



Legislation Details (With Text)

File #: 22-012SA **Version:** 1 **Name:** 080222-SA-Agreement-Real Property with IMT Capital IV Gallery, LLC

Type: SA-Resolution **Status:** Adopted

File created: 7/27/2022 **In control:** As the Successor Agency to the Redevelopment Agency of the City of Long Beach

On agenda: 8/2/2022 **Final action:** 8/2/2022

Title: Recommendation to approve and authorize City Manager to execute an amendment to the Agreement Containing Covenants Affecting Real Property with IMT Capital IV Gallery, LLC. (District 1)

Sponsors:

Indexes:

Code sections:

Attachments: 1. 080222.sa.item2.pdf

Date	Ver.	Action By	Action	Result
8/2/2022	1	As the Successor Agency to the Redevelopment Agency of the City of Long Beach	approve recommendation	Pass

Recommendation to approve the second amendment to the Agreement Containing Covenants Affecting Real Property with IMT Capital IV Gallery, LLC., and authorize the City Manager to execute the agreement. (District 1)

Gallery 421 is a 291-unit apartment building with ground floor commercial uses on the block bounded by 3rd Street, Chestnut Avenue, Broadway, and Magnolia (Attachment A). The development was the subject of a Disposition and Development Agreement (DDA) among the former Redevelopment Agency of the City of Long Beach (succeeded by the Successor Agency to the Redevelopment Agency of the City of Long Beach ([Successor Agency]), the Long Beach Community Investment Company (formerly known as the Long Beach Housing Development Company) and Lyon West Gateway, LLC. IMT Capital IV Gallery, LLC, acquired Gallery 421 from Lyon West Gateway, LLC. The DDA includes an Agreement Containing Covenants Affecting Real Property (Agreement), executed in 2008, that prohibits certain uses, including a gymnasium or health club.

The Development Services ombudsperson was contacted this spring regarding the interest of 9Round Fitness, a kickboxing gym, in leasing ground floor space at Gallery 421. In order for 9Round Fitness to do so, the Agreement must be amended to remove the provision prohibiting a gymnasium or health club at street level. Development Services staff has reviewed 9Round’s proposal and has no objections to its locating within the ground floor commercial area of Gallery 421. At one time, gymnasiums and health clubs were not considered an activating ground floor use and were prohibited. This determination has changed, and ground floor gymnasiums can be found in Downtown Long Beach.

Staff recommends the Successor Agency authorize the City Manager to execute a second

amendment to the Agreement to allow gymnasiums and health clubs at Gallery 421.

This matter was reviewed by Principal Deputy City Attorney Richard F. Anthony on July 18, 2022, and by Revenue Management Officer Geraldine Alejo on July 14, 2022.

Successor Agency action is requested on August 2, 2022, to allow the Oversight Board to act on August 16, 2022, and to amend the Agreement, allowing the gym to commence operation as soon as possible.

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

Approve recommendation.

OSCAR W. ORCI
DIRECTOR OF DEVELOPMENT SERVICES

THOMAS B. MODICA
CITY MANAGER