



# CITY OF LONG BEACH

# R-20

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

June 10, 2008

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to enter into a Reimbursement Agreement with Save the Queen, LLC, for the Reimbursement Costs Related to the Master Planning of the Queen Mary Project, which includes the Queen Mary and adjacent property, and authorize the City Manager to negotiate and execute subsequent term extensions on an as needed basis. (District 2)

## DISCUSSION

Save the Queen, LLC (Save the Queen) is currently engaged in the planning and entitlement stages of the Queen Mary Land Use Project (Project) within the City of Long Beach (City). The Agreement concerns the development of the Queen Mary and adjacent property, including the Queen Mary Land Area Site, the Queen Mary Water Area Development Site, and the Special Events Park Site (Exhibit "A").

Key terms of the Agreement are as follows:

- The Agreement is effective June 10, 2008 immediately upon City Council approval through December 31, 2009.
- For budgeting purposes, staff has estimated a total cost of \$1,072,000. The City expects to be reimbursed only for those expenses actually incurred. If actual costs do not exceed estimated total costs of \$1,072,000, Save the Queen is not liable for payment to the City beyond those expenses that are actually incurred.
- In the event that the actual cost of the Reimbursement Services exceeds the estimated costs, Save the Queen agrees to pay the actual cost.
- Notwithstanding the above, Save the Queen and the City agree to amend the Agreement to reflect greater expenses paid or incurred, or anticipated to be paid or incurred in the event that: 1) there is a substantial change to the proposed Project, which would result in staff initiating a new review of the Project, and/or, 2) City costs exceed the estimated costs by more than 10% due to the need for Reimbursement Services not anticipated by City at the time of the signing of this Agreement.

HONORABLE MAYOR AND CITY COUNCIL

June 10, 2008

Page 2

- The City will maintain exclusive control over the work to be performed by staff and its consultants. (Exhibit "B" and "C") Nothing in the Agreement shall be deemed to require the City to approve any plan, proposal, suggestion, application or request submitted by Save the Queen.

This report was reviewed by Deputy City Attorney Richard F. Anthony on May 19, 2008 and Budget Management Officer Victoria Bell on May 22, 2008.

TIMING CONSIDERATIONS

City Council action is requested on June 10, 2008, to ensure that Save the Queen reimburses all allowable expenses.

FISCAL IMPACT

Sufficient funds are currently appropriated in the Department of Community Development Tidelands Fund (TF 401). It is estimated that the existing appropriations will be sufficient to support initial outlays in FY 08. It is important to note that all costs associated with this project will be reimbursed in full to the City by Save the Queen as set forth in the Reimbursement Agreement. Funding for the next fiscal year will be appropriated through the FY 09 budget process.

There is no impact to the General Fund.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



DENNIS J. THYS, DIRECTOR  
DEPARTMENT OF COMMUNITY DEVELOPMENT

PHW:SR:el  
CC.QueenMary.ReimbAgmt.4.15.08v3

Attachment(s): Exhibit A – Description of the Property  
Exhibit B – Scope of Service  
Exhibit C – Rate Schedules for Outside Consultants

APPROVED:

