



# Building A Better Long Beach

January 20, 2011

## REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach  
California

### RECOMMENDATION:

Approve and authorize the Executive Director to execute a Second Amendment to the Agreement with the Downtown Long Beach Associates to fund \$350,000 annually beginning in Fiscal Year 2011-2012 (FY12) and continuing through Fiscal Year 2017-2018 (FY17) and extend the term of the Agreement through June 17, 2017. (Downtown and Central – Districts 1, 2)

### DISCUSSION

The Redevelopment Agency (Agency) and the Downtown Long Beach Associates (DLBA) have a long-standing relationship in which both entities share resources and collaborate on the enhancement and revitalization of greater Downtown Long Beach. Separate and apart from these efforts, the Agency contributes as a landowner to the DLBA's Property Based Improvement District through annual monetary assessments.

On June 21, 2010, the Agency Board approved a First Amendment to the Agreement (Agreement) with the DLBA adding an additional \$155,500 for Fiscal Year 2010 (FY10) and \$392,500 in Fiscal Year 2011 (FY11), for a total contract amount of \$978,000. The contract formalized the activities for which the Agency would provide financial support to the DLBA in furtherance of the following strategic initiatives: economic development, marketing, special events/sponsorship and special projects, including capital improvement projects.

The Agency and DLBA partnership has resulted in a number of successful initiatives, including recruitment of new businesses and several successful events. As the Agency and the DLBA plan for the expiration of the Downtown Redevelopment Project Area in June 2017, it is important that the DLBA and Agency establish a consistent and reliable funding source in order to continue these essential strategic initiatives.

The DLBA has recently completed a feasibility study and prepared a Draft Business Plan to create a Downtown Development Corporation (DDC). The formation of a new DDC will allow the DLBA to create a new nonprofit 501(c)3 organization that can follow in the Agency's footsteps by continuing to advance critical real estate and infrastructure improvement projects in Downtown Long Beach. The Agency received and filed the DDC Business Plan on January 4, 2011.

In order to continue these efforts, staff recommends a Second Amendment to the Agreement to extend the term of the Agreement through June 17, 2017 (consistent with the

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Page 2 of 2

expiration of the Downtown Redevelopment Project Area) for \$350,000 annually beginning in FY12 and continuing through FY17.

In the event that the DLBA property-based and business-based improvement districts (PBID and BID, respectively) are not renewed, the Agreement can be assigned to an approved successor agency of the DLBA at the discretion of the City Manager or his designee. If the DLBA successfully renews the PBID and/or the BID, the DLBA may still request an assignment of the Agreement to a successor agency of the DLBA. Assignment of this Agreement shall remain at the sole discretion of the City Manager or his designee.

Funding is proposed for the following categories:

- Economic Development including retention and recruitment
- Capital Improvement Projects
- Marketing and Communications
- Special Events/Sponsorships
- Staff Support

The Agreement provides for oversight and annual review by the City Manager or his designee and may be terminated at the sole discretion of the City Manager or his designee. The annual scope of work shall be negotiated and approved prior to the beginning of each fiscal year by the City Manager or his designee, and may be revised annually so long as the funds are spent on the above referenced categories. It should be noted that the annual scope of work may not exceed \$350,000 annually; however, the City Manager or designee retains the right to approve an annual scope of work in a lesser amount if the work program does not meet the needs of the Agency.

All work will be managed by the DLBA and funded out of the Downtown Redevelopment Project Area budget.


### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ROBERT ZUR SCHMIEDE, AICP  
ASSISTANT EXECUTIVE DIRECTOR



AMY J. BODEK, AICP  
EXECUTIVE DIRECTOR