



# CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

# R-18

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

January 24, 2006

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to enter into a Memorandum of Understanding with The Salvation Army to advance mutual efforts to bring a Ray and Joan Kroc Corps Community Center to the City of Long Beach to be located at Chittick Field. (District 6)

## DISCUSSION

In August 2005, The Salvation Army approached City staff with a proposal to locate a Ray and Joan Kroc Corps Community Center (Center) within the City. The vision of the Center is to provide facilities and programs of superb quality that provide children, youth, families and individuals with educational, recreational, arts and other activities that build character, confidence and competence. Joan Kroc funding is available for the capital development of the Center and some limited ongoing operational costs. It is anticipated that the cost to construct the Center will be approximately \$30 million. Programming components may include a swimming pool, child care center, fitness center, game and recreation areas, gymnasium, library and computer learning lab and a chapel. The specific programming components of the Center have not yet been determined and will be based upon a needs assessment currently being conducted by the The Salvation Army.

Staff from both The Salvation Army and City reviewed a number of alternative locations for the Center and have focused on Chittick Field, also known as the Hamilton Bowl. Chittick Field is a County-owned storm drain facility containing approximately 18 acres. Additionally, the privately-owned frontage property on Pacific Coast Highway is anticipated to be acquired and included within the project area (collectively, the "Site"). Please see the attached aerial photograph.

The process to locate a new Center includes two competitive phases and a non-competitive phase. The first competitive phase is the Feasibility Application Phase. With no City obligation, The Salvation Army submitted an application identifying Chittick Field as the proposed location for the Center. This application was selected as one of the

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final eight (out of 19) applications filed. The second competitive phase is the Development Application Phase. In this phase, conceptual designs and, in this case, hydrological studies will need to be submitted. Additionally, The Salvation Army will need to demonstrate Site control. The Salvation Army must submit this application by April 3, 2006.

City staff had been in prior discussions with Los Angeles County regarding the City's interest in acquiring Chittick Field, at a nominal cost in order to enhance recreational grant applications for capital improvements. The City would assume the ongoing maintenance and operational obligations of the storm drain facilities. While this process has been ongoing, and the County has evidenced its willingness to convey Chittick Field and its storm drain facilities, City staff has recently advised Los Angeles County staff and representatives of Supervisor Don Knabe's office of the potential to locate the Center in Chittick Field. Both Los Angeles County and the Supervisor have reacted positively to the project and the conveyance of Chittick Field is progressing.

It is anticipated that the City will convey Chittick Field to The Salvation Army at the City's cost of acquisition, including related staff time, which staff time is limited to \$50,000. The City's conveyance will include a covenant that Chittick Field will continue to accommodate the current water detention capacity, and a reservation allowing the City to access Chittick Field for ongoing maintenance and operation of the storm drain facilities. Additionally, the conveyance will include a covenant that The Salvation Army will, or will cause to, construct, operate and maintain the Center on this site.

It is also anticipated that The Salvation Army will separately acquire the privately-owned frontage properties on Pacific Coast Highway and conduct all necessary studies to satisfy themselves as to the suitability of the property for the proposed Center. The frontage property is expected to be developed as Center-serving retail in order to generate ongoing cash flow to offset Center operational costs.

In order to document the cooperative efforts of the parties and provide The Salvation Army with sufficient evidence of site control, the parties propose entering into a Memorandum of Understanding (MOU). The MOU will detail the following understandings.

- Term: The Term of the MOU shall begin when fully executed and expire on December 31, 2007.
- Site: The Site contains both the Field Parcel and the Frontage Parcel totaling approximately 19.91 acres. The Field Parcel will continue to be used to accommodate significant storm events as approved by Los Angeles County. The Frontage Parcel will be developed as Center-serving retail.
- Environmental Condition: The Salvation Army shall be responsible for any further environmental investigation.

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- Development Guidelines: The Site shall be developed in accordance with all applicable laws and regulations.
- Development Process: The parties shall work cooperatively to complete the Development Application. The Salvation Army shall reimburse City up to \$50,000 for staff time spent in such support.
- Property Acquisition and Disposition: The City shall diligently pursue the acquisition of the Field Parcel. The Salvation Army shall diligently pursue the acquisition of the Frontage Parcel. If the Salvation Army is unsuccessful in acquiring all or any portion of the Frontage Parcel, the City and (by separate agreement) the Redevelopment Agency (Agency) shall work cooperatively to acquire the Frontage Parcel or portion thereof. The consideration for the Field Parcel shall be an amount sufficient to cover City costs and any consideration paid by City to County. The consideration for the Frontage Parcel, or portion thereof, shall be an amount sufficient to cover all costs of the Agency to acquire and remediate such property and demolish any structures existing thereon. The Field Parcel and Frontage Parcel, or portion thereof, shall be conveyed concurrent with the issuance of a combination grading/building permit for the Center and upon the satisfaction of certain other terms and conditions.

This letter was reviewed by Deputy City Attorney Richard F. Anthony on January 6, 2006 and Budget Management Officer David Wodynski on January 11, 2006.

### TIMING CONSIDERATIONS

City Council action is requested on January 24, 2006 to provide sufficient time to allow The Salvation Army to complete the required submittal package by April 3, 2006.

### FISCAL IMPACT

There is no fiscal impact associated with the recommended action. Prior to acquisition of the Site, City Council authority will be requested to accept the property and approve any fiscal impacts related to this acquisition and ongoing facilities maintenance estimated at \$50,000 annually. Any resulting fiscal impacts related to the storm drain facilities would be supported by the General Fund (GP) in the Department of Public Works (PW). Through this MOU, City staff will continue working with the Salvation Army on moving this project forward to include reimbursement of City costs.

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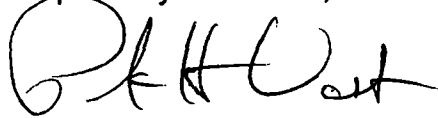
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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

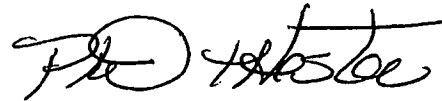


PATRICK H. WEST  
DIRECTOR OF  
COMMUNITY DEVELOPMENT

PHIL T. HESTER  
DIRECTOR OF  
PARKS, RECREATION AND MARINE



CHRISTINE F. ANDERSEN  
DIRECTOR OF PUBLIC WORKS



PHW:PTH: CFA:MPC:iel  
1.24.06 CC Ltr Chittick Field  
Attachment

APPROVED:



GERALD R. MILLER  
CITY MANAGER