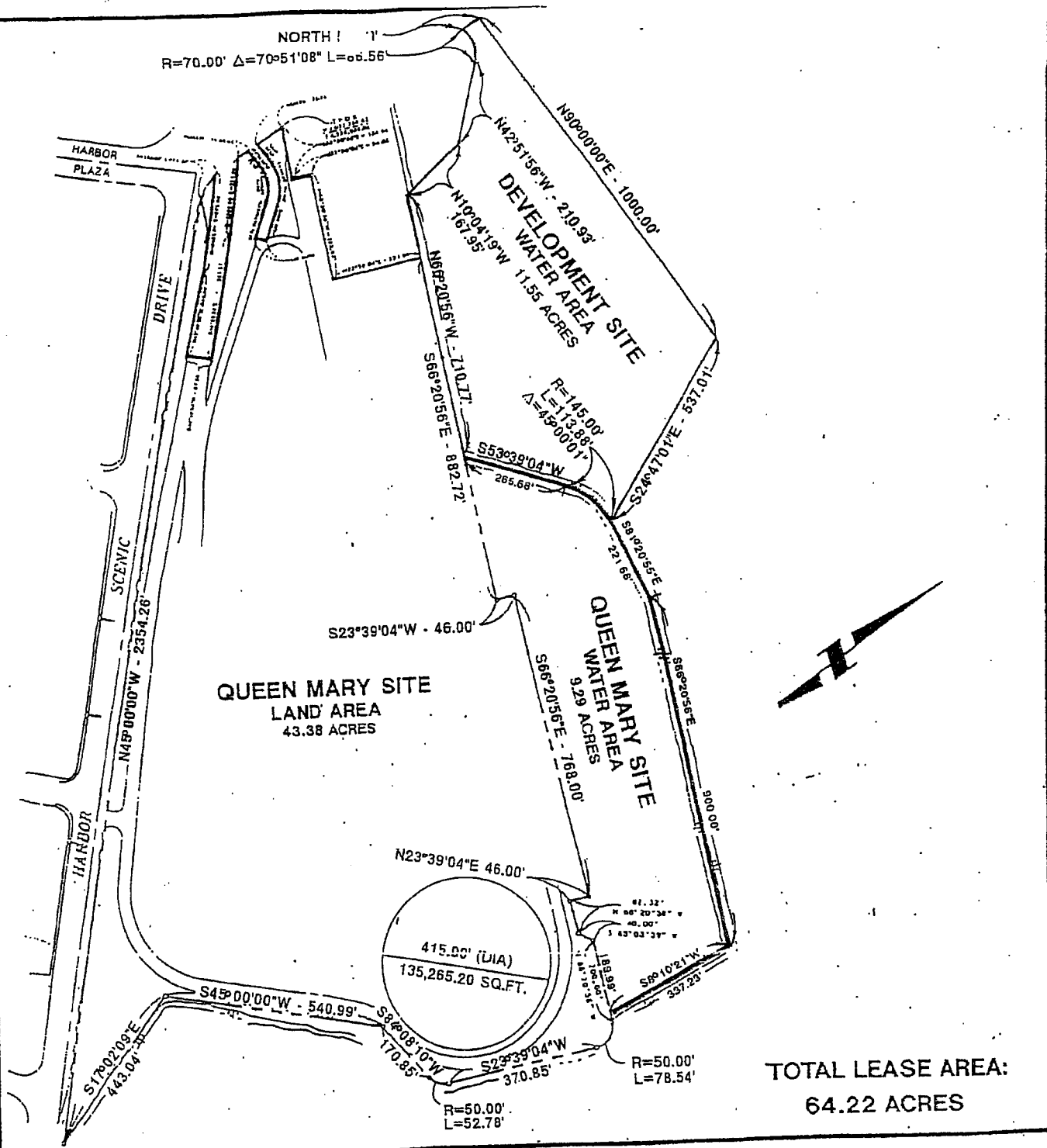


PATRICK H. WEST  
CITY MANAGER

EXHIBIT A

DESCRIPTION OF THE PROPERTY

[Copies of premises descriptions from Master Lease, Special Events Park Lease, and Submerged Land and Water Area Lease to be attached]



CITY OF LONG BEACH - CALIFORNIA  
DEPARTMENT OF PUBLIC WORKS

**QUEEN MARY LEASE AREAS**

LEGAL DESCRIPTIONS FOR  
QUEEN MARY SITE - LAND AREA  
QUEEN MARY SITE - WATER AREA  
DEVELOPMENT SITE - WATER AREA

---

Those portions of the artificially created land within the tidelands and submerged lands conveyed to the City of Long Beach by the State of California under an act of May 1, 1911. Chapter 676, Page 1304, as amended, lying in both said City and the Harbor District of said City, County of Los Angeles, said State, more particularly those portions of the Queen Mary property transfer to the City of Long Beach, as shown on official drawing HD4-98 on file in the office of the Executive Director of the Port of Long Beach of said City, described as follows:

