

Legislation Text

File #: 07-0703, Version: 1

Recommendation to authorize City Manager to execute any and all documents necessary for a Ground Lease with the Los Angeles County Flood Control District for approximately 19 acres of unimproved property, also known as Chittick Field, for a 65-year term. (District 6)

Chittick Field, also known as the Hamilton Bowl, is a 19-acre flood control detention basin located between Walnut Avenue and just west of Gardenia Avenue, between Pacific Coast Highway and the Pacific Electric Right of Way (see Attachment). The City has enjoyed non-exclusive use of the property under a permit with the Los Angeles County Flood Control District (County) since March 1950 for baseball fields and other recreational purposes. Since October 2004, City staff has been in discussions with the County regarding the City's interest in acquiring or leasing Chittick Field, at a nominal cost, in order to enhance recreational grant applications for capital improvements. Activities since that time have revealed that, because of the method of acquisition, Chittick Field cannot be sold, but can be leased for an extended term to the City.

Additionally, staff has conducted environmental Phase I and Phase II assessments of the property, which have revealed no recognized environmental conditions.

A Ground Lease has been negotiated by the City and County containing the following major terms and conditions:

- Landlord: Los Angeles County Flood Control District.
- <u>Tenant:</u> City of Long Beach.
- <u>Term:</u> The Term of the Ground Lease shall commence upon execution and shall terminate 65 years thereafter.
- <u>Leased Premises:</u> The Leased Premises shall consist of approximately 19 acres of unimproved property known as Chittick Field and also known as Hamilton Bowl. The Leased Premises will continue to be used as a storm water detention facility.
- <u>Rent:</u> Rent for the Leased Premises shall be \$0 per year. If the Ground Lease is amended to allow for non-recreational purposes, Tenant may be required to pay increased rent based on fair market value rental rates.
- <u>Sublease:</u> Tenant shall have the right to sublease the Leased Premises upon the reasonable approval of Landlord.
- <u>Sale of a Portion of the Leased Premises:</u> In the event Landlord determines that certain
 portions of the Leased Premises are no longer needed for flood control purposes, such portion
 shall be offered for sale to Tenant on mutually acceptable terms and conditions.

- <u>Environmental Condition</u>: Tenant shall not be responsible for existing environmental conditions, if any, nor for environmental issues related to the storm water retention uses of the Leased Premises.
- <u>Landlord Facilities</u>: Landlord shall continue to operate and maintain flood control facilities and will reserve access for such ongoing activities. Tenant shall not interfere with Landlord's use of the Lease Premises for flood control purposes, nor for the City of Signal Hill's use for existing water quality improvements.
- <u>Cancellation</u>: Landlord shall have the right to terminate the Ground Lease upon 180-days prior written notice, if Landlord reasonably determines that the Leased Premises is required for flood control, watershed quality or water conservation purposes. Tenant shall have the right to terminate the Ground Lease for any reason upon 60-days prior written notice.
- <u>Repossession</u>: Landlord shall have the right to immediately repossess the Leased Premises for the purpose of preventing sabotage, or in an emergency where Landlord reasonably believes that lives, excessive property or environmental damage are threatened. Such possession may not terminate the Ground Lease. If possession continues for more than 180 consecutive days, the Term shall be automatically extended for a period equal to the period of possession by Landlord.

This letter was reviewed by Deputy City Attorney Richard F. Anthony on June 13,2007 and Budget and Performance Management Bureau Manager David Wodynski on June 14, 2007.

City Council action is requested on June 19, 2006, in order to execute the agreement prior to the meeting of the Board of Supervisors on July 3,2007.

There is no fiscal impact associated with the recommended action.

Approve recommendation.

PATRICK H. WEST DIRECTOR OF COMMUNITY DEVELOPMENT

PHIL T. HESTER DIRECTOR OF PARKS, RECREATION AND MARINE

CHRISTINE F. ANDERSEN DIRECTOR OF PUBLIC WORKS

APPROVED:

GERALD R. MILLER CITY MANAGER