



# CITY OF LONG BEACH

DEPARTMENT OF DEVELOPMENT SERVICES

333 West Ocean Blvd., 5<sup>th</sup> Floor Long Beach, CA 90802 (562) 570-6194 FAX (562) 570-6068

June 17, 2010

CHAIR AND PLANNING COMMISSIONERS  
City of Long Beach  
California

## RECOMMENDATION:

Receive and file report from The Boeing Company and concur with staff's recommendation that they complied with the terms and conditions required under the Douglas Park Development Agreement, and fulfilled the requirements for the reporting period of January 2009 through December 2009. (District 5)

APPLICANT: Boeing Realty Corporation  
4501 E. Conant Street  
Long Beach, CA 90808  
(Application No.1002-18)

## DISCUSSION

In 2005, the City of Long Beach and the McDonnell Douglas Corporation, a wholly-owned subsidiary of The Boeing Company, entered into a Development Agreement (Agreement) to allow for a mixed-use master planned community at 3855 Lakewood Boulevard, called Douglas Park (Exhibit A). The Agreement was subsequently revised to address the rezone north of Cover Street which eliminated the residential land use and expanded the office, retail and light industrial land uses, rerouted bike paths, reconfigured and relocated open spaces, and restructured the financial contributions of Boeing. The Restated and Amended Development Agreement was approved in 2009 and recorded in May 2010. Compliance with the Amended Agreement will commence on the effective year 2010, the year it was adopted and recorded.

The 2009 reporting period reflects compliance with the original provisions of the 2005 Agreement, which gave Boeing vested right to develop Douglas Park with the permitted uses of land, and with the density and intensity of uses specifically set forth in the Project Approvals, which include the major components of the Project listed below:

- 1,400 residential units with at least 120 allotted for senior housing;
- 3,300,000 square feet of commercial uses with a maximum of 250,000 square feet devoted to retail;
- 400 hotel rooms;
- Public and private improvements, including major road improvements and other Project Infrastructure;

- 13 acres of Parks and Recreational Open Space, which includes: bike paths, pedestrian easements/view corridors and private recreation area;
- Financial contributions;
- Maintenance of landscaping and other improvements;
- Dedication of land for public purposes; and
- Maximum allowable building heights.

### **2009 REPORTING PERIOD**

Boeing has submitted the annual report and staff has had an opportunity to review it (Exhibit B). The table below summarizes the activities that occurred in 2009:

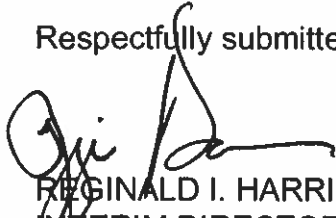
<b>Development Agreement Section</b>	<b>Provisions</b>	<b>Action</b>
8.27 & 8.28	Transportation Demand Management Program: Adaptive Traffic Control System (ATCS)	ATCS construction began September 2009.
3.3.3, 2.42 & 2.43	Infrastructure Plans: Phase 1, 2 & 3	Completed and accepted by the City in 2009
3.3.3.2	Submittal of Discretionary Project Approvals	Submitted 2009
3.3.3.1	Ministerial Permit and Approval List	Submitted 2009
3.3.1	City Project Coordinator	Coordinator no longer retained.
8.45	Public Art Master Plan	Art elements approved by Art's Council.
	1. Douglas Plaza	Water Quality Board issued clearance in 2009.
	2. Conant Street Commercial Gateway	-Landscape completed. -Art installed. -Electrical connection in process.
8.19	Jobs Program	All fees paid and the original term of the Jobs Program expired in June 2009. New term included in the Amended Agreement.
8.23	Public Financing District	Payment requests made according to the City's processing protocol. All funds received less 5%, which is due first quarter of 2010.
8.30	Affordable Housing	Contributed \$250,000 in 2006.
8.46	Infrastructure Payment	Paid \$250,000 in 2006. Subsequent payments pending upon new provisions of the Amended Agreement

In addition to the activities listed above, the following activities also occurred at Douglas Park:

- Certificate of Occupancy was issued on 170,000 square feet of office development;
- Boeing's proposed Rezone north of Cover Street was approved;
- The Environmental Impact Report Addendum was adopted; and
- The Amended and Restated Development Agreement was approved.

Staff has reviewed the submitted materials from Boeing and determined that the applicant is in compliance with the terms of the Agreement and recommends Planning Commission approval.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Reginald I. Harrison', written over the printed name.