QUEEN MARY SITE - LAND AREA

Beginning at monument A-8 as shown on maps recorded in Book 81, page 50 and Book 84, pages 91 to 93 inclusive, of Record of Surveys of said County; thence North 89.82 feet; thence East 1,538.32 feet to the TRUE POINT OF BEGINNING, said TRUE POINT OF BEGINNING having coordinates North 4,022,788.63, East 4,228,926.06 of Zone 7 of the California Coordinate System, said TRUE POINT OF BEGINNING being also a point in the North line of Parcel 2 as shown on said map recorded in Book 84, pages 91 to 93 inclusive, said point being the northerly terminus of that certain course having a bearing of North and length of 167.84 feet on said map; thence South 66° 20' 56" East 134.66 feet; thence North 23° 39' 04" East 54.03 feet; thence South 66° 20' 56" East 272.57 feet; thence North 23° 39' 04" East 221.94 feet; thence South 66° 20' 56" East 882.72 feet; thence North 23° 39' 04" East 46.00 feet; thence South 66° 20' 56" East 768.00 feet; thence South 23° 39' 04" West 46.00 feet; thence South 66° 20' 56" East 82.32 feet; thence North 65° 03' 39" East 40.00 feet; thence South 66° 20' 56" East 200.00 feet to the beginning of a tangent curve concave southwesterly and having a radius of 50.00 feet; thence southerly along said curve an arc distance of 78.54 feet; thence tangent to said curve South 23° 39' 04" West 370.85 feet to the beginning of a tangent curve concave northwesterly and having a radius of 50.00 feet; thence westerly along said curve an arc distance of 52.78 feet; thence tangent to said curve South 84° 08' 10" West 170.85 feet; thence South 45° 00' 00" West 540.99 feet; thence South 17° 02' 09" East 443.04 feet; thence North 45° 00' 00" West 2,354.26 feet to the beginning of a tangent curve concave northeasterly and having a radius of 135.00 feet; thence northerly along said curve an arc distance of 74.38 feet to the beginning of a non tangent curve concave southwesterly and having a radius of 2,451.00 feet; thence southerly along said curve an arc distance of 278.68 feet; thence tangent to said curve South 43° 40' 32" East 245.00 feet; thence North 46° 19' 28" East 67.50 feet; thence North 46° 14' 35" West 357.57 feet to the beginning of a tangent curve concave southwesterly and having a radius of 2,505.00 feet; thence northerly along said curve an arc distance of 221.99 feet; thence along a non tangent line North 14.36 feet; thence South 77° 34' 28" East 71.16 feet to the beginning of a tangent curve concave southwesterly and having a radius of 70.00 feet; thence southeasterly along said curve an arc distance of 44.01 feet; thence tangent to said curve South 41° 32' 57" East 97.78 feet; thence North 52° 00' 00" East 44.08 feet; thence North 38° 00' 00" West 93.26 feet to the beginning of a tangent curve concave southwesterly and having a radius of 120.00 feet; thence

northerly along said curve an arc distance of 108.91 feet; thence tangent to said curve West 54.43 feet; thence North 75.76 feet to the TRUE POINT OF BEGINNING.

Said described land parcel contains 43.38 acres.

**QUEEN MARY SITE - WATER AREA**

Beginning at a point on the northerly line of Parcel 1 of said official drawing HD-4-98, said point being the True Point of Beginning of Parcel 2, also as shown on said official drawing, and having coordinates of North 4,022,667.65 feet and East 4,229,890.23 feet, Zone 7 of the California Coordinate System of 1927; thence North 53° 39' 04" East 265.66 feet to a tangent curve concave to the south and having a radius of 145.00 feet; thence northeasterly and easterly 113.88 feet along said curve through a central angle of 45° 00' 01" to a tangent line; thence South 81° 20' 55" East 221.68 feet; thence South 66° 20' 56" East 900.00 feet; thence South 8° 10' 21" West 337.23 feet; thence North 66° 20' 56" West 190.00 feet; thence South 65° 03' 39" West 40.00 feet; thence North 66° 20' 56" West 82.32 feet; thence North 23° 39' 04" East 46.00 feet; thence North 66° 20' 56" West 768.00 feet; thence South 23° 39' 04" West 46.00 feet; thence North 66° 20' 56" West 358.23 feet to the point of beginning.

