



Legislation Details (With Text)

File #: 16-0333 **Version:** 1 **Name:** PW/DS/EPD - Lofts on 4th Parking Agrmnt
Type: Contract **Status:** CCIS
File created: 3/31/2016 **In control:** City Council
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Title: Recommendation to authorize City Manager, or his designee, to enter into a Parking License Agreement with Michael Ryan Peterson and Lisa Marie Peterson, or their Successor Trustees, Trustees of the Peterson 1994 Family Trust, dated September 2, 1994, and all other documents and amendments thereto, for the continued use of eight parking spaces within the development known as "The Lofts on 4th," located at the southwest corner of East Fourth Street and Alamitos Avenue. (District 1)

Sponsors: Public Works, Development Services, Economic and Property Development

Indexes: Agreements, Parking

Code sections:

Attachments: 1. 041916-C-17sr.pdf

Date	Ver.	Action By	Action	Result
4/19/2016	1	City Council	approve recommendation	Pass

Recommendation to authorize City Manager, or his designee, to enter into a Parking License Agreement with Michael Ryan Peterson and Lisa Marie Peterson, or their Successor Trustees, Trustees of the Peterson 1994 Family Trust, dated September 2, 1994, and all other documents and amendments thereto, for the continued use of eight parking spaces within the development known as "The Lofts on 4th," located at the southwest corner of East Fourth Street and Alamitos Avenue. (District 1)

In 2001, the City Council authorized the execution of a Disposition and Development Agreement (DDA) between the former Redevelopment Agency of the City of Long Beach (RDA), now known as the Successor Agency to the Redevelopment Agency of the City of Long Beach (Successor Agency), and Team Lofts, LLC (Developer), for the development of The Lofts on 4th at the southwest corner of East Fourth Street and Alamitos Avenue. The DDA required that the Developer construct, operate and maintain 40 parking spaces for public use on the site. In addition, the Developer was required to provide an additional eight parking spaces for the exclusive use of the RDA.

To memorialize the use of the parking spaces, the Developer and the RDA executed a Parking Easement Agreement that set forth the covenants, conditions and restrictions related to the use, maintenance and management of the RDA parking spaces. The Parking Easement Agreement further allowed the RDA to license the parking spaces to third parties at its sole discretion. In 2001, the RDA executed a Parking License Agreement with the Licensee for the use of the RDA parking spaces, which terminated on August 1, 2015. The Licensee continues to occupy the parking spaces on a month-to-month holdover.

During the term of the agreement, the dissolution of the RDA occurred, and the Parking Easement Agreement came under the jurisdiction of the Successor Agency. Attempts by the Successor Agency to extend the contract were rejected by the California State Department of Finance (DOF). As an alternative, the DOF directed the Successor Agency to amend its Long Range Property Management Plan (Plan) and designate the parking spaces as "Government Use" for use by the City.

Following the DOF's direction, the Successor Agency on September 27, 2015, and the Oversight Board of the Successor Agency on September 29, 2015, adopted an amendment to the Plan to designate the eight parking spaces contained in the Parking Easement Agreement at The Lofts on 4th as "Government Use." On November 20, 2015, the DOF approved the amendment to the Plan.

With the dissolution of the RDA and the DOF's approval of the amendment to the Plan, the Parking Easement Agreement now falls under the City's authority. Staff would like to formalize the continued use of the parking spaces by Licensee. These parking spaces provide parking for eight Artist Live/Work Studio Units located on East Fourth Street across from The Lofts on 4th.

A proposed Parking License Agreement has been negotiated containing the follow major terms and provisions:

- Licensor: City of Long Beach, a municipal corporation.
- Licensee: Michael Ryan Peterson and Lisa Marie Peterson, or their Successor Trustees, Trustees of the Peterson 1994 Family Trust, dated September 2, 1994.
- Premises: Eight parking spaces located within the development known as The Lofts on 4th.
- Term: The Parking License Agreement shall be for a five-year period, with the target commencement date of May 1, 2016.
- Rent: Licensee shall pay Licensor the annual rental rate for the Premises of \$90 per parking space per month, or \$8,640 per year. Rent shall be paid annually in advance on the commencement date and annually thereafter. The annual rental rate shall increase annually by \$5 per parking space per month. Annual rental rate shall be \$9,120 in 2017, \$9,600 in 2018, \$10,080 in 2019 and \$10,560 in 2020.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on March 2, 2016 and by Budget Management Officer Victoria Bell on March 17, 2016.

City Council action is requested on April 19, 2016, to execute the Parking License Agreement in a timely manner and formalize the continued occupancy of the Premises.

Annual revenues will accrue to the General Fund (GF) in the Public Works Department (PW). Approval of this recommendation will provide continued support to the local economy.

Approve recommendation.

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APPROVED:

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CITY MANAGER