

CITY OF LONG BEACH

DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT

333 West Ocean Boulevard 3rd Floor • Long Beach, CA 90802 • (562) 570-6099 • Fax (562) 570-6380

August 9, 2016

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute any and all necessary documents, including a Master Agreement for Taxing Entity Compensation with Los Angeles County Chief Administrative Office, Los Angeles County Office of Education, Los Angeles County Department of Public Works, Los Angeles County Sanitation District, Water Replenishment District of Southern California, Long Beach Community College District and Long Beach Unified School District, for distribution of sale proceeds related to properties designated as Future Development under Redevelopment Agency dissolution procedures. (Districts 1, 2, 6, 8, 9)

DISCUSSION

With the passage of ABx1 26 in June 2011, and the subsequent California Supreme Court decision upholding ABx1 26 in December of that year, California's Redevelopment Agencies were dissolved effective February 1, 2012. On June 27, 2012, AB 1484 was signed into law modifying various provisions of ABx1 26 relating to Redevelopment Agency dissolution procedures, one of which was requiring Successor Agencies to prepare a Long Range Property Management Plan (LRPMP) addressing the disposition and use of all real property held by the Agency at time of dissolution. The LRPMP classified real property into four permissible use categories: (1) government purposes, (2) future development, (3) sale, and (4) fulfillment of an enforceable obligation. Of the Successor Agency's 259 parcels included in the LRPMP, 141 properties were classified as "Future Development" (Exhibit A) allowing them to be transferred to the City and disposed of consistent with applicable Redevelopment Plans and guiding documents for respective project areas once the LRPMP was approved. The LRPMP was approved by the State of California Department of Finance (DOF) on March 10, 2015 and amended on June 24, 2015.

Further, AB 1484 added Section 34180(f) to the State Health and Safety Code requiring Cities that wish to retain property for Future Development to enter into a Compensation Agreement with affected taxing entities. The affected taxing entities that have a share of the property tax from the Future Development properties include the Los Angeles County Chief Administrative Office, Los Angeles County Office of Education, Los Angeles County Department of Public Works, Los Angeles County Sanitation District, Water Replenishment District of Southern California, Long Beach Community College District and Long Beach Unified School District. The proposed Master Agreement for Taxing Entity Compensation allows the proceeds from the City's sale of the Future Development properties be remitted to the Los Angeles County Auditor-Controller for distribution to the taxing entities consistent with their current proportional share of the base property tax revenues. Future Development properties may have been acquired

HONORABLE MAYOR AND CITY COUNCIL

August 9, 2016

Page 2

through funds from the sale of tax-exempt bonds. These bonds may need to be redeemed upon sale of the Future Development properties.

Pursuant to City Council action on November 11, 2014, funds received by the City from the County of Los Angeles reflecting the City's share of the proceeds of sale of Future Development properties will be allocated as follows: twenty-five percent of the funds to be used for economic development activities with a City-wide impact, including a revolving loan program, small business incentive program, reduction of costs for Conditional Use Permits, façade improvement programs and a small business incentive program. The remaining seventy-five percent of the funds are to be invested into the geographic area of the related former redevelopment project area, but may include adjoining communities of interest.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on July 25, 2016 and by Assistant Finance Director Lea Eriksen on July 22, 2016.

TIMING CONSIDERATIONS

City Council consideration of this transaction is requested on August 9, 2016, to ensure that the Master Agreement can be completed in a timely manner.

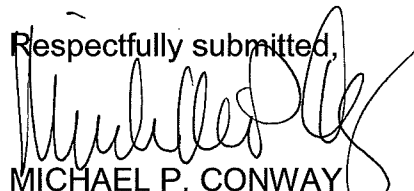
FISCAL IMPACT

Sale proceeds, less escrow and closing fees and recovery of administrative costs, will be remitted to the Los Angeles County Auditor-Controller for distribution to the affected taxing agencies. If required under the terms of the tax-exempt bonds issued for the acquisition of the Future Development properties, proceeds will first be used to redeem the bonds. The County will distribute the net proceeds to the affected taxing agencies based on their share of the 1 percent tax rate. The City's share is approximately 21 percent of the net sale proceeds.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
DIRECTOR OF ECONOMIC AND PROPERTY DEVELOPMENT



AMY J. BODEK, AICP
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:



