



Legislation Text

File #: 16-0616, **Version:** 1

Recommendation to authorize 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 West Ocean Blvd. (District 2)

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:

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 Josè-Murray on June 13, 2016.

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

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

Approve recommendation.

MICHAEL P. CONWAY
DIRECTOR OF ECONOMIC
AND PROPERTY DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER