



CITY OF LONG BEACH

C-3

DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT

333 West Ocean Boulevard 3rd Floor • Long Beach, CA 90802 • (562) 570-6099 • Fax (562) 570-6380

July 12, 2016

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary for the Second Amendment to Lease No. 26484 with 444 W. Ocean LLC, an Arizona limited liability company, for City-owned property beneath the Queensway Bridge to amend the allowed use of the Leased Premises to include temporary construction staging and delivery/move-in use for the planned residential development at 442 W. Ocean Blvd. (District 2)

DISCUSSION

On August 17, 1999, the City Council approved Lease No. 26484 (Lease) between the City of Long Beach (Lessor) and 444 W. Ocean LLC (Lessee), for use of City-owned property beneath the Queensway Bridge. The property, measuring approximately 16,743 square feet, is utilized as a parking lot (Leased Premises) to augment the Lessee's parking for its adjacent 15-story office building also known as the California Bank & Trust building (Attachment).

On December 12, 2006, the City Council approved the First Amendment to the Lease, revising the Leased Premises due to the widening of Seaside Way, extending the term of the Lease through June 30, 2054, and providing for fair market rental adjustments throughout the term of the Lease. The current Lease restricts the use of the Leased Premises to motor vehicle parking only, although, the site is currently underutilized by the Lessee's adjacent 15-story office building and is not used to satisfy any code required parking.

The Lessee is currently in development of a residential complex at 442 W. Ocean Boulevard. This planned development will extend from Ocean Boulevard to Seaside Way, utilizing property adjacent to the Leased Premises. Lessee would like to utilize its current Leased Premises for construction staging during development of the adjacent property. Additionally, Lessee would like to configure the Leased Premises to provide for parking, delivery, and move-in loading.

To accommodate the Lessee's long-term needs, and in support of the 442 W. Ocean Boulevard residential development, a Second Amendment to Lease No. 26484 is proposed to revise the following condition:

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Use: The Leased Premises may be used for temporary construction staging for the residential development at 442 W. Ocean Boulevard, parking of motor vehicles, delivery, and move-in loading.

All other existing terms and conditions will remain in effect.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on June 6, 2016 and by Revenue Management Officer Julissa José-Murray on June 13, 2016.

TIMING CONSIDERATIONS

City Council action is requested on July 12, 2016, to facilitate development timelines for the adjacent residential development.

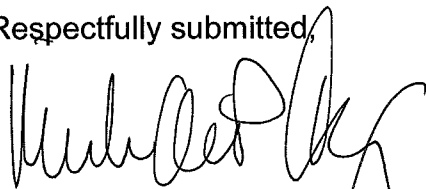
FISCAL IMPACT

There is no fiscal or local impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
DIRECTOR OF ECONOMIC
AND PROPERTY DEVELOPMENT

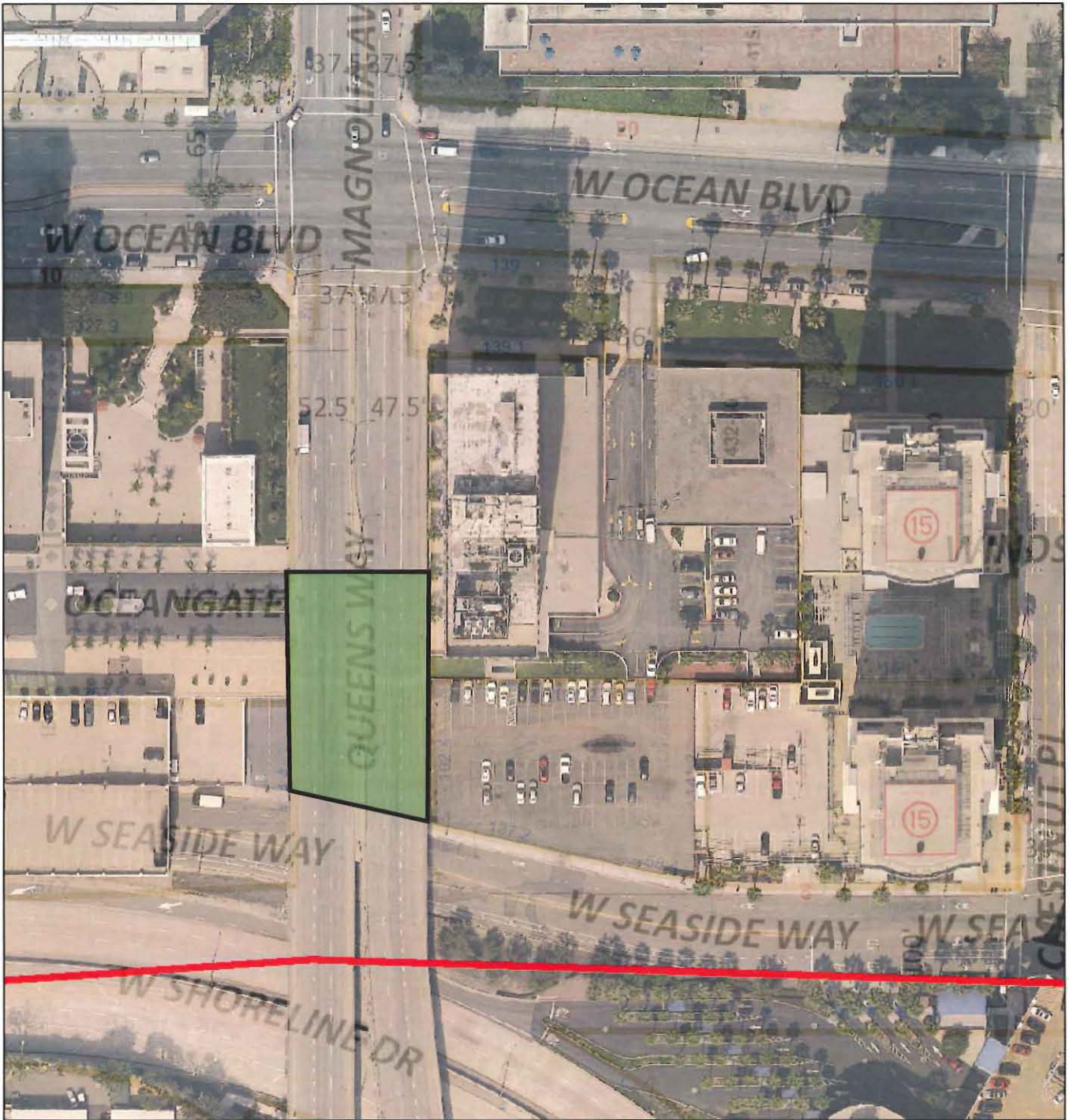
MPC:JMV

Attachment

APPROVED:

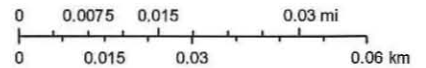



PATRICK H. WEST
CITY MANAGER



June 6, 2016

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 Leased Premises

Lease Area Map for Lease No. 26484