



CITY OF LONG BEACH

C-5

DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CA 90802 • (562) 570-6099 • Fax (562) 570-6380

June 23, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute any and all documents necessary for the First Amendment to License Agreement #32052 between the City of Long Beach and the Los Cerritos Wetlands Authority, a California joint powers authority, for access over and through City-owned property; and

Authorize the City Manager to execute any and all documents necessary for the First Amendment to License Agreement #32651 between the City of Long Beach and Signal Hill Petroleum, Inc., a California corporation, for access over and through City-owned property. (District 3)

DISCUSSION

The City of Long Beach owns an approximate 34-acre parcel of wetlands property at the southeast corner of 2nd Street and Shopkeeper Road, more commonly referred to as the Marketplace Marsh (see Attachment). The Los Cerritos Wetlands Authority (LCWA), of which the City is a member, owns an approximate 40-acre parcel of wetlands property east-adjacent to the Marketplace Marsh. The LCWA's property lacks direct access from any public right-of-way. On January 4, 2011, the City Council authorized the execution of License Agreement #32052 (LCWA Agreement) to allow LCWA to pass through the Marketplace Marsh for access to its property. In addition, the LCWA Agreement allows LCWA to access the Marketplace Marsh to conduct wetlands-related studies. Access is limited to use of existing dirt roads and pathways within the Marketplace Marsh.

Signal Hill Petroleum, Inc. (SHPI) owns the mineral rights on the LCWA property and, consequently, has the same access issue as the LCWA. On March 1, 2011, the City Council authorized the execution of License Agreement #32651 (SHPI Agreement) to allow SHPI to pass through the Marketplace Marsh to access the LCWA property. The SHPI Agreement currently provides the City with a monthly License Fee of \$1,000. These fees are used to maintain the Marketplace Marsh. Required annual maintenance includes upkeep of the dirt access roads and pathways, weed and fire abatement, trash removal, non-native plant removal and native plant re-vegetation.

In April 2015, City staff engaged the LCWA and SHPI to negotiate extensions of the Agreements due to their upcoming termination. Although the Agreements formally

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terminated on June 6, 2015, the terms continue to be honored on a month-to-month holdover status. City staff have concluded negotiations with LCWA and SHPI to extend the terms of the Agreements. The Agreements benefit all parties and City staff is supportive of the continued relationship with LCWA and SHPI.

The proposed First Amendment to License Agreement #32052 with LCWA will contain the following major terms and provisions:

- Licensor: City of Long Beach, a municipal corporation
- Licensee: Los Cerritos Wetlands Authority, a California joint powers authority
- Term: The term of the Agreement shall be extended for approximately five years through June 30, 2020.
- Use: Licensee shall continue to have the right to access City-owned property known as the Marketplace Marsh for the purpose of access and egress to certain property owned by Licensee adjoining the eastern boundary of the Marketplace Marsh. Licensee may also access the Marketplace Marsh for the purposes of conducting wetlands-related studies and providing periodic educational tours. Licensee shall limit its access to the existing roads and pathways on the Marketplace Marsh.

The proposed First Amendment to License Agreement #32651 with SHPI will contain the following major terms and provisions:

- Licensor: City of Long Beach, a municipal corporation
- Licensee: Signal Hill Petroleum, Inc., a California corporation
- Term: The term of the Agreement shall be extended for approximately five years through June 30, 2020.
- Use: Licensee shall continue to have the right to access City-owned property known as the Marketplace Marsh for the purpose of access and egress to certain property owned by Los Cerritos Wetlands Authority adjoining the eastern boundary of the Marketplace Marsh, wherein Licensee maintains mineral rights. Licensee shall limit its access via a specifically defined route as noted in the existing Agreement.
- License Fee: Licensee shall continue to pay a monthly License Fee through the end of the term of the Agreement. Effective and retroactive to July 1, 2015, the monthly License Fee shall be increased by 10% from \$1,000 to \$1,100.

All parties shall continue to have the right to terminate their respective Agreements upon ninety days prior written notification. All other remaining terms and provisions of the Agreements shall continue in full force and effect.

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This matter was reviewed by Deputy City Attorney Richard F. Anthony on April 29, 2015 and by Budget Management Officer Victoria Bell on May 12, 2015.

TIMING CONSIDERATIONS

City Council action on this matter is requested on June 23, 2015, in order to expedite the execution of the amendments to the Agreements.

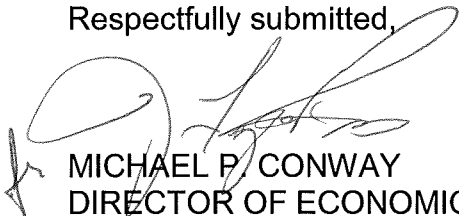
FISCAL IMPACT

Annual revenues of \$13,200 shall accrue to the General Fund (GF) in the Department of Public Works (PW) to provide for ongoing maintenance and property management activities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


MICHAEL P. CONWAY
DIRECTOR OF ECONOMIC
AND PROPERTY DEVELOPMENT

MPC:jmv
Attachment


ARA MALOYAN, PE
DIRECTOR OF PUBLIC WORKS

APPROVED:


PATRICK H. WEST
CITY MANAGER

ATTACHMENT

City-owned Wetlands Parcel: Marketplace Marsh