Said described water parcel contains 9.29 Acres.

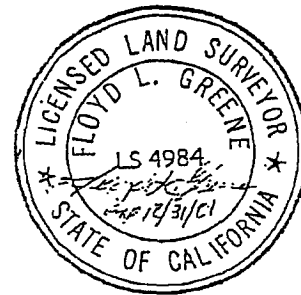
**DEVELOPMENT SITE - WATER AREA**

Beginning at a point on the northerly line of Parcel 1 of said official drawing HD-4-98 said point being the True Point of Beginning of Parcel 2, also as shown on said official drawing, and having coordinates of North 4,022,667.65 feet and East 4,229,890.23 feet, Zone 7 of the California Coordinate System of 1927; thence North 66° 20' 56" West 710.77 feet; thence North 10° 04' 19" West 167.95 feet; thence North 42° 51' 56" West 210.93 feet to the beginning of a tangent curve concave to the south and having a radius of 70.00 feet; thence northwesterly, westerly and southwesterly 86.56 feet along said curve through a central angle of 70° 51' 08" to a non-tangent line; thence North 50.00 feet; thence East 1000.00 feet; thence South 24° 47' 01" East 537.01 feet to the beginning of a non-tangent curve concave to the south and having a radius of 145.00 feet and to which beginning a radial line bears North 8° 39' 05" East; thence westerly 113.88 feet along said curve through a central angle of 45° 00' 01" to a tangent line; thence South 53° 39' 04" West 265.66 feet to the point of beginning.

Said described water parcel contains 11.55 Acres.

Total Lease Area contains 64.22 Acres

LHM:FG:ed  
a:124-22.doc



LEGAL DESCRIPTION  
FOUR ACRE  
SPECIAL EVENTS PARK

That portion of the artificially created land within the tidelands and submerged lands conveyed to the City of Long Beach by the State of California under an act of May 1, 1911, Chapter 676, Page 1304, as amended, lying in both said City and the Harbor District of said City, County of Los Angeles, said State, particularly that portion of the Queen Mary property transfer City of Long Beach, as shown on official drawing HD2-760 on file in the Office of the Executive Director of the Port of Long Beach of said City, described as follows:

