



**LONG BEACH CITY COUNCIL
PROPOSED PROPERTY ACQUISITION
4101 LONG BEACH BOULEVARD**

August 11, 2020

CITY OF
LONG BEACH

Background

- In 2019, the City was forced to permanently close Long Beach Fire Department Station 9 located at 3917 Long Beach Boulevard due to history of active mold and resulting illnesses.
- Engine 9 was moved to Fire Station 16 at 2890 East Wardlow Road, while Rescue 9 was moved to Fire Station 13 at 2475 Adriatic Avenue.
- Short term solution was needed until replacement could be secured.
- On July 14, 2020, City Council approved a lease for the former Boeing Fitness Center location at 2019 East Wardlow Road to bring Engine 9 and Rescue 9, and their respective crews, back together.
- Temporary location will be for a period of 3 years allowing the City to select, purchase and construct new home for Fire Station 9.



4101 Long Beach Boulevard



- Staff has identified the property at 4101 Long Beach Boulevard as a potential site for Permanent Fire Station 9.
- Lot size is 16,830 square feet, currently improved with office building occupied by Catalina Adventure Tours.
- Recently listed for sale.



Proposed Terms



Staff has negotiated the purchase of the property with the following terms:

- | | |
|-----------------------------|-----------------|
| Purchase Price: | |
| Land/Improvements: | \$2,275,000 |
| Due Diligence/Closing Fees: | <u>\$75,000</u> |
| Total Acquisition Costs: | \$2,350,000 |
- 120-day escrow (90 days to conduct due diligence + 30 days to close).
- Leaseback to Seller on a month-to-month agreement, up to six months after the close of escrow.
- City can terminate Lease with 60 days notice.
- Seller will be responsible for all utilities and maintenance while in tenancy.
- Funding for the purchase is currently available through Measure A.
- Full funding is still being sought for the overall project cost, estimated at \$20 million.

Next Steps



Anticipated timeline from full funding to Grand Opening: 28 months

Recommendation

Staff recommends the following:

- Authorize the City Manager, or designee, to execute any and all documents necessary, including a Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate (Agreement) with Jeffrey Wayne Stickler, Inc., a California corporation (Seller), for the purchase of certain real property located at 4101-4107 Long Beach Boulevard, Assessor Parcel Numbers 7139-015-010 and -017 (Subject Property), in an amount not to exceed \$2,350,000.