



Building A Better Long Beach

May 3, 2010

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach

California

RECOMMENDATION:

Approve and authorize the Executive Director to execute a six-month Exclusive Negotiating Agreement and an optional six-month extension with Golden Pacific Partners, LLC, for the development of a site at the northeast corner of Home Street and Long Beach Boulevard. (North – District 8)

DISCUSSION

In 2007, the Redevelopment Agency (Agency) selected Golden Pacific Partners, LLC (Developer) as the preferred developer for redevelopment of the former Waite Motel site on Long Beach Boulevard in North Long Beach. An Exclusive Negotiating Agreement (ENA) was entered into in 2008 and expired in 2009. Since then the Agency and Developer have continued to work diligently towards an economically feasible development on the proposed project site at 5060-5098 Long Beach Boulevard and 5101 Cedar Avenue (Subject Site). The Subject Site (Exhibit A – Site Map) contains approximately 1.3 acres of land and is currently vacant. The Subject Site is zoned for commercial uses along Long Beach Boulevard and for single-family residential use along a portion of Cedar Avenue.

The Developer is a joint venture company created by a partnership between Highridge Partners and Oscar De La Hoya's Golden Boy Enterprises. The development team has a combined 25-year track record of identifying and enhancing the value of underperforming real estate. The company currently has residential and mixed-use projects in the cities of San Pedro, West Sacramento, Daley City, Huntington Park, Montebello, South Gate and Compton.

It is recommended that the Agency re-enter into an ENA with Golden Pacific Partners, LLC, for the development of a mixed-use project that, as proposed today, includes 37 residential units including 7 townhomes along Cedar Avenue and 30 condominium and 8,500 square feet of ground-level retail along Long Beach Boulevard (Exhibit B – Conceptual Site Plan). An ENA with the preferred Developer gives the Agency and

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Developer the opportunity to work exclusively to determine whether the project is physically and financially feasible and meets the needs of the community.

Agency staff, in collaboration with the Developer, will work with the Planning Bureau to determine whether all zoning code changes and design goals can be met, and complete draft CEQA documents for circulation. Agency staff and the Developer will also meet with the community to determine the suitability of the project. In addition, the Agency will perform its due diligence on the project's financials to verify that the project is accurately represented, estimate a fair land price given all conditions and restrictions, and negotiate the terms of a Disposition and Development Agreement (DDA).

The ENA will run for a term of six months, including the ability to extend the term for two additional three-month periods at the discretion of the Executive Director. A Good Faith Deposit of \$50,000 will be required and held by the Agency upon full execution of the ENA. The Good Faith Deposit will be used by the Agency to pay for its staff and third-party costs incurred to negotiate and perform its obligations under the ENA. If the ENA is terminated without the execution of a DDA, remaining amounts, if any, of the Good Faith Deposit shall be returned to the Developer. If negotiations result in the execution of a DDA between the Developer and the Agency, then remaining amounts, if any, of the Good Faith Deposit shall be applied to the performance deposit typically required under a DDA.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



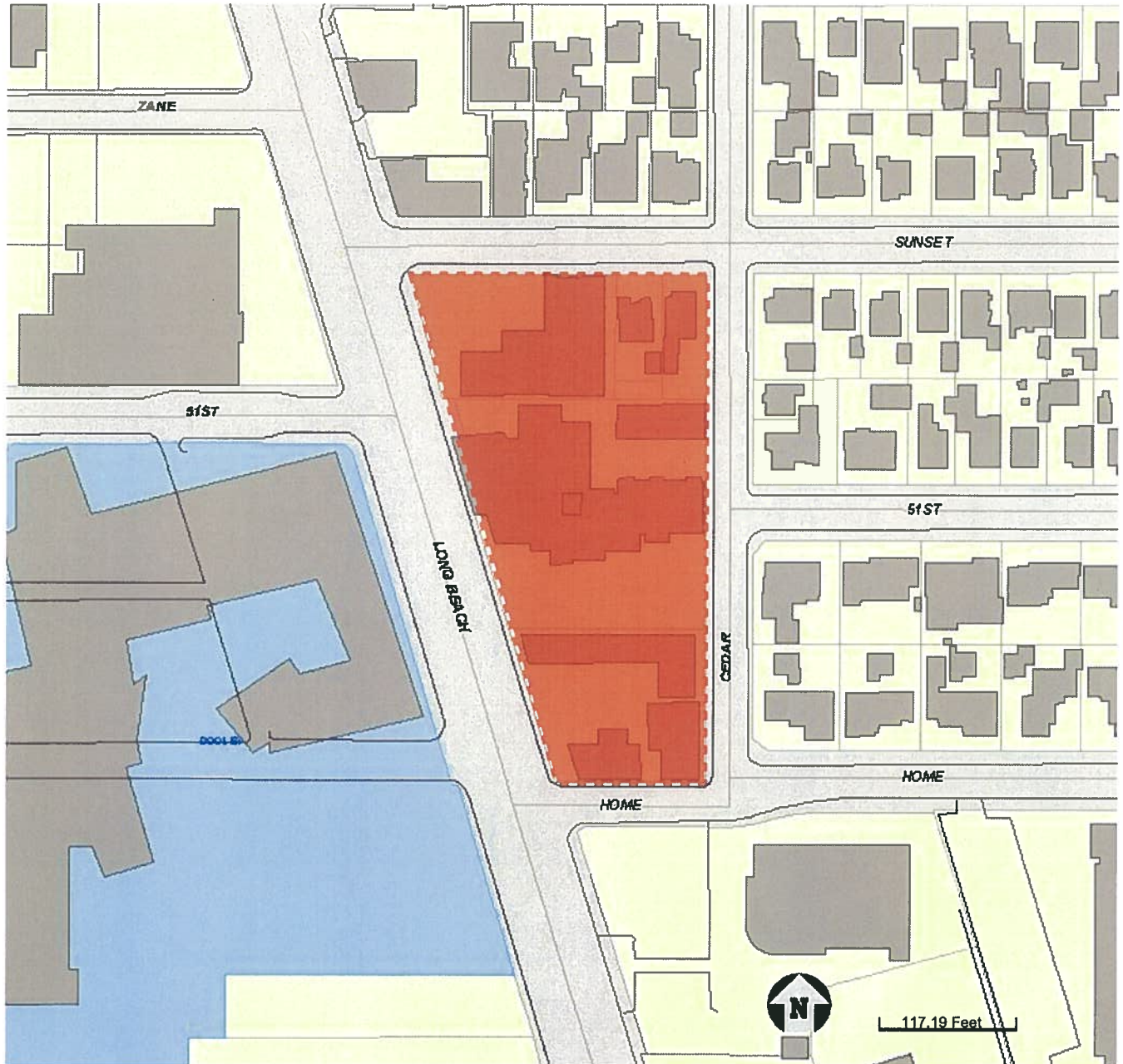
AMY J. BODEK
EXECUTIVE DIRECTOR

AJB:LAF:TF

Attachment: Exhibit A – Site Map
Exhibit B – Conceptual Site Plan



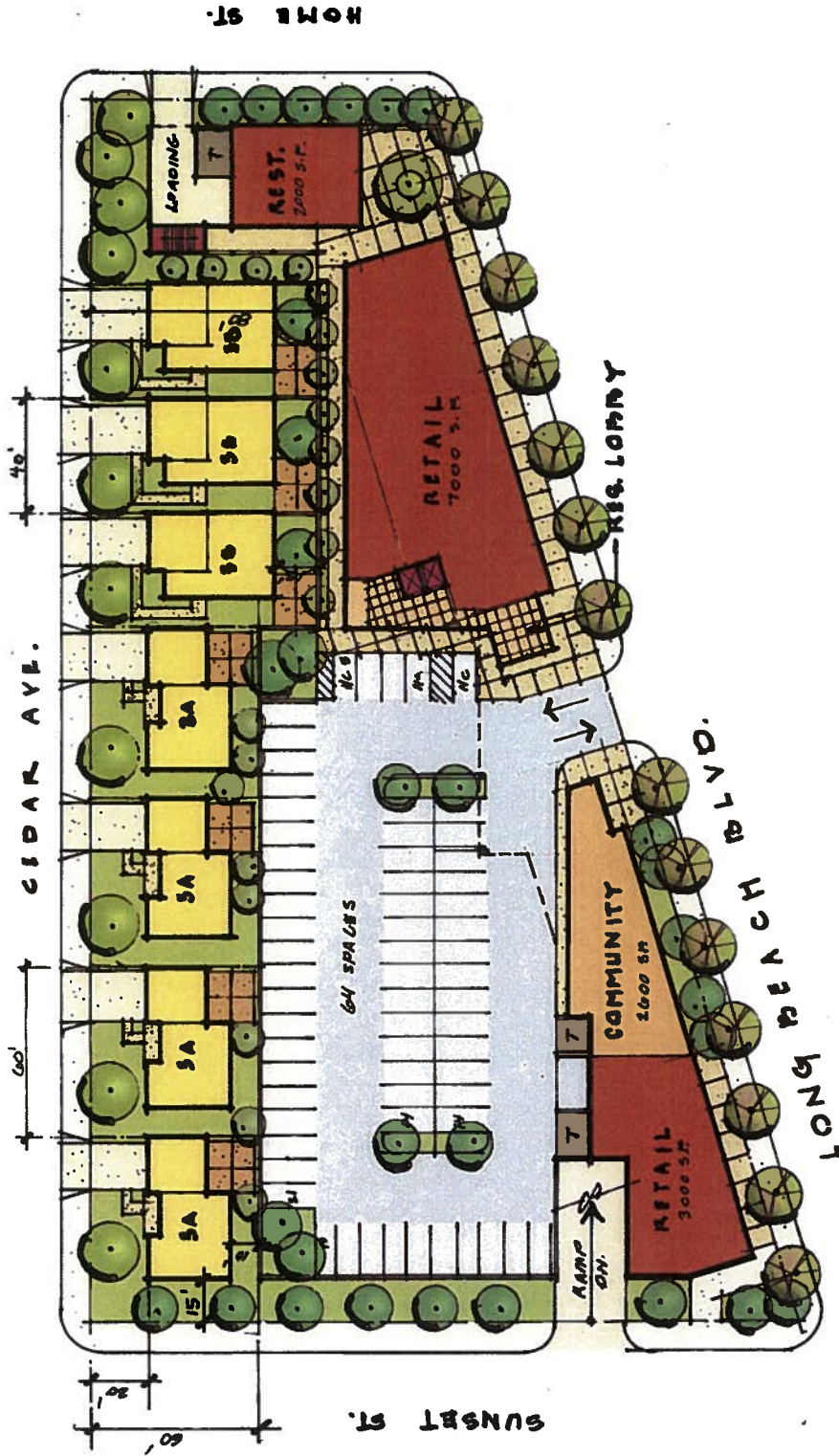
5060-5098 LONG BEACH BOULEVARD



Disclaimer

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Exhibit B



PRELIMINARY SITE PLAN
 LONG BEACH RESIDENTIAL
 5060-5088 N. LONG BEACH BLVD., LONG BEACH, CA

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JOB NO. A8070
 SCALE: 1"=40'-0"
 DATE: 01/12/10

CLIENT
 GOLDEN PACIFIC PARTNERS

