


 ROBERT DOWELL
 DIRECTOR

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 DEPARTMENT

April 3, 2018

 HONORABLE MAYOR AND CITY COUNCIL
 City of Long Beach
 California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute an agreement, and any necessary amendments, between the City of Long Beach, West Wilmington Unit Operator (City), and Toyota Logistics Services – Long Beach (Toyota), to accommodate Redevelopment Plans proposed by Toyota at 785 Edison Avenue. (District 1)

DISCUSSION

Toyota leases a parcel of land in Long Beach, within the Harbor District, known as 785 Edison Avenue, which comprises a portion of land known as Tract 113 of the Fault Block IV Unit Agreement (Property). Toyota is planning to redevelop its automobile facility on the Property upon which oil and gas operations are currently being conducted by the City, through its field contractor, Tidelands Oil Production Company, under certain Fault Block Unit and Unit Operating Agreements in the Wilmington Oil Field.

The Property is subject to certain surface usage agreements between the surface owner and the City through its Harbor Department. The City desires to enter into Agreements to accommodate Toyota's Redevelopment Plans on the Property. The Agreements will stipulate that Toyota will pay in advance for all costs associated with relocations of oil pipelines on the Property including, but not limited to, engineering, material procurement, field construction and inspection, overhead and supervision, and insurance and bonds.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on February 27, 2018 and by Revenue Management Officer Geraldine Alejo on February 28, 2018.

TIMING CONSIDERATIONS

City Council action is requested on April 3, 2018, so the City can conduct surface and subsurface preparation work on the Property prior to the commencement of Toyota's work, and to avoid impact to Toyota's redevelopment schedule.

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FISCAL IMPACT

There is no fiscal or local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ROBERT DOWELL
DIRECTOR OF LONG BEACH GAS AND OIL

BD:kmt

APPROVED:



PATRICK H. WEST
CITY MANAGER