REGINALD I. HARRISON

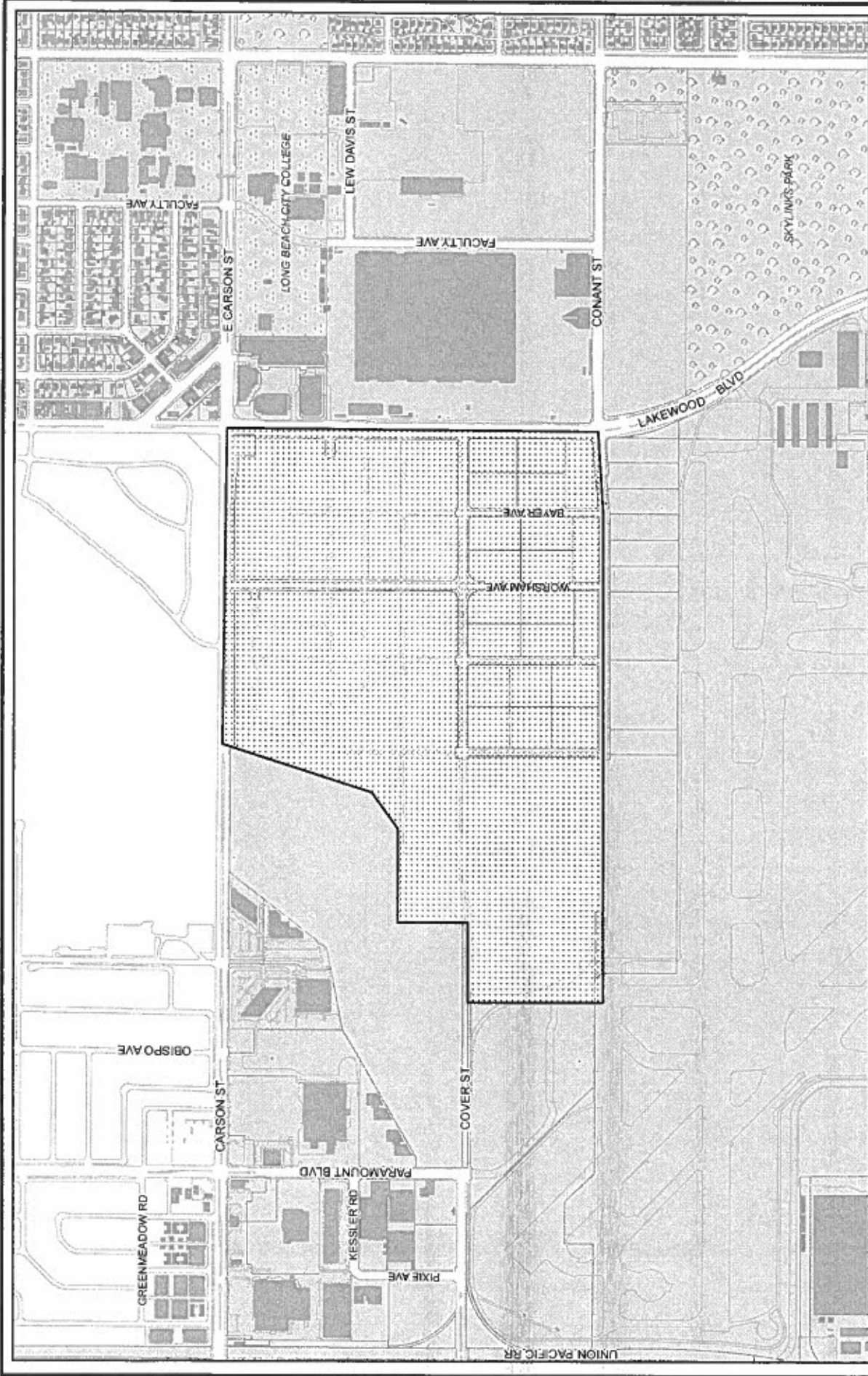
INTERIM DIRECTOR OF DEVELOPMENT SERVICES

RH:JW:ME

Exhibits:

A. Location Map

B. Development Review Status Matrix



## Exhibit A



**Subject Property:**  
 3855 Lakewood Blvd  
 Application No. 0903-01  
 Council District 5  
 Zoning Code : PD-32



**The Boeing Company**

4501 E. Conant Street  
Long Beach, CA 90808

March 9, 2010

Ms. Sheri Rossillo  
Mr. Derek Burnham  
City of Long Beach  
333 W. Ocean Boulevard  
Long Beach, CA 90802



RE: Douglas Park Development Agreement  
Annual Review – New Project Number PPC 11682

