



**CITY OF LONG BEACH**  
OFFICE OF THE CITY MANAGER

**R-26**

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GERALD R. MILLER  
CITY MANAGER

May 18, 2004

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

SUBJECT: Report on Findings From the Independent Review of the Business Relationship Between the City of Long Beach and Queen's Seaport Development, Inc.

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DISCUSSION

On December 23, 2003, the City Council approved a contract with The Staubach Company (Staubach) to conduct an independent review of the business relationship between the City of Long Beach and Queen's Seaport Development, Inc. Specifically, Staubach was retained to conduct a comprehensive review and analysis of all documentation related to the current leasehold, including master leases, amendments, subleases, estoppel certificates, and financial statements.

Staubach has compiled and indexed a master reference document of the documents noted above and has created various summary tables and abstracts for the City. The firm has also interviewed key City and Queen Mary officials to assist in their understanding of the various documents and how the respective parties are interpreting them. Their findings and conclusions will be presented to the City Council at the May 18, 2004 meeting.

TIMING CONSIDERATIONS

The City Council will receive the Staubach report at the May 18, 2004 meeting. Timely consideration of this item is requested to enable the City Manager to take steps in discussions and negotiations with Queen Mary representatives.

FISCAL IMPACT

There is no fiscal impact related to the transmittal of the Staubach report.

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IT IS RECOMMENDED THAT THE CITY COUNCIL:

Refer the report to the City Manager for use in ongoing discussions and negotiations with Queen's Seaport Development, Inc.

Respectfully submitted,



GERALD R. MILLER  
CITY MANAGER

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Staubach Council Letter.doc