



Legislation Details (With Text)

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Title:	Recommendation to authorize City Manager to execute all documents necessary to execute an Exclusive Negotiating Agreement with Westland Real Estate Group, for the development of 6101-6141 Atlantic Avenue, Assessor Parcel Number 7125-036-900. (District 9)				
Sponsors:	Economic and Property Development				
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Code sections:					
Attachments:	1. 030816-R-15sr&att.pdf				

Date	Ver.	Action By	Action	Result
3/8/2016	1	City Council	approve recommendation	Pass

Recommendation to authorize City Manager to execute all documents necessary to execute an Exclusive Negotiating Agreement with Westland Real Estate Group, for the development of 6101-6141 Atlantic Avenue, Assessor Parcel Number 7125-036-900. (District 9)

The City of Long Beach currently owns a 60,984-square-foot unimproved lot located at 6101-6141 Atlantic Avenue, Assessor Parcel Number 7125-036-900 (Subject Property) (Attachment). Formerly owned by the Redevelopment Agency of the City of Long Beach (Agency), the Subject Property was included in the Successor Agency's Long Range Property Management Plan (LRPMP), which was approved by the State of California Department of Finance (DOF) on March 10, 2015 and amended on June 24, 2015. The Subject Property has been categorized with a permissible use of "Future Development" allowing for the disposition of the Subject Property for development consistent with the vision and intent of the North Long Beach Redevelopment Project Area and its guiding documents.

The goals and objectives of the LRPMP is to partner with landowners in assembly of land in furtherance of the project area goals. The Subject Property is adjacent to a 49,223-square foot lot owned by an entity controlled by Westland Real Estate Group (Developer), and currently improved with an aged retail center. Together, the adjacent parcel and Subject Property encompass the entire City block bounded on the north by Harding Street, on the south by 61st Street, on the west by Linden Avenue, and on the east by Atlantic Avenue. In furtherance of the LRPMP goals and objectives, it is recommended that the City enter into an Exclusive Negotiating Agreement (ENA) with the Developer for the development of a single cohesive project for the entire City block. City staff and the Developer will meet to determine the suitability of the project and review site plans and design. The Developer will also be required to meet project deadlines including submitting a development plan within 120 days of the executed ENA, negotiating the terms of a Purchase and Sale Agreement (PSA) within

180 days, and securing entitlements for the project within 180 days.

The ENA will run for a term of 180 days, including the ability to extend the term for two additional 90-day periods, at the discretion of the City Manager. A Good Faith Deposit of \$10,000 will be required and held by the City upon full execution of the ENA. The Good Faith Deposit will be used by the City to pay for its outside attorneys and third party consultant fees incurred to negotiate and perform its obligations under the ENA. If the ENA is terminated without the execution of a PSA, the remaining amount, if any, of the Good Faith Deposit shall be returned to the Developer. If negotiations result in the execution of a PSA between the Developer and the City, then the remaining amount, if any, of the Good Faith Deposit shall be applied to the performance deposit typically required under a PSA. If the ENA results in an acceptable PSA, it will be brought before the City Council for consideration and approval.

This matter was reviewed by Deputy City Attorney Richard F. Anthony and by Budget Management Officer Victoria Bell on February 12, 2016.

City Council action on this matter is requested on March 8, 2016, to allow for timely execution of the agreements.

There is no local job impact associated with this recommendation.

Approve recommendation.

MICHAEL P. CONWAY
DIRECTOR OF ECONOMIC AND PROPERTY DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER