



Legislation Text

File #: 16-0382, **Version:** 1

Recommendation to authorize City Manager to execute all documents necessary for a lease with Killing Fields Memorial Center, Inc., a California nonprofit corporation, for City-owned property located at 1501 East Anaheim Street for the development and operation of a community memorial garden. (District 6)

The City of Long Beach (City) is the owner of approximately 6,120 square feet of property located at 1501 East Anaheim Street (Subject Property). The Subject Property was purchased in 2006 by the former Redevelopment Agency of the City of Long Beach (Agency) as part of the MacArthur Park Library project. The specific use anticipated at that time was for a community garden. The Subject Property remained under ownership by the Agency until the passage of Assembly Bill 26X and Assembly Bill 1484 with the signing of the California State Budget on June 29, 2011. Said legislation provided for the dissolution of all Redevelopment Agencies throughout the State and required the creation of the Successor Agency to the Redevelopment Agency (Successor Agency) and the development of a Long Range Property Management Plan (LRPMP) to determine the future disposition of the Agency assets. Subsequently, the project was put on hold until the LRPMP was approved.

The LRPMP was approved by the State Department of Finance on March 10, 2015, and amended on June 24, 2015. The Subject Property is categorized as "Government Use" allowing for the development of open space consistent with the Agency's original plan to develop the Subject Property as a community garden. City staff resumed discussions with KFMCI and a proposed lease has been negotiated containing the following major terms and conditions:

- Lessor: City of Long Beach, a municipal corporation.
- Lessee: Killing Fields Memorial Center, Inc., a California nonprofit organization.
- Leased Premises: Approximately 6,120 square feet (SF) of land at 1501 East Anaheim Street.
- Lease Term: Lease shall be for five (5) years commencing on July 1, 2016 and terminating on June 30, 2021.
- Early Termination: Lessor shall have the right to terminate the Lease if Lessee does not raise adequate funds to completely fund construction of the project within thirty-six (36) months of the Commencement Date, or if improvements are not diligently pursued to completion by Lessee during months thirty-seven (37) through sixty (60) of the Lease Term.
- Rent: In consideration of the services to the community and the planned capital improvements, the annual base rent shall be \$1. In addition, the Lessee shall be responsible for all maintenance of the Leased Premises and the payment of all utilities.

- Use: The Leased Premises shall be used for the operation and maintenance of a memorial garden open to the general public during hours consistent with similar park facilities operated by the City.
- Capital Improvements: Lessee shall be responsible for all design, permitting, capital improvements and development of the Leased Premises including the maintenance, repair and replacement of the improvements throughout the Lease Term.
- Option to Purchase: Upon completion of the improvements to the satisfaction of the City, the Leased Premises may be conveyed to the Lessee in exchange for a covenant in perpetuity providing for public access to the Leased Premises and ongoing maintenance and capital reinvestment.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on March 30, 2016 and by Budget Management Officer Victoria Bell on April 1, 2016.

City Council action is requested on May 3, 2016 in order to finalize and execute the Lease in a timely manner to allow for fundraising to commence for the development of the Killing Fields Memorial Garden.

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

Approve recommendation.

MICHAEL P. CONWAY
DIRECTOR OF ECONOMIC AND PROPERTY DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER