



Building A Better Long Beach

March 7, 2011

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Approve and authorize the Executive Director to extend the Exclusive Negotiating Agreement for six months and an optional six-month extension with Golden Pacific Partners, LLC, for the development of a site at the northeast corner of Home Street and Long Beach Boulevard. (North – District 8)

DISCUSSION

In 2007, the Redevelopment Agency (Agency) selected Golden Pacific Partners, LLC (Developer) as the preferred developer for redevelopment of the former Waite Motel site on Long Beach Boulevard in North Long Beach. An Exclusive Negotiating Agreement (ENA) was entered into in 2008 and expired in 2009. On May 3, 2010, the Agency entered into another ENA with the Developer, which expired on February 2, 2011. The Agency and Developer continue to work diligently toward an economically feasible development on the proposed project site at 5060-5098 Long Beach Boulevard and 5101 Cedar Avenue (Subject Site) (Exhibit A – Site Map). The Subject Site contains approximately 1.3 acres of land and is currently vacant. The Subject Site is zoned for commercial uses along Long Beach Boulevard and for single-family residential use along a portion of Cedar Avenue.

The Developer is a joint venture company created by a partnership between Highridge Partners and Oscar De La Hoya's Golden Boy Enterprises. The development team has a combined 25-year track record of identifying and enhancing the value of under-performing real estate. The company currently has residential and mixed-use projects in the cities of San Pedro, West Sacramento, Daly City, Huntington Park, Montebello, South Gate and Compton.

It is recommended that the Agency extend the ENA with Golden Pacific Partners, LLC, for six months for the development of a mixed-use project that, as proposed today, includes 37 residential units including seven town homes along Cedar Avenue, 30 condominiums and 8,500 square feet of ground-level retail along Long Beach Boulevard. The Developer, working with Agency staff, continues to refine the project site plan and is exploring new funding sources. An ENA with the Developer gives the Agency and Developer the opportunity to work exclusively to determine whether the project is physically and financially feasible, and meets the needs of the community.

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Agency staff is currently in escrow for the acquisition of the property at 34 East Sunset Street. In addition, Agency staff will consider the acquisition of a second property, located at 40 Sunset Street, which is currently in default. Agency staff is prepared to recommend acquisition of this property once it is in foreclosure. The acquisition of these two additional properties would provide a more cohesive development that would include the entire block.

In collaboration with the Developer, Agency staff will work with the Planning Bureau to determine whether all zoning code changes and design goals can be met, and complete draft California Environmental Quality Act documents for circulation. Agency staff and the Developer will also meet with the community to determine the suitability of the project. In addition, the Agency will perform its due diligence on the project's financials to verify that the project is accurately represented, estimate a fair land price given all conditions and restrictions, and negotiate the terms of a Disposition and Development Agreement.

The ENA will run for a term of six months, including the ability to extend the term for two additional three-month periods at the discretion of the Executive Director.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ROBERT M. ZUR SCHMIEDE, AICP
ASSISTANT EXECUTIVE DIRECTOR



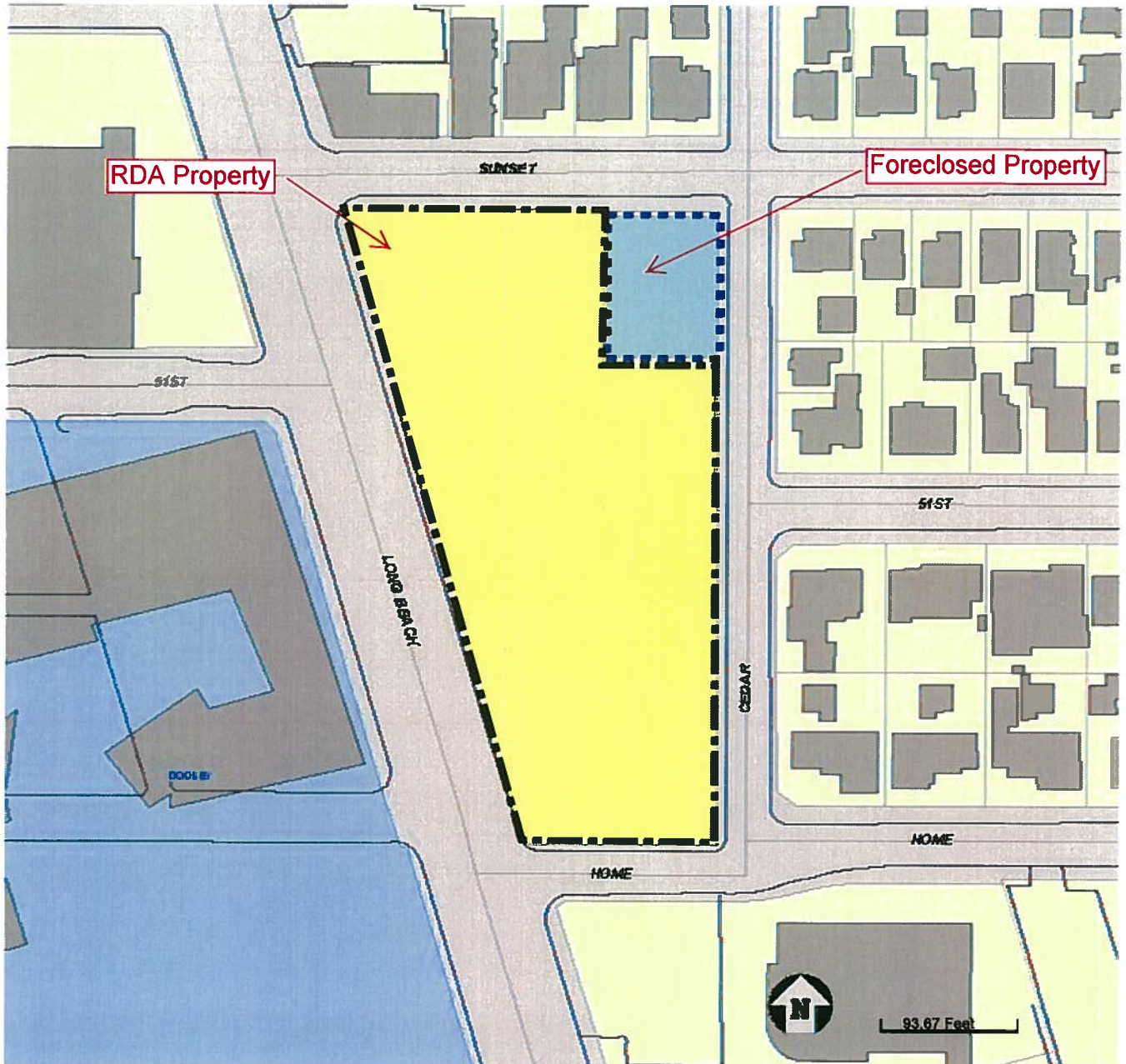
AMY J. BODEK, AICP
EXECUTIVE DIRECTOR

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Attachment: Exhibit A – Site Map



Long Beach Blvd and Home Development Site



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