



LONG BEACH REDEVELOPMENT AGENCY

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March 27, 2006

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Recommendation to approve additional funding for the Commercial Façade Improvement Project at 3821 Atlantic Avenue in the amount of \$42,500. (North – District 8)

DISCUSSION

On May 13, 2002, the Redevelopment Agency Board adopted the amended Commercial Façade Improvement Program (CFIP). The purpose of the CFIP is to improve and rehabilitate commercial building façades in all redevelopment project areas. Implementation of the CFIP is expected to upgrade and strengthen commercial areas and/or increase the likelihood of new business development in blighted neighborhoods.

Under the amended CFIP, interested property owners or tenants may apply to the Agency for financial assistance in the form of forgivable loans. The participants in the North Long Beach Project Area are required to provide at least twenty percent matching funds for the project. The CFIP provides for the Agency's share of matching funds for a particular project to be limited to no more than \$50,000 (or \$400 per lineal foot for buildings with a street frontage exceeding 125 lineal feet).

The proposed project includes the rehabilitation of the façade for the building located at 3821 Atlantic Avenue, which is located within the Bixby Knolls commercial area. The proposed improvements have been designed in conformance with the Bixby Knolls Design Guidelines and have been reviewed and approved by the Bixby Knolls Business Improvement Area (BKBIA) Design Committee and the North Long Beach Project Area Committee (NPAC).

However, because the estimated costs for the refurbishment exceed the program allowances, further review by the NPAC and Agency Board is required.

This building was constructed in 1950 and has been inhabited by dentists ever since. The current owner, Dr. John Faris, is third in a line of Long Beach dentists whose businesses date back to 1946. As soon as Dr. Faris completed dental school in 1970, his father recruited him to join the family dental practice in Bixby Knolls.

The mission of the Long Beach Redevelopment Agency is to enhance the quality of life by improving blighted areas of Long Beach, revitalizing neighborhoods, promoting economic development, creating jobs, providing affordable housing and encouraging citizen participation.

Since then Dr. Faris has converted the orthodontic suite in the front of the building to handle General Dentistry, and inherited both his grandfather and father's patients. He has continued to maintain and develop the dental practice started by his grandfather almost 90 years ago.

The initial cost for the project was projected at \$62,500, with the Agency providing eighty percent of the funding, or \$50,000, and the property owner providing twenty percent of the funding, or \$12,500. The lowest and most responsible construction bid for the project is \$115,000. Therefore, the Agency's contribution will increase to \$92,000 and the property owner's contribution will increase to \$23,000.

The issue of project cost over-runs is not an anomaly with Agency sponsored commercial façade improvement projects. Recent experience with the construction bid process has displayed a lack of interest from contractors, and rapid and unexpected price increases in construction materials. As a result of this, staff will approach the Agency Board in the near future with recommendations to amend the CFIP to respond to these program challenges.

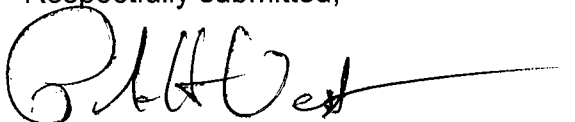
It is recommended that the Redevelopment Agency Board approve additional funding for the Commercial Façade Improvement Project at 3821 Atlantic Avenue.

Funds are available for this project in the FY 2006 budget for the North Long Beach Redevelopment Project Area. The NPAC considered the request to increase the project budget amount for the proposed CFIP Project at 3821 Atlantic Avenue at their March 23, 2005 meeting.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST
EXECUTIVE DIRECTOR

BAK:AES:as

APPROVED:



GERALD R. MILLER
CITY MANAGER

Attachments: Exhibit A – Site Map
Exhibit B – Existing Façade 3821 Atlantic Avenue
Exhibit C – Proposed Facade Improvement 3821 Atlantic Avenue