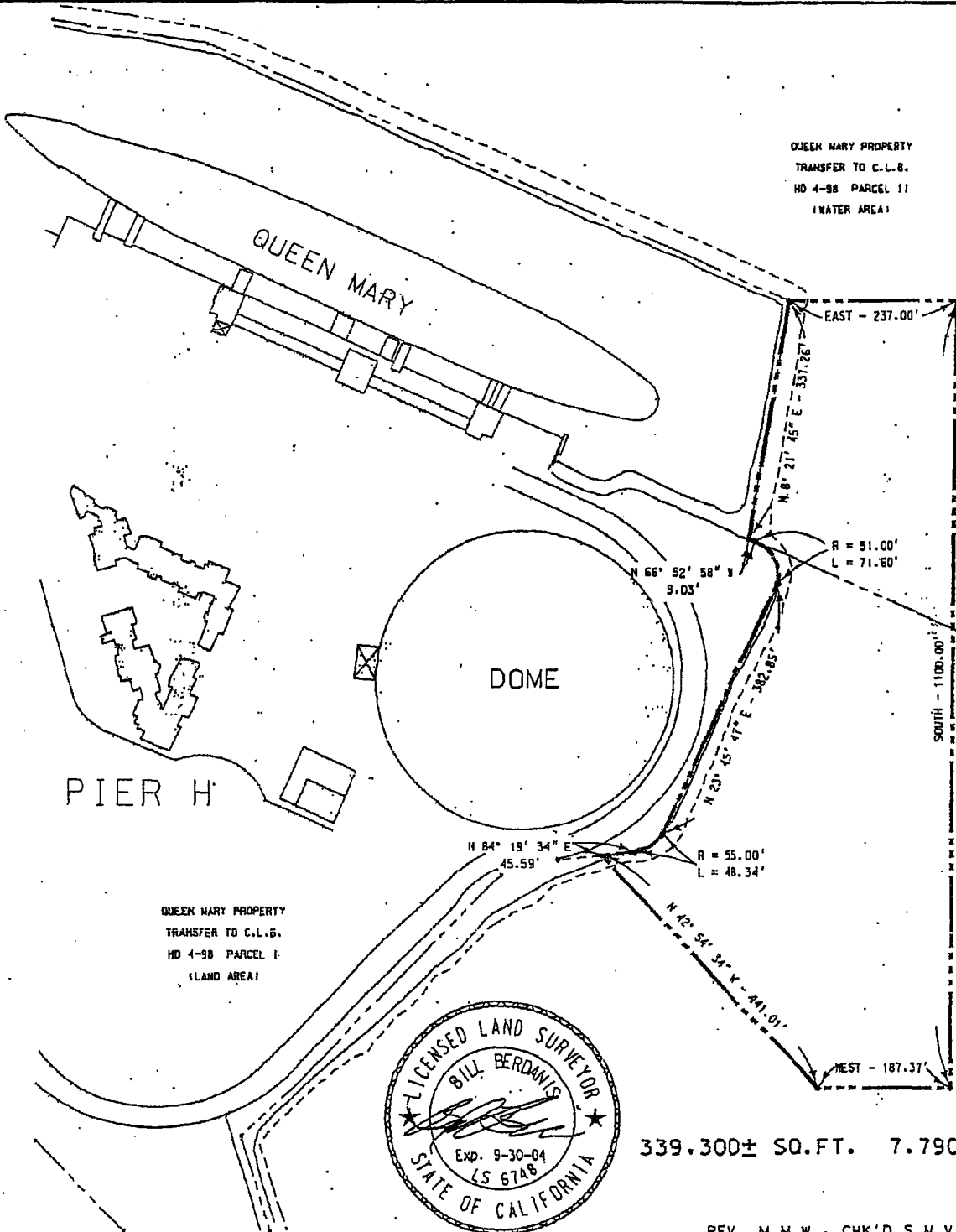
Beginning at a point on the northerly line of Parcel 1, said point being the true point of beginning of Parcel 2, both as shown on said official drawing, and having coordinates of North 4,022,667.65 feet and East 4,229,890.23 feet, Zone 7 of the California Coordinate System of 1927; thence North  $66^{\circ} 20' 56''$  West 524.50 feet along last said northerly line of said Parcel 1 to the TRUE POINT OF BEGINNING; thence continuing along the prolongation of last said northerly line North  $66^{\circ} 20' 56''$  West 186.27 feet; thence North  $10^{\circ} 04' 19''$  West 167.95 feet; thence North  $42^{\circ} 51' 56''$  West 210.93 feet to the beginning of a tangent curve concave to the south and having a radius of 70.00 feet; thence northwesterly, westerly and southwesterly 86.56 feet along said curve through a central angle of  $70^{\circ} 51' 08''$  to a tangent line; thence South  $66^{\circ} 16' 56''$  West 157.77 feet to the beginning of a tangent curve concave to the north and having a radius of 90.00 feet; thence southwesterly, westerly and northwesterly 77.28 feet along said curve through a central angle of  $49^{\circ} 12' 00''$  to a point of cusp with a curve concave to the northeast and having a radius of 562.00 feet and to which point a radial line bears South  $25^{\circ} 28' 56''$  West; thence southeasterly 97.77 feet along said curve through a central angle of  $9^{\circ} 58' 02''$  to a tangent line; thence South  $74^{\circ} 29' 06''$  East 69.67 feet; thence South 326.47 feet; thence South  $66^{\circ} 20' 56''$  East 430.89 feet; thence North  $23^{\circ} 39' 04''$  East 221.94 feet to the TRUE POINT OF BEGINNING

