

April 14, 2020

C-23

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute a new License Agreement and all necessary documents, with Southern California Edison Company, for the City's continued use of Southern California Edison-owned land, which comprises a portion of the El Dorado Nature Center, for a term of five years from July 1, 2020 to June 30, 2025. (District 4)

DISCUSSION

For more than 37 years, the City of Long Beach (City) and Southern California Edison Company (SCE) have entered into License Agreements that allow the City to use approximately 14.77 acres of SCE-owned land, which comprises the westerly edge of the El Dorado Nature Center. Current License Agreement No. 33892 will expire on June 30, 2020. SCE has provided a new License Agreement to allow the City to continue to use SCE property from July 1, 2020 through June 30, 2025.

The proposed new License Agreement contains the following major terms and conditions:

- **Term:** Five years, July 1, 2020 to June 30, 2025.
- **License Fee:** The City will pay SCE a License Fee of \$3,527.24 in FY 20, which represents a 3 percent increase to the current license fee of \$3,424.50. In FY 21, and annually thereafter until the end of the Term, the license fee will be subject to annual 3 percent increases. The total value of the License Fee over the five years is \$18,727.
- **Maintenance:** All costs for the maintenance of the underlying landscaping (i.e., trees, shrubbery, and foliage), which will not exceed the heights and limitations prescribed by SCE, will continue to be borne solely by the City.

This matter was reviewed by Deputy City Attorney Arturo D. Sanchez on March 23, 2020 and by Revenue Management Officer Geraldine Alejo on March 25, 2020.

TIMING CONSIDERATIONS

City Council action is requested on April 14, 2020, to allow the execution of the new License Agreement prior to the June 30, 2020 expiration date of the current agreement.

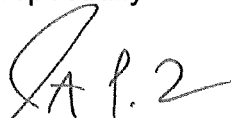
FISCAL IMPACT

The cost of the agreement will not exceed \$18,727 and is comprised of annual license fees of \$3,527 in FY 20, \$3,633 in FY 21, \$3,742 in FY 22, \$3,855 in FY 23, and \$3,970 in FY 24. The FY 20 cost will be funded within current resources in the General Fund Group in the Parks, Recreation and Marine Department. Funding needed for the increases in FY 21 and subsequent years will be requested during the annual budget process. Per the agreement, the City will continue to be responsible for maintenance costs. Funding to support these costs are currently budgeted in the General Fund Group in the Parks, Recreation and Marine Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



STEPHEN P. SCOTT
INTERIM DIRECTOR
PARKS, RECREATION AND MARINE

APPROVED:



THOMAS B. MODICA
ACTING CITY MANAGER