



Building A Better Long Beach

June 20, 2011

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Authorize the Executive Director to amend a name change for the existing Owner Participation Agreement with Parker Diving Service, Inc., to 1600 Seabright, LLC, for the development of 1881 W. 16th Street and 1650 Seabright Avenue. (West Long Beach Industrial – District 1)

DISCUSSION

In September 2009, Redevelopment Agency (Agency) staff concluded the negotiation of an Owner Participation Agreement (Agreement) with Parker Diving Service, Inc., (Developer) for the sale and development of Agency-owned properties located at 1881 W. 16th Street and 1650 Seabright Avenue (Site), Assessor Parcel Numbers 7432-001-018 and 7432-001-906 (Exhibit A – Site Map). The Site is located in the West Long Beach Industrial Redevelopment Project Area (Project Area).

Due to design and contractor issues the project has been substantially delayed and therefore the property has not yet transferred to the Developer. Currently, the Developer is in the process of merging with Miami Diver and plans to form a new entity called 1600 Seabright, LLC. With this in mind, the Owner Participation Agreement needs to be amended. The Developer still intends to purchase the Agency-owned properties to construct an approximately 5,000-square-foot warehouse and office space with on-site parking.

Parker Diving Service, Inc. is the oldest continually operating diving company in California. It has been servicing the Ports of Long Beach and Los Angeles since 1945, and it currently holds the general diving services contract for the Port of Long Beach. The company employs highly experienced diver-technician teams for underwater surveys, inspections, damage assessments, repairs, maintenance, remediation of hazardous materials in and around harbors and marinas, and construction projects worldwide. The company is owned and operated by management personnel who formerly worked as civilian employees for the United States Navy and have over 30 years of experience in this field. Their work with the government also included diving in the Naval Nuclear Program as quality control inspectors and the development and engineering of special underwater equipment for nuclear submarines.

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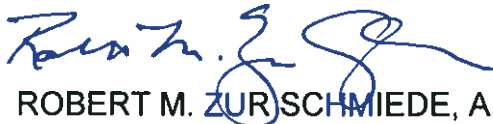
The Agreement will remain unchanged except for the amended name change of the Developer. Below is an outline of the terms of the Agreement.

- The Developer will pay the Agency \$32.50 per square foot, or \$242,255, as compensation for the approximately 7,454-square-foot Site.
- The Developer will utilize the Site in accordance with the West Long Beach Industrial Redevelopment Plan and all applicable City codes and regulations including providing appropriate landscaping and screening.
- An Agreement Containing Covenants will be recorded at closing. This document will prohibit certain uses, describe maintenance responsibilities and levels of maintenance, and require that any future improvements be subject to the Design Guidelines for the Project Area.
- The Developer agrees to close escrow within six months of the date of the Agreement and complete construction on the Site within 180 days.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ROBERT M. ZUR SCHMIEDE, AICP
ASSISTANT EXECUTIVE DIRECTOR



AMY J. BODEK, AICP
EXECUTIVE DIRECTOR

AJB:RMZ:SR

Attachments: Exhibit A – Site Map

EXHIBIT A

Site Map

1650 Seabright Avenue and 1881-1891 West 16th Street