PATRICK H. WEST
CITY MANAGER

MPC:AJB:MFT

Attachment: Exhibit A – Future Development Properties

EXHIBIT A

FUTURE DEVELOPMENT REAL PROPERTIES INVENTORY SPREADSHEET

	Property Type	Permissible Use	Council District	Address	APN	Tax Rate Area	Lot Size
CENTRAL LONG BEACH PROJECT AREA							
<u>Pine/PCH Development</u>							
31	Lot/Land	FD	1	1814 Pine Ave.	7209-016-900	11934	6,750
32	Lot/Land	FD	1	101 E. Pacific Coast Hwy	7209-016-901	11934	10,360
<u>Atlantic/Vernon Development</u>							
33	Lot/Land	FD	6	2515 Atlantic Ave.	7208-006-908	11933	4,463
34	Lot/Land	FD	6	560 E. Vernon St.	7208-006-912	11933	2,496
35	Lot/Land	FD	6	550 E. Vernon St.	7208-006-913	11933	2,167
36	Lot/Land	FD	6	566 E. Vernon St.	7208-006-914	11933	3,780
37	Lot/Land	FD	6	2527 Atlantic Ave.	7208-006-915	11933	4,600
38	Lot/Land	FD	6	572 E. Vernon St.	7208-006-916	11933	5,474
39	Lot/Land	FD	6	2545 Atlantic Ave.	7208-006-917	11933	4,600
40	Lot/Land	FD	6	2525 Atlantic Ave.	7208-006-919	11933	4,600
41	Lot/Land	FD	6	2535 Atlantic Ave.	7208-006-920	11933	4,600
<u>PCH/MLK Development</u>							
45	Lot/Land	FD	6	925 E. Pacific Coast Hwy	7210-013-900	11933	5,265
46	Lot/Land	FD	6	941 E. Pacific Coast Hwy	7210-013-901	11933	10,530
<u>Anaheim/Walnut Development</u>							
47	Lot/Land	FD	6	1205 Walnut Ave	7267-001-900	11933	6,750
48	Lot/Land	FD	6	1207 Walnut Ave	7267-001-901	11933	6,750
49	Lot/Land	FD	6	1209 Walnut Ave	7267-001-902	11933	6,600
50	Lot/Land	FD	6	1546 E. Anaheim St.	7267-001-903	11933	4,500
51	Lot/Land	FD	6	1540 E. Anaheim St.	7267-001-904	11933	4,950
52	Lot/Land	FD	6	1530 E. Anaheim St.	7267-001-905	11933	4,050
53	Lot/Land	FD	6	1500 E. Anaheim St.	7267-001-906	11933	33,600
<u>Art Deco Hotel Development</u>							
54	Commercial	FD	6	622 E. Anaheim St.	7274-002-904	11933	2,000
55	Commercial (Hotel)	FD	6	628 E. Anaheim St.	7274-002-905	11933	4,500
56	Lot/Land	FD	6	1235 Lime Ave.	7274-002-906	11933	6,500
57	Lot/Land	FD	6	1225 Lime Ave.	7274-002-907	11933	6,500
<u>Atlantic Avenue Residential Development</u>							
58	Lot/Land	FD	6	2175 Atlantic Ave. Unit 13	7208-030-927	11933	737
59	Lot/Land	FD	6	2175 Atlantic Ave. Unit 1	7208-030-906	11933	737
60	Lot/Land	FD	6	2175 Atlantic Ave. Unit 2	7208-030-907	11933	737
61	Lot/Land	FD	6	2175 Atlantic Ave. Unit 4	7208-030-908	11933	737
62	Lot/Land	FD	6	2175 Atlantic Ave. Unit 5	7208-030-909	11933	737
63	Lot/Land	FD	6	2175 Atlantic Ave. Unit 6	7208-030-910	11933	737
64	Lot/Land	FD	6	2175 Atlantic Ave. Unit 7	7208-030-911	11933	737

