

NB-20

August 11, 2020

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute any and all documents necessary, including a Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate (Agreement) with Jeffrey Wayne Stickler, Inc., a California corporation (Seller), for the purchase of certain real property located at 4101-4107 Long Beach Boulevard, Assessor Parcel Numbers 7139-015-010 and -017 (Subject Property), in an amount not to exceed \$2,350,000;

Accept the Categorical Exemption CE-20-079;

Increase appropriation in the General Fund Group in the Economic Development Department by \$2,350,000, offset by a transfer from the Capital Project Fund Group; and,

Decrease appropriation in the Capital Projects Fund Group in the Public Works Department by \$2,350,000, to offset the transfer to the General Fund Group. (District 8)

DISCUSSION

In 2019, the City of Long Beach (City) was forced to permanently close Long Beach Fire Department (LBFD) Station 9 at 3917 Long Beach Boulevard. As a result of such closure, Engine 9 was moved to Fire Station 16 (2890 East Wardlow Road) while Rescue 9 was moved to Fire Station 13 (2475 Adriatic Avenue). Subsequently, the City has been diligently working to locate, vet, and acquire a suitable property to construct a permanent replacement. Criteria for the permanent site includes a property that is in close proximity to 3917 Long Beach Boulevard, allows quick access to a major corridor, and supports a fire station large enough to house Engine 9, Rescue 9, and their respective personnel. Further, on September 3, 2019, the City Council approved the FY 20 Adopted Budget, which included a four-year plan to allocate \$7,761,510 of Measure A funds to help with the costs of both temporary and long-term solutions for Fire Station 9.

The City has identified a property located at 4101-4107 Long Beach Boulevard, Assessor Parcel Numbers 7139-015-010 and -017 (Subject Property) (Attachment A), as a potential replacement site for Fire Station 9. The Subject Property is approximately 16,710 square feet,

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is improved with a 7,246-square-foot office building, and is listed on the market. The City has submitted an offer and the property owner has agreed to sell the Subject Property to the City for \$2,275,000. An additional amount up to \$75,000 will be expended for acquisition costs, appraisal, environmental investigation, and escrow and closing fees. The City will have 90 days to conduct its due diligence investigations including layout and design analysis of the Subject Property for use as a permanent fire station. Further, as part of the transaction, the City agrees to leaseback the Subject Property to the Seller, on a month-to-month agreement, for a period of up to six months commencing at the close of escrow, or until the date of which the City plans to demolish the existing building with 60 days written notice, whichever is sooner. Seller will be responsible for all utilities and maintenance while in tenancy.

The acquisition of the Subject Property has been reviewed under the California Environmental Quality Act and Categorical Exemption CE-20-079 (Attachment B) was issued for this action.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on July 1, 2020 and by Budget Analysis Officer Julissa José-Murray on July 7, 2020.

TIMING CONSIDERATIONS

City Council action is requested on August 11, 2020, to ensure acquisition of the Subject Property can occur in a timely manner.

FISCAL IMPACT

The total acquisition cost of the Subject Property will not exceed \$2,350,000. Of the total cost, an amount not to exceed \$2,275,000 will fund the purchase of the Subject Property and an additional \$75,000 will be expended for acquisition-related costs. The FY 20 Adjusted budget includes \$4,514,645 in appropriation for costs associated with short-term and permanent solutions for Fire Station 9 in the Capital Project Fund Group. An increase in appropriation in the General Fund Group in the Economic Development Department is requested, for the acquisition of a potential replacement site for Fire Station 9, offset by a decrease in appropriation of \$2,350,000 in the Capital Projects Fund Group.

Additional funds, in a yet to be determined amount, will be necessary for the design, demolition, construction, and operation and maintenance costs of converting this site to a fully functional fire station to meet community needs. Staff will return to the City Council when a plan for the additional work and funding source is complete. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT



XAVIER ESPINO
FIRE CHIEF

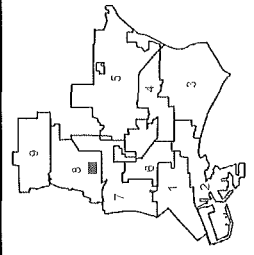
ATTACHMENT A – SUBJECT PROPERTY

ATTACHMENT B – CATEGORICAL EXEMPTION CE-20-079

APPROVED:



THOMAS B. MODICA
CITY MANAGER



Attachment A

Subject Property:
4101-4107 Long Beach Blvd
Council District : 8



CEQA Notice of Exemption

TO: Office of Planning & Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

FROM: Department of Development Services
411 W. Ocean Blvd, 3rd Floor
Long Beach, CA 90802

L.A. County Clerk
Environmental Filings
12400 E. Imperial Hwy., Room 1201
Norwalk, CA 90650

Exemption Number: CE-20-079

Project Title (Application Number): Purchase Agreement for 4101-4107 Long Beach Boulevard

Project Location – Specific: 4101-4107 Long Beach Boulevard (APN: 7139-015-010 and 7139-015-017)

Project Location – City/County: **City of Long Beach, Los Angeles County, California**

Description of Nature, Purpose and Beneficiaries of Project:

Lease or purchase of real property at 4101-4107 Long Beach Boulevard (APNs: 7139-015-010 and 7139-015-017) for potential use as a future temporary or permanent location for replacement City Fire Station No. 9. This action is only the lease or purchase of real property and the transfer of title. No plans for demolition, design, or bidding have been prepared and are not included in this action.

Public Agency Approving Project: **City of Long Beach, California**

Person or Agency Carrying Out Project: Mary Torres, City of Long Beach Dept. of Economic Development

Exempt Status: **(Check One)**

Ministerial (Sec 21080(b)(1); 15268);

Declared Emergency (Sec 21080(b)(3); 15269(a));

Emergency Project (Sec 21080(b)(4); 15269(b)(c));

Categorical Exemption. State type and section number: 15301, Existing Facilities

Statutory Exemption. State code number: _____

Reasons why project is exempt:

This project involves the lease or transfer of ownership of existing real property with no immediate change of use. The existing commercial structures would continue in operation upon transfer of property. Future design and permanent/temporary development of the site is subject to subsequent project-level CEQA review.

Lead Agency

Contact Person: Maryanne Cronin Contact Phone: (562) 570-5683

Signature:  Date: 7/14/2020 Title: Planner



City of Long Beach Memorandum
Working Together to Serve

REQUEST TO ADD AGENDA ITEM

Date: August 5, 2020
To: Monique De La Garza, City Clerk
From: Thomas B. Modica, City Manager
Subject: Request to Add Agenda Item to Council Agenda of August 11, 2020

Pursuant to Municipal Code Section 2.03.070 [B], the City Councilmembers signing below request that the attached agenda item (due in the City Clerk Department by Friday, 12:00 Noon) be placed on the City Council agenda via the supplemental agenda.

The agenda title/recommendation for this item reads as follows:

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Council District	Authorizing Councilmember	Signed by
6	Dee Andrews	(Digital – attached email)
7	Roberto Uranga	(Digital – attached email)
8	Al Austin	(Digital – attached email)

Attachment: Staff Report dated August 11, 2020

cc: Office of the Mayor