



CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

333 West Ocean Boulevard • Long Beach, CA 90802 • (562) 570-6383 • FAX (562) 570-6012

February 1, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Acceptance of \$232,500 From Home Depot for a Fair Share Contribution Towards the Cost of Proposed Improvements at the I-405 Freeway Southbound Ramps and Orange Avenue (District 7)

DISCUSSION

The City of Signal Hill has granted its approval for the construction of a new Home Depot on the northeast corner of the intersection of Atlantic Avenue and Spring Street. Recognizing certain traffic impacts created by such a development, the City of Signal Hill has conditioned the developer to work with the City of Long Beach to implement a number of related site access and traffic mitigation improvements. One of these improvements involves the signalization of the I-405 Freeway Southbound Ramps at Orange Avenue within the City of Long Beach.

The traffic study completed for the environmental impact report (EIR) for the Home Depot development concluded that existing traffic conditions at the I-405 Freeway Southbound Ramps and Orange Avenue warrant the installation of a traffic signal. In addition, considering the projected traffic generated by the Home Depot and other potential future developments in the area, as well as traffic safety, the realignment of the off-ramp and traffic signalization are necessary in order to fully mitigate the impacts of the future traffic demand at the intersection.

The proposed traffic-related improvements at this intersection consist of the installation of a traffic signal and the widening of the existing off-ramp in order to realign the free right-turn portion of the off-ramp into a standard perpendicular intersection with Orange Avenue. Any proposed improvements at the intersection will require Caltrans concurrence and approval.

**ADMINISTRATION,
PLANNING & FACILITIES**
333 W. Ocean Blvd., 9th Floor
Long Beach, CA 90802
Ph. (562) 570-6383
Fax (562) 570-6012

AIRPORT
4100 Donald Douglas Dr.
Long Beach, CA 90808
Ph. (562) 570-2600
Fax (562) 570-2601

**ENGINEERING & STREET
MAINTENANCE**
333 W. Ocean Blvd., 9th Floor
Long Beach, CA. 90802
Ph. (562) 570-6634
Fax (562) 570-6012

**ENVIRONMENTAL
SERVICES**
2929 E. Willow Street
Long Beach, CA 90806
Ph. (562) 570-2850
Fax (562) 570-2861

FLEET SERVICES
2600 Temple Avenue
Long Beach, CA 90806
Ph. (562) 570-5400
Fax (562) 570-5414

**TRAFFIC &
TRANSPORTATION**
333 W. Ocean Blvd., 10th Floor
Long Beach, CA 90802
Ph. (562) 570-6331
Fax (562) 570-7161

HONORABLE MAYOR AND CITY COUNCIL

February 1, 2005

Page 2

The cost of the ramp realignment and signalization of the intersection has been estimated at \$1.5 million. The estimated fair-share contribution from Home Depot for these improvements, as identified in the traffic study, is 15.5 percent, or \$232,500. Home Depot has requested that they be permitted to make a one-time payment of \$232,500 to the City of Long Beach as their fair-share contribution toward the intersection improvements.

Developers within the City of Long Beach pay a Transportation Improvement Fee (TIF) to the City through the building permit process to provide a fair-share contribution of transportation improvement projects to accommodate the growth of traffic. Since the proposed Home Depot is located within the City of Signal Hill, the City of Long Beach does not have a mechanism by which to administratively collect a fee or other fair-share contributions from the developer. Therefore, the execution of an agreement between the City of Long Beach and Home Depot will be necessary in order to enable a fair share payment to occur. Once the \$232,500 payment is received from Home Depot, it will be deposited into the City's Traffic Mitigation Program fund where it will become available for expenditure towards the recommended improvements.

The subject intersection is highlighted on the attached vicinity map.

This letter was reviewed by Assistant City Attorney Michael Mais on December 1, 2004 and Budget Management Officer David Wodynski on November 29, 2004.

TIMING CONSIDERATIONS

City Council action on this item is not time-critical.

FISCAL IMPACT

The implementation of the proposed intersection improvements at the I-405 Freeway Southbound Ramps and Orange Avenue is estimated at \$1.5 million. Home Depot's fair-share contribution of \$232,500 (15.5 percent) will be used to offset project expenses. Funding for the remaining \$1.27 million in project costs is available through the Traffic Mitigation Program in the Capital Projects Fund (CP).

HONORABLE MAYOR AND CITY COUNCIL
February 1, 2005
Page 3

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager to execute an agreement with Home Depot in the amount of \$232,500 for payment of its fair-share of the cost of implementing proposed improvements at the I-405 Southbound Ramps at Orange Avenue intersection.

Respectfully Submitted,



CHRISTINE F. ANDERSEN
DIRECTOR OF PUBLIC WORKS

CFA:EN:mm
355-5

Attachment

APPROVED:



GERALD R. MILLER
CITY MANAGER