



# CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

**C-9**

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

February 20, 2007

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to enter into a Reimbursement Agreement with Boeing Realty Corporation for the Reimbursement Costs Related to the Master Planning of Boeing's 100-Acre Project north of Cover Street. (District 5)

## DISCUSSION

Boeing Realty Corporation (BRC) has requested to modify its existing land use plan that was approved by City Council in December 2004. BRC has commenced efforts to redesign 100-acres of its approved master plan located between Lakewood Boulevard and Paramount and between Carson Street and Cover Street (see attached map). Staff has determined that the redesign of the already approved master plan may necessitate subsequent discretionary actions, possible amendments to the existing entitlements, and possible subsequent environmental review as per the California Environment Quality Act.

The BRC has agreed to participate in a Reimbursement Agreement between the City and BRC. The Agreement will allow the City to maintain an arms-length relationship with BRC by authorizing the City to select and utilize its own consultants independent of those used by BRC. City staff and consultants assigned to work on the Douglas Park project will continue to report through their respective City departments for direction and feedback.

Key terms of the Agreement are as follows:

- The Agreement is effective December 1, 2006 through December 31, 2007. This will allow the City to recapture expenses incurred since the beginning of the City's coordination efforts with BRC associated with the redesign, as they have already commenced.
- For budgeting purposes, staff estimates total costs of \$246,000 to be reimbursed by BRC. The City expects to be reimbursed only for those expenses actually incurred. If actual costs do not exceed estimated total costs of \$246,000, BRC is not liable for payment to the City beyond the actual expenses incurred.
- In the event actual costs exceed the estimated costs set forth in the Reimbursement Agreement, BRC agrees to pay the actual costs.

- Notwithstanding the above, the City and BRC agree to amend the Agreement to reflect greater expenses paid or incurred or anticipated to be paid or incurred in the event that City costs exceed the estimated costs by more than 10 percent (or \$24,600) due to the need for services not anticipated by the City at the time of the signing of the Agreement.
- The City will maintain exclusive control over the work to be performed by staff and its consultants. Nothing in the agreement shall be deemed to require the City to approve any plan, proposal, suggestion, application or request submitted by BRC.

This report was reviewed by Deputy City Attorney Richard F. Anthony on February 7, 2007 and Budget and Performance Management Bureau Manager David Wodynski on February 7, 2007.

#### TIMING CONSIDERATIONS

Since the City's coordination efforts associated with the redesign have already commenced, City Council action is requested on February 20, 2007, to begin seeking reimbursement of costs incurred from BRC.

#### FISCAL IMPACT

The Community Development Department will use current appropriations to support initial outlays in FY 07 associated with the recommended action. These costs will be offset by revenue generated by the Reimbursement Agreement with Boeing Realty Corporation for the reimbursement costs associated with processing the BRC development agreement, at which time an appropriations increase may be requested to make the Department whole. Costs for FY08 will be included in the Department's FY08 proposed General Fund budget, offset by anticipated revenue from the reimbursements.

#### SUGGESTED ACTION:

Approve recommendation.


Respectfully submitted,



PATRICK H. WEST  
DIRECTOR OF  
COMMUNITY DEVELOPMENT

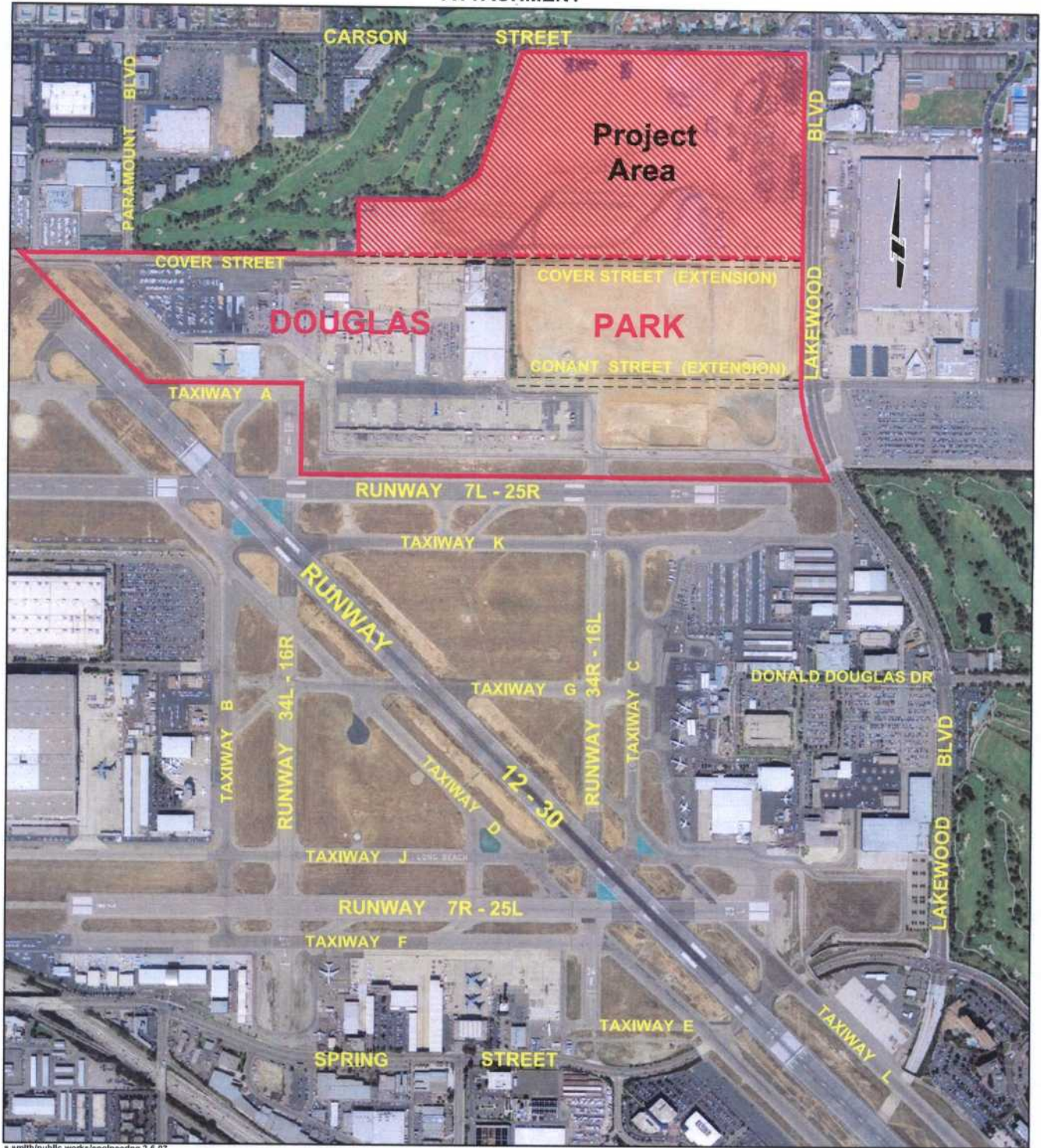
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APPROVED:



GERALD R. MILLER  
CITY MANAGER

ATTACHMENT



CITY OF LONG BEACH - CALIFORNIA  
DEPARTMENT OF PUBLIC WORKS, ENGINEERING BUREAU

Vicinity Map of  
**Douglas Park Project Area**  
North of Cover Street