - Attachment). The Subject Properties consist of approximately 19,388 square feet and are currently unimproved vacant lots. In June 2022, the City received a Letter of Intent from the Long Beach Community College District, familiarly known as Long Beach City College (LBCC), which has proposed to develop the Subject Properties for a satellite classroom building and/or a student housing project serving LBCC students and the adjacent neighborhoods. As the proposal potentially furthers the development of affordable housing units and/or education access, the Subject Properties have been declared as exempt surplus, City staff recommends that the City enter into an exclusive negotiation period with LBCC to determine whether the proposal is viable. Should the City and LBCC negotiate the terms and conditions of an agreement, a separate action will be placed on a future City Council agenda for consideration.

To allow the City and LBCC to commence negotiations, the following are the proposed terms and conditions of the ENA:

- Developer: Long Beach Community College District, familiarly known as Long Beach City College.
- Exclusive Negotiating Period: The exclusive negotiating period shall be for 240 days, commencing September 1, 2023. During this period, both parties shall work diligently to negotiate the terms and conditions of an agreement for the purchase and development of the property.
- Extensions to Negotiating Period: The exclusive negotiation period may be extended for two consecutive periods of ninety (90) days each at the sole discretion of the City Manager.

- Obligations of LBCC: LBCC shall be responsible for 1) the development of a financing plan evidencing feasibility; 2) preparation of any studies, surveys, plans, specifications, and reports, at LBCC's sole cost and expense, to complete its due diligence for the Subject Properties; and 3) ensure that the Subject Properties are repaired, restored and returned to its original condition after any such due diligence investigations.
- Obligations of the City: The City shall fully cooperate with the LBCC's due diligence activities, including providing access to the Subject Properties.

This matter was reviewed by Principal Deputy City Attorney Richard F. Anthony on June 26, 2023 and by Budget Management Officer Nader Kaamoush on June 27, 2023.

TIMING CONSIDERATIONS

City Council consideration of this transaction is requested on August 8, 2023, to ensure the timely execution of the ENA.

FISCAL IMPACT

The approval of the ENA will have no fiscal impact. Should the City and LBCC negotiate the terms and conditions of an agreement, staff will return to City Council with a proposal. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

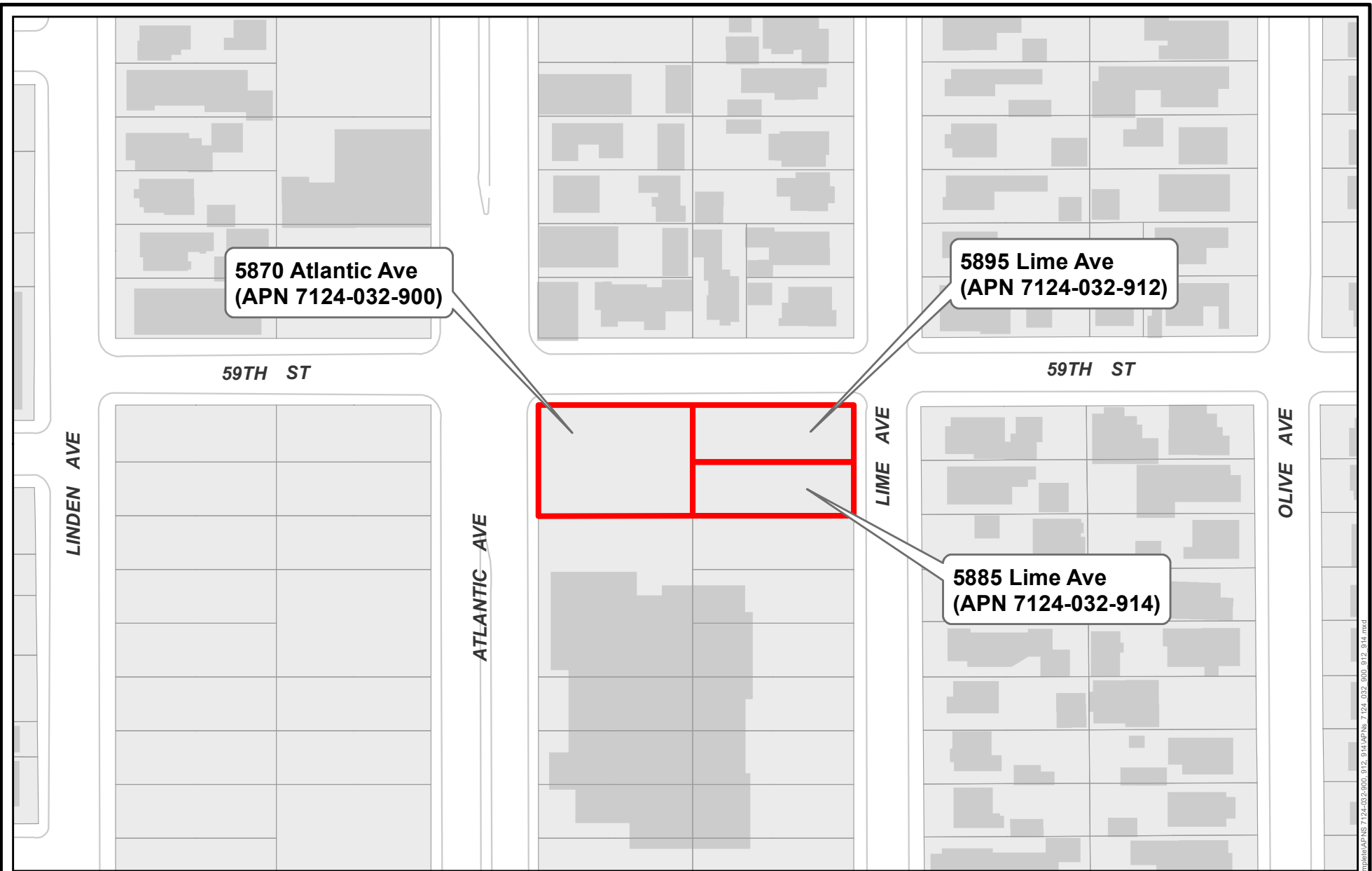


BO MARTINEZ
DIRECTOR
ECONOMIC DEVELOPMENT

APPROVED:



THOMAS B. MODICA
CITY MANAGER



Subject Properties:

5870 Atlantic Ave (APN 7124-032-900),
 5895 Lime Ave (APN 7124-032-912), &
 5885 Lime Ave (APN 7124-032-914)

Council District : 9

Attachment

