

February 1, 2022

R-24

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution declaring The Long Beach Community Investment Company owned property located at 4151 E. Fountain Street (APN 7253-026-029) as "exempt surplus land" as defined in Government Code Section 54221(f)(1)(A) and/or 54221(f)(1)(F), and authorize the City Manager, or designee, to take any actions and execute any documents necessary to ensure compliance with the Surplus Land Act and State regulations relating thereto. (District 3)

DISCUSSION

The City of Long Beach's (City) wholly-owned non-profit public benefit organization, The Long Beach Community Investment Company (LBCIC), is currently fee owner of the property located at 4151 E. Fountain Street, APN 7253-026-029 (Subject Property) (Attachment A). The Subject Property is 61,977 square feet in size and is improved with a 16,485 square foot single-story assisted living facility containing fifteen shared rooms and has been vacant since 2015. The LBCIC purchased the property in 2017 for future development of service enriched affordable housing.

The California Surplus Land Act (SLA), as codified in Government Code Section 54220 *et seq.*, requires all agencies to prioritize affordable housing as well as parks and open space when disposing of surplus land. Surplus land is land owned by a local agency that is determined to be no longer necessary for the agency's use. Recent changes to the SLA, through Assembly Bill 2135 (AB 2135), (i) revises procedures for disposition by sale or lease of surplus land by local agencies, (ii) extends the good faith negotiation period with potential affordable housing developers to ninety (90) days, (iii) deepens affordability requirements where an affordable housing project is developed on the site, and (iv) adds a requirement that if negotiations with an affordable housing developer are unsuccessful, then any residential development on the surplus land over ten units must make at least 15 percent of the units affordable. Further, AB 2135 no longer allows exceptions and requires local agencies to adopt a Resolution declaring property "surplus" or "exempt surplus" as supported by findings at a regular public meeting of the agency's governing body.

The LBCIC considers the Subject Property to be exempt surplus land, as defined by the Government Code Section 54221(f)(1). In order to proceed with disposition and development of the Subject Property, the City Council, as the legislative body of the City, makes the following findings:

- The LBCIC shall require the buyer of the Subject Property to provide housing affordable to persons and families of low or moderate income. Development proposals with 100 percent of the residential units being affordable will be solicited pursuant to a competitive process and such proposals and subsequent development will otherwise comply with the requirements of Government Code Section 54221(f)(1)(F)
- Alternatively, the LBCIC shall require the buyer of the Subject Property to (i) develop no less than 80 percent of the area of the Subject Property for the development of housing, (ii) develop not less than forty percent (40%) of the total number of units as affordable to lower income households, with half of such 40% being affordable to very low income households, and (iii) otherwise comply with the requirements of Government Code Section 37364.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on January 5, 2022, and by Budget Operations and Development Officer Rhutu Amin Gharib on December 27, 2021.

TIMING CONSIDERATIONS

City Council's adoption of the Resolution is requested on February 1, 2022, to allow the LBCIC to implement actions necessary to comply with the Surplus Land Act and issue a request for proposals (RFP) for the disposition and development of affordable housing on the Subject Property.

FISCAL IMPACT

This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no fiscal or local job impact associated with this recommendation.


SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


OSCAR W. ORCI
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:


THOMAS B. MODICA
CITY MANAGER

ATTACHMENTS: RESOLUTION
ATTACHMENT A - SUBJECT PROPERTY RESOLUTION

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH DECLARING THE CITY-OWNED PROPERTY LOCATED AT 4151 E. FOUNTAIN STREET, ASSESSOR PARCEL NUMBER 7253-026-029, AS “EXEMPT SURPLUS LAND” AS DEFINED IN GOVERNMENT CODE SECTION 54220 ET SEQ.; AND AUTHORIZE THE CITY MANAGER, OR DESIGNEE, TO TAKE ANY ACTIONS AND EXECUTE ANY DOCUMENTS NECESSARY TO ENSURE COMPLIANCE WITH THE SURPLUS LAND ACT AND STATE REGULATIONS RELATING THERETO

WHEREAS, the City’s wholly-owned non-profit public benefit organization, the Long Beach Community Investment Company (LBCIC), is currently fee owner of the property, located at 4151 E. Fountain Street (“Subject Property”); and

WHEREAS, the Subject Property is 61,977 square feet and is improved with a 16,485 square foot single-story assisted living facility containing fifteen shared rooms; and

WHEREAS, the LBCIC purchased the Subject Property in 2017 for future development of service enriched affordable housing; and

WHEREAS, to reactivate the Subject Property, generate sales proceeds, and generate property tax by returning the Subject Property to the tax rolls, staff recommends proceeding with the disposition of the Subject Property. Disposition of the Subject Property requires compliance with the Surplus Land Act (SLA); and

WHEREAS, the Subject Property shall be disposed of and developed in such a manner that it will qualify as exempt surplus land, as defined by Government Code

1 Section 54221(f)(1)(A) and/or 54221(f)(1)(F). It is recommended that the City Council, as
2 the legislative body of the City, adopt a resolution making this finding;

3 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
4 follows:

5 Section 1. The City Manager is hereby authorized to declare the property
6 located at 4151 E. Fountain Street, Assessor Parcel Number 7253-026-029, as exempt
7 surplus land and authorize the City Manager, or designee, to take any actions and execute
8 any documents necessary to ensure compliance with the Surplus Land Act and State
9 regulations relating thereto.