Dear Sheri and Derek,

Pursuant to Section 5.1 of the Douglas Park Development Agreement the Company shall conduct an annual review of the Company's compliance with the Agreement. Such annual review shall be limited in scope to determining good faith compliance with the provisions of the Agreement. As part of the review, the Company shall submit an annual monitoring review statement to the Planning Commission describing its actions in compliance with the Agreement, in a form acceptable to the City within forty-five days after written notice from the City requesting that statement. The annual review is based on a calendar year and is subject to the City's Annual Review Fee as described in Section 5.5 of the Agreement. Pursuant to the Notice Letter dated February 2, 2010 and addressed to Stephane Wandel, the fee for 2009 is \$2,863.66 and shall be submitted to the City with the monitoring review statement. The fee of \$2,863.66 was paid via credit card through the 4<sup>th</sup> floor City Cashier on February 18, 2010.

We have attached a matrix itemizing our compliance to the agreement and milestones during 2009.

Should you have questions please contact me at 206-851-4287 or via email at [walter.e.warden@boeing.com](mailto:walter.e.warden@boeing.com).

Sincerely,  
The Boeing Company

Gene Warden  
Sr. Real Estate Manager

cc: Patrick West, City Manager, City of Long Beach  
Michael J. Mais, Assistant City Attorney, City of Long Beach  
Meredith Elguira, Planner, City of Long Beach  
Mark Christoffels, City Engineer, City of Long Beach  
Phillip Balmeo, Division Engineer, City of Long Beach  
Truong Huynh, Engineering Plan Check Officer, City of Long Beach  
Stephane Wandel, Enterprise Leader RPM, The Boeing Company

