

CITY OF LONG BEACH

DEPARTMENT OF ECONOMIC DEVELOPMENT

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

December 11, 2018

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary for a Management Agreement with Long Beach Center, LLC, for the maintenance of City-owned property at 185 East 3rd Street, commonly known as Harvey Milk Promenade Park and Equality Plaza. (District 1)

DISCUSSION

The City of Long Beach (City) is the owner of approximately 8,800 square feet at 185 East 3rd Street, commonly known as Harvey Milk Promenade Park and Equality Plaza (Subject Property). In mid-March 2018, construction began on the re-envisioned Subject Property, converting the existing park space into an outdoor public space encouraging collaboration and connectivity, as well as celebrating the legacy of Harvey Milk and the local LGBTQ+ community.

The surrounding development, The Streets, is undergoing significant redesign and redevelopment and also emphasizes connectivity and the enhancement of outdoor public space. The owner and operator of The Streets development is Long Beach Center, LLC. Additionally, Long Beach Center, LLC, currently leases a small portion of Subject Property to provide patio seating.

As there is considerable synergy between redesign and operations of both the Subject Property and the adjacent development at The Streets, City staff has negotiated with Long Beach Center, LLC, for maintenance of the Subject Property. The City will have the right to approve and schedule events at the Subject Property and collect reasonable fees consistent with those set for use at City parks. Larger special events, and those pertaining to filming activities or serving alcohol, would still be permitted through the Office of Special Events and Filming. Any reasonable costs or expenses incurred by Long Beach Center, LLC, shall be credited to its rental obligations under the Ground Lease, dated November 14, 2017, by and between the City and Long Beach Center, LLC. Notwithstanding anything to the contrary in this Agreement, Long Beach Center, LLC, shall not be responsible for extraordinary maintenance or security costs caused by special events held at the Subject Property permitted by City and not sponsored by Long Beach Center, LLC.

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In exchange for the ability to promote select programs and events for the downtown Long Beach community on the Subject Property, Long Beach Center, LLC, will be responsible for day-to-day maintenance of the Subject Property. Assurances will be included in the agreement that accessibility to the Subject Property remains open to the public and available for events and ceremonies hosted by the Harvey Milk Park Equality Plaza Committee. Further, the agreement will acknowledge the Subject Property as an important gathering space for the public to assemble, to protest, or celebrate important community concerns. The use of the Subject Property will be consistent with the City's standard park uses.

The proposed Management Agreement has been negotiated containing the following major terms and provisions:

- City: City of Long Beach, a municipal corporation.
- Firm: Long Beach Center, LLC, a Delaware limited liability company.
- Subject Property: City-owned property at 185 East 3rd Street, commonly known as Harvey Milk Promenade Park and Equality Plaza.
- Term: The agreement shall be for five years with two five-year extensions and may be terminated by either party.
- Management Fee: In exchange for maintenance at the Subject Property, Long Beach Center, LLC, will have the right to credit costs and expenses from its rental obligations under, and in accordance with, that certain Ground Lease, dated November 14, 2017, between the City and Long Beach Center, LLC.
- Use: The Subject Property must remain open to the public, in convention with other public open space. The Subject Property must be made available for events and ceremonies hosted by the Harvey Milk Park Equality Plaza Committee. The Subject Property is understood to be an important community gathering space, and should always remain available to the public to protest or celebrate important community concerns.
- Approval and Scheduling of Events: The City will have the right to approve and schedule events at the Subject Property and collect reasonable fees consistent with those set for use at City parks, including those under the purview of the Office of Special Events and Filming.
- Notice of Scheduled Events: Long Beach Center, LLC, will provide to the City, a quarterly calendar of select events for the downtown community.
- Concessions: Long Beach Center, LLC, may operate limited concessions such as kiosks, carts or food trucks at the Subject Property. Concessions would still require any applicable business license or permitting required by the City.

- Maintenance Obligations: Long Beach Center, LLC, will be responsible for the following maintenance activities:
 - Add the Subject Property to their routine 24-hour security patrol.
 - Schedule a daily check of all trash canisters at the Subject Property, and empty when needed.
 - Schedule daily trash and debris pickup from all landscape and hardscape areas at the Subject Property.
 - Provide pressure-washing at the Subject Property once a week.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on November 26, 2018 and by Budget Analysis Officer Julissa José-Murray on October 3, 2018.

TIMING CONSIDERATIONS

City Council action is requested on December 11, 2018, to have the Management Agreement in place prior to the re-opening of the Subject Property.

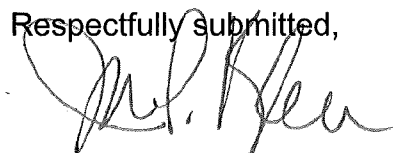
FISCAL IMPACT

There is no significant fiscal impact related to this action. Long Beach Center, LLC, will be responsible for costs associated with the Subject Property's maintenance including security, trash pickup, and pressure washing. Should the Subject Property need to revert to being maintained by the City, additional resources would be required by the Parks, Recreation and Marine Department to maintain the re-envisioned property. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

JK:JMV



GERARDO MOUET
DIRECTOR OF PARKS, RECREATION
AND MARINE

APPROVED:


PATRICK H. WEST
CITY MANAGER