10 Section 2. This resolution shall take effect immediately upon its adoption
11 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

12 I hereby certify that the foregoing resolution was adopted by the City Council
13 of the City of Long Beach at its meeting of _____, 2022
14 by the following vote:

15
16 Ayes: Councilmembers: _____
17 _____
18 _____
19 _____

20 Noes: Councilmembers: _____
21 _____

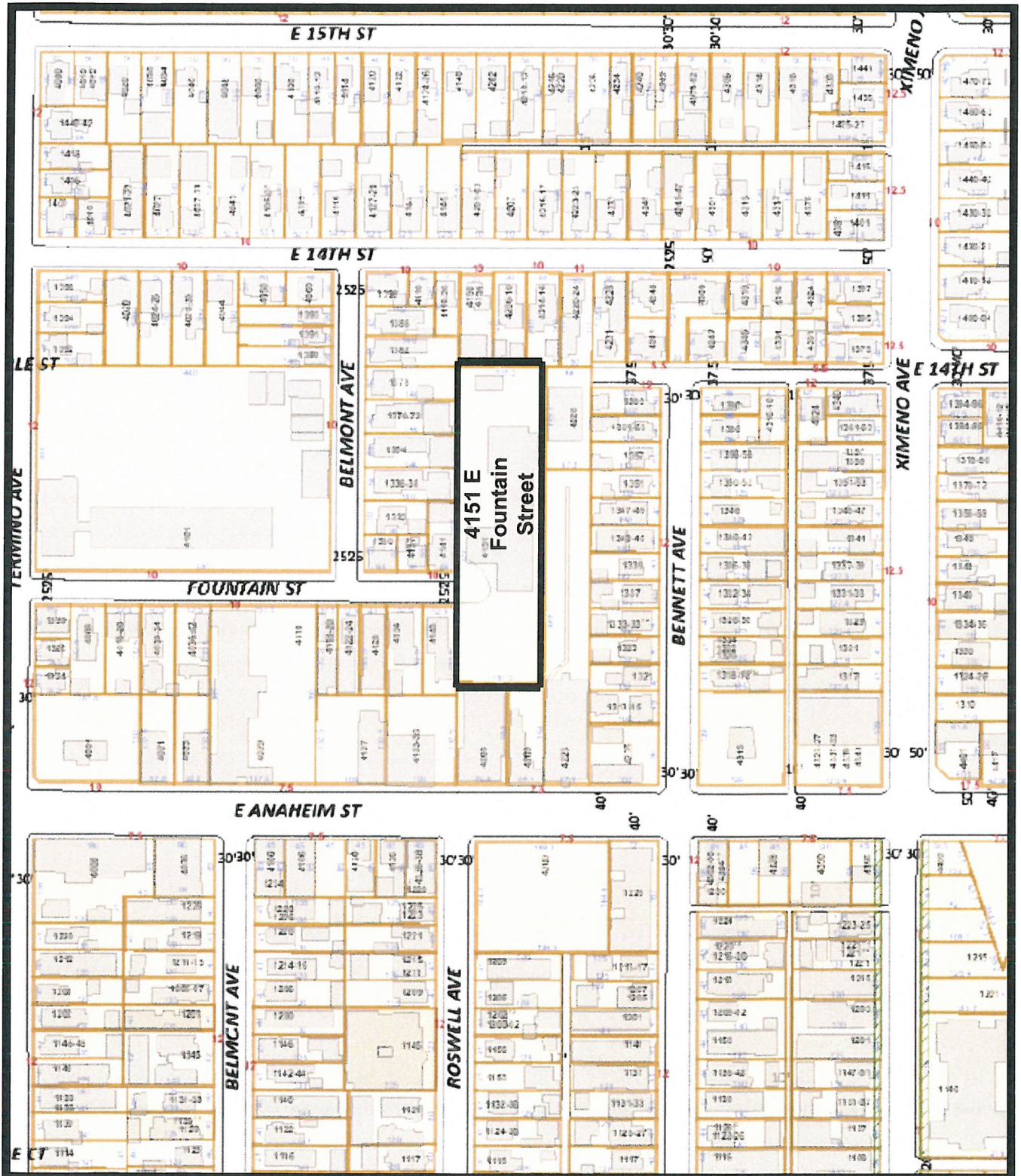
22 Absent: Councilmembers: _____
23 _____

24 Recusal(s): Councilmembers: _____

25
26
27 _____
City Clerk

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Site Map 4151 E. Fountain Street



**Aerial Map
4151 E. Fountain Street**