**ANNUAL REVIEW OF BOEING'S COMPLIANCE WITH THE TERMS OF THE DEVELOPMENT AGREEMENT 2009**

DA Ref	Description	Development Agreement Requirement	Itemized Compliance	Work in Progress and Commitment to Perform
8.27 & 8.28	Transportation Demand Management Program -- ATCS Traffic Control Program	TBC shall implement a Transportation Demand Management Program as required by the Mitigation Monitoring Program including an ATCS Traffic Control Program. TBC shall incorporate transportation improvements to service the project and to reduce project related and regional background traffic impacts within the project area. Triggering event: ATCS installation shall be no later than the corresponding Peak Hour trips as defined. Intersection improvements shall be completed at the issuance of the first Certificate of Occupancy or pursuant to Peak Hour trips.	1) Preliminary discussions and planning for the ATCS Traffic Control Program began in mid 2005. 2) Technical memo presented for design comments from all jurisdictions involved September 2006. 3) System design in process. 3) TBC is in compliance as no trip triggers have been generated to this point. 4) System and technical design coordination meetings with City of Long Beach instituted December 2006 and scheduled throughout the year of 2007. 5) Multi-Jurisdiction approval obtained for the conceptual design of the program December 2007. 6) Jurisdictions reached final agreement for the Traffic Control System fall 2008. 7) ATCS construction began September '09.	ATCS Traffic Control Program construction will be complete and system operating by May 2010.
3.3.3, 2.4.2 & 2.4.3	Phase 1 Infrastructure Plan review and approval - including traffic and utility improvements	The City will work with TBC in good faith to process and review the Ministerial Permits and Approvals and Inspections in a timely manner. "Phase 1 On-Site Roadway Infrastructure" as described per Exhibit E-1 of the Development Agreement.	Phase 1 Infrastructure Plans, including utility, on and off site street improvements, street lighting, and landscaping, approved by the various Public Works Departments November 1, 2006. Permit approval and commencement of work October/November 2006. Completion of Phase 1 construction and City Acceptance Issued 4th quarter 2009. Construction Start: Wet Utilities October 2006, balance of infrastructure construction began November 2006. End of year 2007 percentage complete of on-site construction: 1) Sewer 99%, 2) Water 100%, 3) Reclaimed Water 90%, 4) Storm Drain 100%, 5) Gas Line Installation 100%, 6) Landscaping 99%, 7) Street lighting 90%, 8) Dry utilities 100%, 9) Commercial gateway hardscape 40%, 10) Roundabout hardscape 40%. 11) Park A pending remediation release from City, 12) SCE undergrounding at Carson Street 100% - SCE pole removal completed '09.	Park A's plan approval is complete, permits have been extended by the Building Dept. Construction is pending Water Quality Board's release to the City of Long Beach and site grading completed by City of Long Beach prior to commencement of park construction.
	On site construction Phase 1		City and County Final inspection acceptance and completion of construction of backbone storm drain September 2006. City and County Final inspection acceptance and completion of construction of the Phase 1 storm drain system December 2007.	
	Off site construction Phase 1	Category B - Intersection Improvements and Category D Regional Transportation Improvements. Intersections itemized as follows: Carson / Lakewood, Cover / Lakewood, Conant / Lakewood, Carson / Wosham, Douglas Cir Drive / Lakewood, Conant / Lakewood, Del Anno / Lakewood, Carson / Bellflower, Wardlow / Cherry, Cover / Paramount, Cover / Cherry, Bixby Road / Cherry, N405 on ramp	Off-site construction complete and City acceptance 4th quarter 2009. 84% of the Off Site Intersection Improvements were completed in 2009 ahead of the trigger requirements of Exhibit F. Completed intersections include: Carson / Lakewood, Conant / Lakewood, Conant / Lakewood, Carson / Wosham, Douglas Cir Drive / Lakewood, Carson / Paramount, Carson / Bellflower, Wardlow / Cherry, Cover / Paramount, Cover / Cherry, Bixby Road / Cherry.	16% of the Off Site Intersection Improvements remain to be completed in 2010 and future years. Del Amo / Lakewood has been designed and is in the Caltrans approval process. Cherry / N405 on-ramp has been designed and is also in the Caltrans approval process.
	Bike Path	Bike Path as described per Exhibit E-1 of the Development Agreement	Class 1 Bike Path Improvements along Carson Street. Plans including landscape improvements submitted for City review November 2006. Plan approved and construction commenced July 07. Bike Path installed according to approved plan in 2008 but required revisions for field conditions - completion of revision and City acceptance 4th quarter of 2009.	
	Phase 2 Infrastructure Plan review and approval - including traffic and utility improvements	"Phase 2 On-Site Roadway Infrastructure" as described per Exhibit E-1 of the Development Agreement	Phase 1 Infrastructure - Complete with City acceptance 4th quarter 2009. Street Improvements for Phase 2 submitted for City review November 2006. Construction commenced October 2007. -Completion and City acceptance 4th quarter 2009	
	Enclave Fencing	Landscaping shall be installed on the eastern side of the Enclave fence from the north end of Building 15 to the southern property line upon installation of Phase 1 commercial infrastructure. Landscaping shall be installed on the northern side of the fence surrounding the Enclave or along the proposed street to the north of the Enclave upon development of the residential units in the northwestern portion of the site as shown in Figure 25 Section V B of the EIR.	Enclave Fencing design approval obtained December 4, 2007. Boeing extended landscape screening from north end of building 15 to Cover Street for improved aesthetics. Improvements along the north side of the Enclave completed and accepted by the City in September of 2009.	
	Phase 3 Infrastructure Plan review and approval - including traffic and utility improvements	"Phase 3 On-Site Roadway Infrastructure" as described per Exhibit E-1 of the Development Agreement	Phase 3 Infrastructure plans submitted July 27th, 2007. Construction completed and City acceptance 4th quarter 2009	
	Final Maps	Conditions of Approval #1-6	First Final Map approved and recorded December 2006. Second Final Map approved and recorded December 2007	

