

41. PACIFIC TERRACE CENTER, CITY OF LONG BEACH - W 10238.

Mr. E. N. Gladish, Executive Officer, State Lands Commission, reported briefly that the City Council of Long Beach on Tuesday, June 25, 1974, took an action concerning the Pacific Terrace Center as it relates to the Commission's responsibility. Mr. Gladish stated that the Council's action approved construction of a revised project. He reported by way of background information that this Commission, in 1967, under Chapter 138, did not object to the proposed expenditure of \$15 million of tideland oil revenue for the remodeling of the auditorium, a tideland trust asset located on tidelands; the construction of an exhibit hall on tidelands; and a parking structure on uplands to be acquired with tideland funds. These structures, together with the existing arena which was built in the early sixties, would constitute the Pacific Terrace Center and was estimated to cost some \$15 million, at which time the Commission did not object. Mr. Gladish stated that the Commission's action was based on representations of the City that the project would be used substantially for trust purposes. Since that action, the City has expended some \$3.9 million of the \$15 million on architectural engineering designs and some planned acquisition. Mr. Gladish stated that it was his understanding the project, as approved by the City Council on June 25, has been substantially changed in scope and price. It is now estimated to cost something in excess of \$38 million, in addition to the nearly \$4 million expended to date. Mr. Gladish stated that it was his understanding that preliminarily, in addition to the \$11 million remaining from the tideland oil revenue authorization, there would be some tideland operating fund monies and other monies available to the City. He reported the staff did not expect action by the Council on June 25 and had not yet received a final copy of the plans and specifications. He stated the staff has a number of questions relating primarily to the change in scope and price, as related to the Commission's previous action. The questions concern the legal aspects of the action, and compliance with Chapter 138. At this time, Mr. Gladish requested some direction from the Commission in terms of meeting with representatives of the City and the Office of the Attorney General, and instructions to prepare a status report on the background of the Pacific Terrace Center and recommendations for future action.

Upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION DIRECTS THE EXECUTIVE OFFICER OR HIS DESIGNEE TO MEET WITH REPRESENTATIVES OF THE CITY OF LONG BEACH AND THE OFFICE OF THE ATTORNEY GENERAL, AND PRESENT A STATUS REPORT TO THE COMMISSION IN AUGUST ON THE BACKGROUND OF THE PACIFIC TERRACE CENTER AND RECOMMENDATIONS FOR FUTURE ACTION.