EXHIBIT A

FUTURE DEVELOPMENT REAL PROPERTIES INVENTORY SPREADSHEET

	Property Type	Permissible Use	Council District	Address	APN	Tax Rate Area	Lot Size
65	Lot/Land	FD	6	2175 Atlantic Ave. Unit 9	7208-030-912	11933	737
66	Lot/Land	FD	6	2175 Atlantic Ave. Unit 10	7208-030-913	11933	737
67	Lot/Land	FD	6	2175 Atlantic Ave. Unit 12	7208-030-914	11933	737
68	Lot/Land	FD	6	2175 Atlantic Ave. Unit 14	7208-030-915	11933	737
69	Lot/Land	FD	6	2175 Atlantic Ave. Unit 16	7208-030-916	11933	736
70	Lot/Land	FD	6	2175 Atlantic Ave. Unit 18	7208-030-917	11933	736
71	Lot/Land	FD	6	2175 Atlantic Ave. Unit 19	7208-030-918	11933	736
72	Lot/Land	FD	6	2175 Atlantic Ave. Unit 15	7208-030-919	11933	736
73	Lot/Land	FD	6	2175 Atlantic Ave. Unit 17	7208-030-920	11933	736
74	Lot/Land	FD	6	2175 Atlantic Ave. Unit 8	7208-030-921	11933	736
75	Lot/Land	FD	6	2175 Atlantic Ave. Unit 3	7208-030-925	11933	736
76	Lot/Land	FD	6	2175 Atlantic Ave. Unit 11	7208-030-926	11933	736
DOWNTOWN REDEVELOPMENT PROJECT AREA							
3rd & Pacific Development							
94	Parking Lot	FD	1	124 & 128 4th Street	7280-016-900	05542	5,000
95	Parking Lot	FD	1	348 Pacific Ave.	7280-016-901	05542	10,000
96	Parking Lot	FD	1	338 Pacific Ave.	7280-016-902	05542	7,500
97	Parking Lot	FD	1	328 Pacific Ave.	7280-016-903	05542	7,500
98	Parking Lot	FD	1	131, 133 & 145 W. 3rd St.	7280-016-904	05542	15,000
99	Parking Lot	FD	1	125 W. 3rd St.	7280-016-905	05542	7,500
Broadway Block Development - Site A							
102	Parking Lot	FD	2	338 E. 3rd St.	7281-017-905	05536	1,875
103	Parking Lot	FD	2	330 E. 3rd St.	7281-017-906	05536	9,125
104	Commercial (Bldg)	FD	2	320 E. 3rd, 240-256 Long Beach Blvd.	7281-017-915	05536	26,500
Broadway Block Development - Site B							
105	Parking Lot	FD	2	200 Long Beach Blvd.	7281-017-902	05536	11,250
106	Parking Lot	FD	2	232 Long Beach Blvd.	7281-017-903	05536	12,500
Broadway Block Development - Site C							
107	Commercial	FD	2	348 & 350 E. 3rd St.	7281-017-904	05536	1,250
108	Commercial	FD	2	340 & 342 E. 3rd St.	7281-017-911	05536	1,250
109	Commercial	FD	2	344 & 346 E. 3rd St.	7281-017-912	05536	1,250

EXHIBIT A

FUTURE DEVELOPMENT REAL PROPERTIES INVENTORY SPREADSHEET

	Property Type	Permissible Use	Council District	Address	APN	Tax Rate Area	Lot Size
110	Commercial	FD	2	352 & 356 E. 3rd St.	7281-017-913	05536	3,750
111	Parking Lot	FD	2	269 Elm Avenue	7281-017-914	05536	7,500
100 E. Ocean Blvd. Development							
113	Parking Lot	FD	2	100 E. Ocean Blvd.	7278-007-928	05542	35,510
120 East 3rd Street Development							
116	Commercial	FD	2	120 E. 3rd St.	7280-020-907	05542	1,250
Broadway Promenade Development							
114	Parking Lot	FD	2	127-135 E. Broadway	7280-020-902	05542	7,125
115	Parking Lot	FD	2	127-135 E. Broadway	7280-020-903	05542	2,000
117	Parking Lot	FD	2	127-135 E. Broadway	7280-020-908	05542	7,300
118	Parking Lot	FD	2	127-135 E. Broadway	7280-020-909	05542	8,030
119	Parking Lot	FD	2	127-135 E. Broadway	7280-020-910	05542	8,030
120	Parking Lot	FD	2	127-135 E. Broadway	7280-020-911	05542	5,625
121	Parking Lot	FD	2	127-135 E. Broadway	7280-020-912	05542	7,270
122	Parking Lot	FD	2	127-135 E. Broadway	7280-020-913	05542	1,680