ANNUAL REVIEW OF BOEING'S COMPLIANCE WITH THE TERMS OF THE DEVELOPMENT AGREEMENT 2009

DA Ref	Description	Development Agreement Requirement	Itemized Compliance	Work in Progress and Commitment to Perform
3.3.3.2	Subsequent Discretionary Project Approvals	In order to provide the City with advance notice of upcoming applications for Discretionary Project Permits and Approvals, TBC shall supply to the City a list of the various Discretionary Permits which TBC reasonably anticipates will be requested each year. The report shall be updated quarterly. Triggering event: Throughout the implementation of the development agreement.	1) Quarterly letter with matrix of anticipated Ministerial Permits & Approvals annotating the schedule was presented in 2009. 2) Annual letter with matrix presented March 2010.	1) TBC shall continue to submit updates of the anticipated Discretionary Permit and Approvals matrix on a quarterly basis through 2010.
3.3.3.1	Ministerial Permit & Approval List	In order to provide the City with advance notice of upcoming applications for Ministerial Permits and Approvals, TBC shall supply to the City a list of the various Ministerial Permits which TBC reasonably anticipates will be requested each year. The report shall be updated quarterly. Triggering event: Throughout the implementation of the development agreement.	1) Quarterly letter with matrix of anticipated Ministerial Permits & Approvals annotating the schedule was presented in 2009. 2) Annual letter with matrix presented March 2010.	1) TBC shall continue to submit updates of the anticipated Discretionary Permit and Approvals matrix on a quarterly basis through 2010.
3.3.1	City Project Coordinator	In order to facilitate the expeditious completion of the Project, the City shall select a City Project Coordinator. Triggering event: City shall initiate selection upon agreement execution.	1) The City Project Coordinator position was awarded to James Kennedy. 2) Various meetings for clear communications required to expedite review coordination and the permit approval processes have been established. 3) Coordinator meetings continued through 2009. 4) Coordinator no longer retained by the City. Boeing manages City coordination meetings direct with City staff.	
8.45	Art and History Program	The project shall include a public art component reflecting the Property's historical significance or other thematic elements important to creating the project's new identity. Project shall submit a Public Art Master Plan. Triggering event: Approval one year from Development Agreement execution.	1) Historical American Engineering Record (HAER) report completed, approved and delivered to agencies as required July 2006. 2) The Douglas Heritage Group has been established. 3) Art Program developed and approved May 2006. 4) Street Names selected and approved May 2006. 5) Art Program design for elements for Park A, Roundabout, and Commercial Gateway commenced May 2006. 6) Artists for Park A and Roundabout artwork elements retained and design/fabrication commenced 4th quarter 2006. 7) Park A approved by Parks Commission October 2006, submitted for Public Works and Planning review of schematic and construction documents Nov/Dec 2006. 8) Commercial Gateway construction drawings submitted for City review and approval January 2007. 9) Roundabout schematic plan submitted December 2006, full plan and art element approval obtained October 2007.	Douglas Plaza's plan approval is complete, construction awaiting Water Quality Board's issue of release to the City of Long Beach. Commercial Gateway landscape complete August 2008. Commercial Gateway Art Element of Tall Fins approved by Art Council, construction complete and art installed 4th qtr 2009. Douglas Plaza Art Element complete and stored awaiting construction completion at park. Roundabout artwork elements completed and installed March 2008. Product Walk Art Elements complete and being stored (2/2010) for future installation during development of the ReZone area north of Cover Street. Historical Education Program currently in development with the library / art community in addition to the on site educational components of plaques and informational pieces.
8.19	Jobs Program	TBC shall collaborate with Long Beach Jobs Initiative Team to implement a "JOBS" program with the goal of employing qualified LB residents or qualified graduates of an appropriate Jobs Initiative training program. Triggering event: Commencement of work on public infrastructure. Contribution shall be annual.	1) Pursuant to the DA requirements a Board of Directors was identified and the first meeting of Board occurred on November 17, 2005. 2) Meetings continue every 6 months and met accordingly 2006. 3) First annual contribution of \$100,000 was made by TBC October 2005. 4) Section 8.19 of the DA is included in every construction contract to insure contractor's compliance. 5) Two employees were hired pursuant to the Jobs Program in 2006. (1) laborer and (1) administrative worker. 6) One Job Fair was held in 2006 and General Contractor was in attendance. 7) The Grand Opening of the Center for Working Families was attended by the General Contractor November 2006. 8) Board of Director's meetings were held in March 14, 2007, August 9, 2007 and November 13, 2007. 9) Job Fairs were held May 30, 2007, August 28, 2007 and November 2, 2007. 10) All fees have been contributed pursuant to the Development Agreement and the Term of the Jobs Program expired June 30, 2009.	
8.23	Public Financing Districts	TBC may propose to initiate proceedings to form one or more Public Financing Districts with respect to the Property, to finance all or a portion of the costs to improve the property. Triggering event: Development of a PFD or CFD shall be at the option of TBC.	1) Public Finance Districts / CFD final agreement approval issued December 21, 2006, executed agreement and payment of costs for information to the City of Long Beach in the amount of \$150,000 made by January 11, 2007, presented for City Council January 16, 2007 and approved.	Payment Requests made according to the City's processing protocol. All funds received less 5% due 1st qtr 2010.
8.30	Affordable Housing	The project will contribute to the affordable housing goals of the City. Triggering event: Payment due at execution of Development Agreement and resolution of a challenge should one be filed.	1) First payment of \$250,000 was made upon resolution of the CEQA Litigation by check dated 2/15/06.	All fees paid pursuant the Amended and Restated Douglas Park Development Agreement.
8.46	Infrastructure Payment	The project will contribute to the City's infrastructure improvements. Triggering event: Initial payment due at execution of Development Agreement and resolution of a challenge should one be filed.	1) Payment of 1/2 of the Infrastructure payment of \$250,000 was made in good faith at the time of Grading Permit issuance for Phase 1 of the construction (10/05) due to the CEQA Litigation. 2) Payment of the balance due of \$125,000 was made upon resolution of the CEQA Litigation, check dated 2/15/06.	\$625,000 to be paid upon execution and recordation of the Amended and Restated Development Agreement.