



Building A Better Long Beach

December 7, 2009

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Approve and authorize the Executive Director to execute a Purchase and Sale Agreement and all other related documents for the acquisition of property at 1404-1420 Hayes Avenue and 1351 Seabright Avenue for a purchase price of \$1,600,000 plus closing costs; and

Approve and authorize the Executive Director to enter into a month-to-month lease agreement with Anthony Lopez for the temporary use of 1404-1420 Hayes Avenue and 1351 Seabright Avenue. (West Long Beach Industrial – District 1)

DISCUSSION

One of the goals of the West Long Beach Industrial Redevelopment Plan is to remove blight by purchasing underutilized industrial properties to facilitate business retention and expansion opportunities within the West Long Beach Industrial Redevelopment Project Area. The property located at 1404-1420 Hayes Avenue and 1351 Seabright Avenue (Subject Property) is within this area (Exhibit A – Site Map) and was recently put on the open market for sale.

The Subject Property has approximately 53,324 square feet of vacant land with a few temporary structures and is currently used as a storage yard (Exhibit B – Site Photograph). An independent appraisal was conducted and determined the fair market value to be \$1,600,000 with a date of value of September 23, 2009. The property owner has offered to voluntarily sell this parcel to the Redevelopment Agency (Agency). The purchase price represents an all-inclusive acquisition and represents an opportunity for the Agency to assemble a significant parcel of land for future development.

Upon receiving title, the Agency will then enter into a month-to-month lease agreement with the current tenant to allow him time to remove all temporary improvements and to consolidate his operations.

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December 7, 2009

Page 2 of 2

Since the purchase of the Subject Property is consistent with the goal of removing blighted properties to create development opportunities to meet the growth needs of existing industrial businesses and to attract new larger developments, Agency staff is recommending acquisition. The long-term reuse of the site is for future industrial development.

The West Long Beach Industrial Project Area Committee (WPAC) determined that the acquisition of the Subject Property is consistent with the WPAC's adopted land acquisition policy and recommended acquisition at their October 14, 2009 meeting. Sufficient funding is budgeted for this activity in the West Long Beach Industrial Redevelopment Project Area FY 2010 budget.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CRAIG BECK
EXECUTIVE DIRECTOR

CB:AJB:SJ:AW

Attachments: Exhibit A – Site Map
Exhibit B – Site Photograph

Exhibit A

1404-1420 Hayes Avenue and
1351 Seabright Avenue



Exhibit B
Tankard Trust Properties

