

Request for 2nd Extension of Revocable Facility Use Permit for College of Instrument Technology

Board of Water Commissioners

August 18, 2022



Long Beach Water
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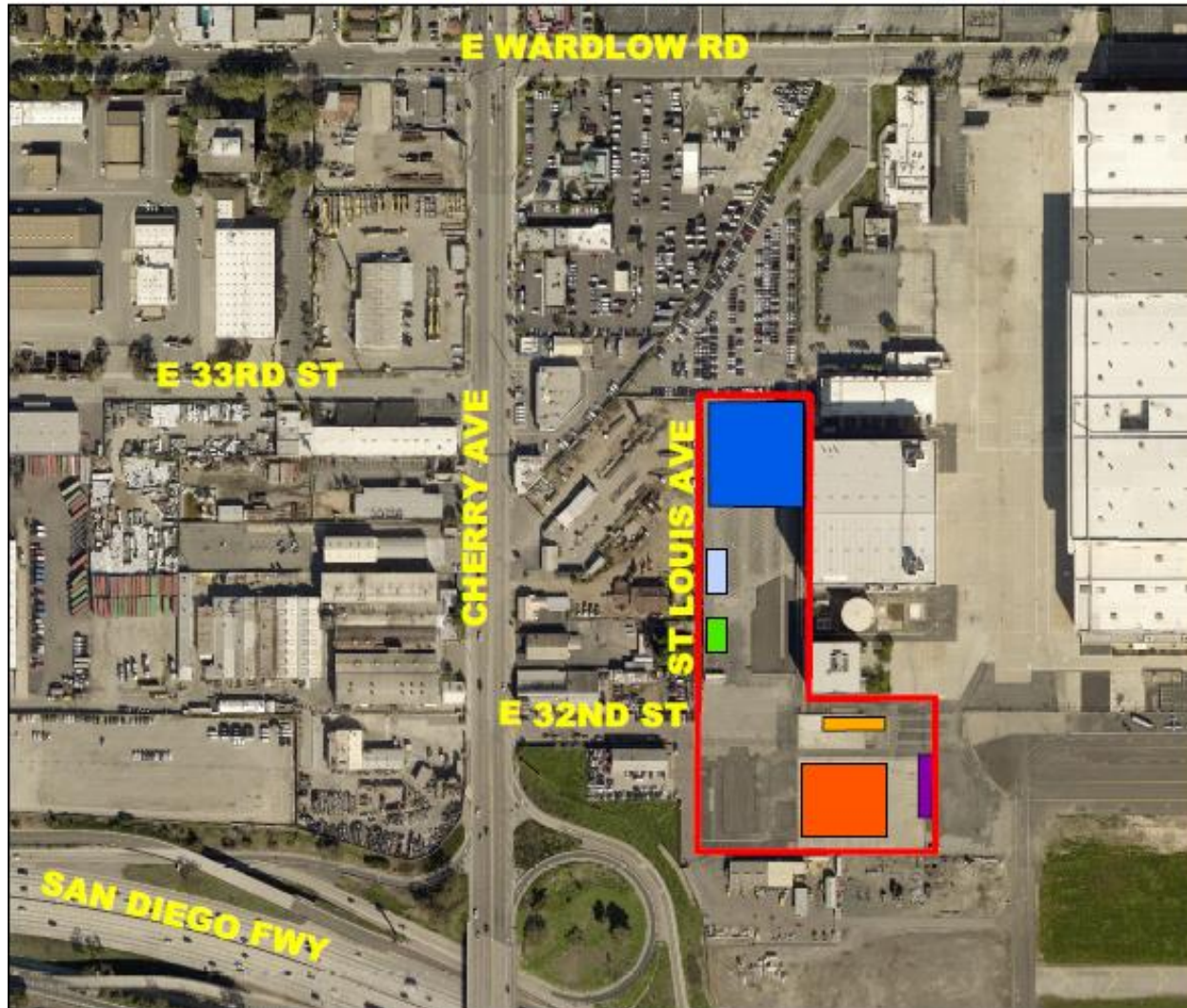
Real Property Management

- Engineering Bureau took over Real Property Management in March 2022
- LBWD-owned properties include the following:
 - Administration Building, Operations Service Center, Warehouse, and Laydown Yard
 - Treatment Plant
 - 2 Reservoir Sites (Alamitos & JWW)
 - 32nd St. and St. Louis
 - 32nd St. Booster (Potable) Pump Station
 - Parcels near and around the Treatment Plant and airport area
 - 30 Well sites, 29 Sewer Lift Station sites, 4 Reclaimed Pump Station sites, and 10 MWD Connection sites







Leases and Permits

- Current Leases / Permits
 - 6 Leases
 - 3 Memos (PW, FM – Fleet Services, and Police Department)
 - 5 Pipeline Permits
 - 4 Revocable Facility Use Permits (RFUP)

Long Beach Water Department-Owned Property
St. Louis Avenue and 32nd Street (5.7 acres - 248,423 sq. ft.)



PERMITTEES:

-  CIT RFUP for 52,500 sq.ft (Term ends August 27, 2022)
-  Cora RFUP for 6,000 sq.ft (Term ends August 2022, with one six-month extension period available.)
-  M & J Property Services RFUP for 3,000 sq. ft. (Term ends March 31, 2023)
-  LBWD Storage
-  Public Works' Rail Car Storage
-  Clutch Motorcycle RFUP for 41,800 sq. ft. (Term ends February 27, 2023)

Police Department – Driver Training (Open Space)

Executive Summary

- December 2019

- Board authorized the GM to negotiate / execute RFUP with CIT
 - 52,500 sq. ft. of space at St. Louis Ave. and 32nd St.
 - Interim location for hands-on trucking and heavy equipment training
 - Fair Market Value rental rate minus training credits
 - Term: January 31, 2020 - February 27, 2022

- March 2022

- CIT requested for a 6-month extension
 - New Term: February 28, 2022 - August 27, 2022

2nd Request for Term Extension

- LBWD received CIT's request for RFUP extension in June 2022
 - Plans in securing permanent location fell through with City of Long Beach Planning and zoning issues
 - Extension period - 12 months
 - Rental rate - Increase due to credit reduction
 - Training credits will be half of the previous annual amount
 - New Term - August 28, 2022 to August 31, 2023

Fiscal Impact

- Monthly rental rate of \$7,875
- Revenue to Water Fund:
 - Total of \$94,500 for the 12-month period
 - FY 22 - \$7,875
 - FY 23 - \$86,625
 - Calculated based on the annual fair market value rental rate of \$132,300 minus the annual training rental credit of \$37,800
 - Rent charged prorated if property is vacated early

Recommendation

Authorize the General Manager to extend the executed Revocable Facilities Use Permit with the College of Instrument Technology for an additional twelve (12) months to allow continued use of 52,500 sq. ft. of space at Long Beach Water Department-owned property at St. Louis Avenue and 32nd Street, as an interim location for its hands-on trucking and heavy equipment training.



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