Said described parcel contains 4.00 Acres





QUEEN MARY PROPERTY  
TRANSFER TO C.L.B.  
HD 4-98 PARCEL 11  
(WATER AREA)



QUEEN MARY PROPERTY  
TRANSFER TO C.L.B.  
HD 4-98 PARCEL 1:  
(LAND AREA)



339,300± SQ. FT. 7.790± ACRES

REV. M.M.W., CHK'D S.M.V., 07-11-02

PORT OF LONG BEACH - CALIFORNIA  
OFFICE OF THE EXECUTIVE DIRECTOR

PIER H

QUEEN'S SEAPORT DEVELOPMENT, INC

SCALE 1" = 200' DATE 11-28-00  
DRAWN S.M.V.  
CHECKED M.L.B.

HD 2-903



**EXHIBIT B  
SCOPE OF SERVICES**

The City of Long Beach agrees to work with Save the Queen (STQ), LLC to create a master development plan for the master lease area of the Queen Mary that includes the special event park, submerged land, and water area lease. The City's Community Development – Project Development Bureau will lead the City's efforts to assist STQ in this undertaking.

To expedite the completion of the development plan, additional resources are required by the City. STQ agrees to provide funding to the City for the following activities:

<b>Activities</b>	<b>Consultant/Staff *</b>	<b>Estimated Cost</b>
Land Use Counsel	Richard Watson Gershon	\$ 500,000
Urban Design Consultant	Johnson Fain	\$ 125,000
Real Estate and Economic Advisor	Keyser Marston Associates	\$ 40,000
Engineering/Geotechnical Advisors	TBD	\$ 30,000
Historic Consultant	PCR & Historic Resources	\$ 100,000
City staff costs	Community Development and Development Services	\$ 150,000
Bike Path Consultant	RRM Design	\$ 30,000
Subtotal		\$ 975,000
10% Contingency		\$ 97,500
<b>TOTAL</b>		<b>\$1,072,500</b>

For these activities, STQ agrees to reimburse the City on a monthly basis based on receipts submitted by City, for actual costs incurred. Actual costs may differ.

\*City reserves the right to replace or substitute consultants & staff in its sole discretion.

**EXHIBIT C  
RATE SCHEDULES FOR OUTSIDE CONSULTANTS  
SAVE THE QUEEN, LLC**

The following is the hourly rate schedule for specific consultants to be utilized by the City on the Queen Mary project.

Richard Watson Gershon (land use counsel)	
Special Council	\$450/hour
Paralegal	\$105/hour
Johnson Fain (urban design consultant)	
Partner	\$285/hour
Associate Principal	\$198/hour
Senior Staff	\$120-255/hour
Support Staff	\$80-150/hour
Keyser Marston Associates (real estate/ economic advisor)	
Managing Principal	\$260/hour
Principal	\$230/hour
Manager	\$205/hour
Senior Associate	\$175/hour
Associate	\$155/hour
Senior Analyst	\$140/hour
Analyst	\$120/hour
Administrative Staff	\$ 75/hour
Firm TBD (engineering/geotechnical advisor)	
Principle	\$ TBD hourly rate
Administrative Assistant	
PCR & Historic Resources Group (historic consultant)	
Principle	\$ 210/hourly rate
Administrative Assistant	\$ 79/hourly rate
RRM Design (bike consultant)	
Principal	\$310/hour
Administrative Assistant	\$ 85/hour
City Staff	
Building and Planning Manager	\$79.05/hour
Project Management Officer	\$63.50/hour
Planner V	\$59.54/hour
Planner II	\$43.93/hour
Administrative Assistant	\$27.23/hour

This list of staff positions is not all-inclusive. The City's consultants may utilize the service of other staff position within their perspective firms not listed above. It is expected that all staff positions providing service to the City on the Queen Mary Project will be reimbursed in accordance with the terms of this agreement.