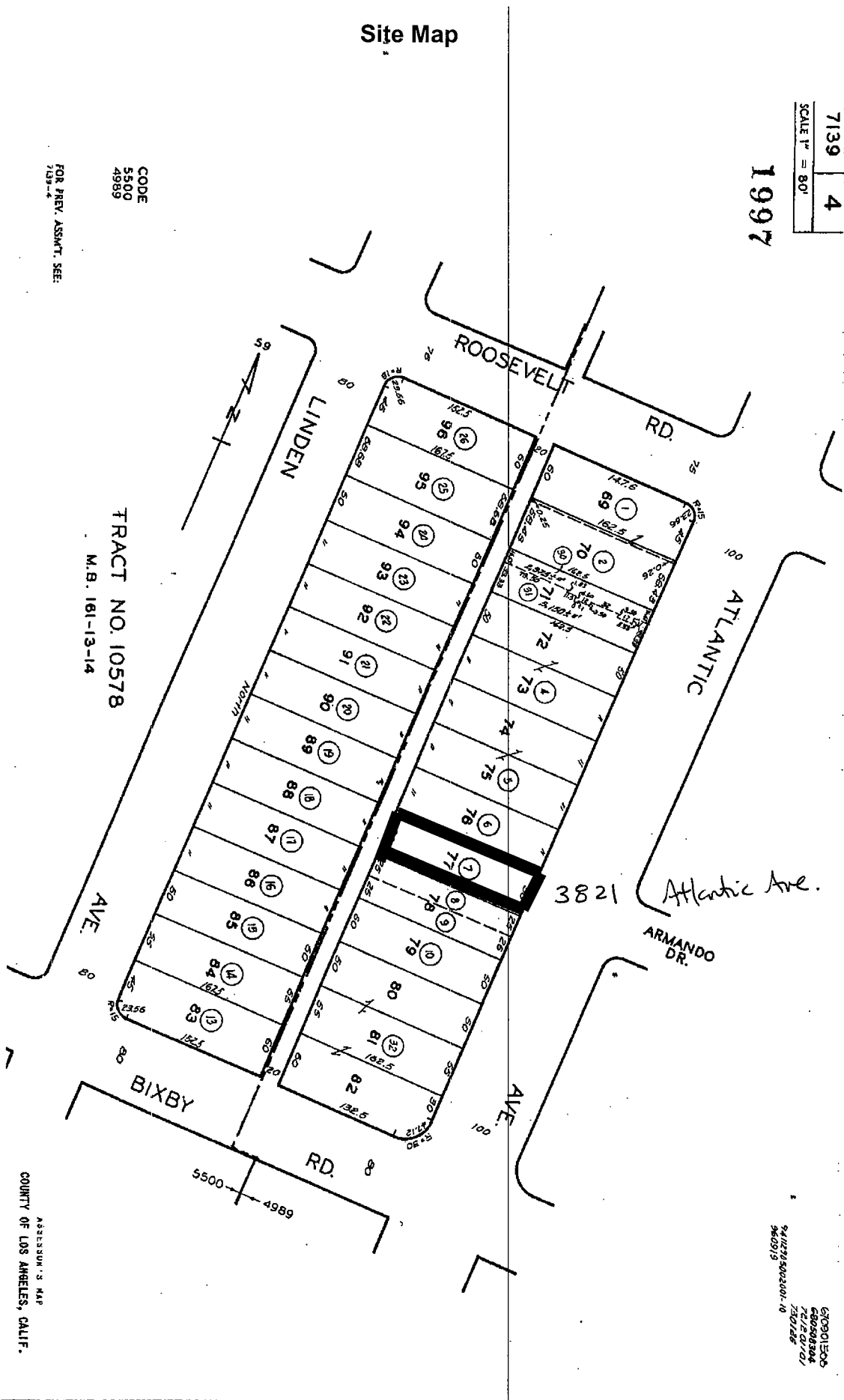
Exhibit A

Site Map

7139 | 4
SCALE 1" = 80'

1997

County of Los Angeles, Rick Auerbach, Assessor



CODE
5500
4989

FOR PREV. ASSMNT. SEE:
7139-4

TRACT NO. 10578
M.B. 161-13-14

ASSESSOR'S MAP
COUNTY OF LOS ANGELES, CALIF.

6/03/01 EOB
6/03/01 BAA
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7/1/01/01
94127915002001-10
960919