EXHIBIT A

FUTURE DEVELOPMENT REAL PROPERTIES INVENTORY SPREADSHEET

	Property Type	Permissible Use	Council District	Address	APN	Tax Rate Area	Lot Size
Broadway & Long Beach Blvd. Development							
123	Parking Lot	FD	2	125 N. Long Beach Blvd.	7280-028-903	05542	25,000
124	Parking Lot	FD	2	248 E. Broadway	7280-028-917	05542	5,000
125	Parking Lot	FD	2	234 E. Broadway	7280-028-922	05542	3,713
126	Parking Lot	FD	2	133 N. Long Beach Blvd.	7280-028-923	05542	11,136
NORTH LONG BEACH PROJECT AREA							
4800 Long Beach Blvd. Development							
161	Lot/Land	FD	8	4800 Long Beach Blvd.	7133-010-900	04992	3,740
162	Lot/Land	FD	8	4810 Long Beach Blvd	7133-010-901	04992	10,465
163	Lot/Land	FD	8	4856 Long Beach Blvd	7133-010-902	04992	11,936
164	Lot/Land	FD	8	4870 Long Beach Blvd	7133-010-903	04992	13,407
165	Lot/Land	FD	8	4860 Long Beach Blvd	7133-010-904	04992	8,579
5100 Long Beach Blvd. Development							
166	Lot/Land	FD	8	5101 Cedar Ave.	7131-032-900	04992	11,906
167	Lot/Land	FD	8	5098 Long Beach Blvd	7131-032-905	04992	6,990
168	Lot/Land	FD	8	5100 Adjacent	7131-032-908	04992	3,690
169	Lot/Land	FD	8	5060 Long Beach Blvd	7131-032-909	04992	18,260
170	Lot/Land	FD	8	5096 Long Beach Blvd	7131-032-910	04992	17,280
171	Lot/Land	FD	8	5100 Long Beach Blvd	7131-032-911	04992	12,760
172	Residential	FD	8	34 E. Sunset St.	7131-032-912	04992	3,890
173	Residential	FD	8	34 E. Sunset St.	7131-032-913	04992	600
North Village Development - Block C							
179	Lot/Land	FD	9	5893 Atlantic Ave.	7125-033-900	04992	4,888
180	Lot/Land	FD	9	5887 Atlantic Ave.	7125-033-901	04992	4,600
181	Lot/Land	FD	9	5855 Atlantic Ave.	7125-033-902	04992	4,600
182	Lot/Land	FD	9	5845 Atlantic Ave.	7125-033-903	04992	9,200
183	Lot/Land	FD	9	5835 Atlantic Ave.	7125-033-904	04992	4,576
184	Lot/Land	FD	9	5844 Linden Ave.	7125-033-905	04992	4,800
185	Lot/Land	FD	9	501 E. South St.	7125-033-906	04992	4,400
186	Lot/Land	FD	9	5850 Linden Ave.	7125-033-907	04992	4,800
187	Lot/Land	FD	9	5801 Atlantic Ave.	7125-033-908	04992	21,450
188	Lot/Land	FD	9	5869 Atlantic Ave.	7125-033-909	04992	9,224
189	Lot/Land	FD	9	5875 Atlantic Ave.	7125-033-910	04992	4,600
190	Lot/Land	FD	9	5886 Linden Ave.	7125-033-911	04992	4,800
191	Lot/Land	FD	9	5878 Linden Ave.	7125-033-912	04992	4,800
192	Lot/Land	FD	9	5826 Linden Ave.	7125-033-913	04992	4,800
193	Lot/Land	FD	9	5852 Linden Ave.	7125-033-914	04992	4,800
194	Lot/Land	FD	9	5836 Linden Ave.	7125-033-915	04992	4,800
195	Lot/Land	FD	9	5892 Linden Ave.	7125-033-916	04992	5,100
196	Lot/Land	FD	9	5874 Linden Ave.	7125-033-917	04992	4,800

EXHIBIT A

FUTURE DEVELOPMENT REAL PROPERTIES INVENTORY SPREADSHEET

	Property Type	Permissible Use	Council District	Address	APN	Tax Rate Area	Lot Size
197	Lot/Land	FD	9	5866 Linden Ave.	7125-033-918	04992	4,800
198	Lot/Land	FD	9	5860 Linden Ave.	7125-033-919	04992	4,800
199	Lot/Land	FD	9	5822 Linden Ave.	7125-033-920	04992	4,800
200	Lot/Land	FD	9	5827 Atlantic Ave.	7125-033-921	04992	4,600
201	Lot/Land	FD	9	5823 Atlantic Ave.	7125-033-922	04992	4,600
202	Lot/Land	FD	9	5879 Atlantic Ave.	7125-033-923	04992	4,600
North Village Development - Block D							
203	Commercial	FD	9	5960 Atlantic Ave.	7124-017-900	04992	4,600
204	Commercial (Bldg)	FD	9	5936 Atlantic Ave.	7124-017-901	04992	4,600
205	Commercial	FD	9	5948 Atlantic Ave.	7124-017-902	04992	4,600
206	Commercial (Bldg)	FD	9	5901 Atlantic Ave.	7125-034-900	04992	9,775
207	Lot/Land	FD	9	5941 Atlantic Ave.	7125-034-901	04992	4,600
208	Lot/Land	FD	9	5927 Atlantic Ave.	7125-034-902	04992	9,200
6101-6141 Atlantic Avenue Development							
209	Lot/Land	FD	9	6101-6141 Atlantic Ave.	7125-036-900	04992	62,544
Atlantic/Artesia Development							
210	Lot/Land	FD	9	605 E. Artesia Blvd.	7115-003-901	04992	6,270
211	Lot/Land	FD	9	609 E. Artesia Blvd.	7115-003-902	04992	17,020
212	Lot/Land	FD	9	669 E. Artesia Blvd.	7115-003-903	04992	22,040
213	Lot/Land	FD	9	6620 Atlantic Ave.	7115-003-904	04992	8,870
214	Lot/Land	FD	9	685 E. Artesia Blvd.	7115-003-905	04992	24,180
215	Lot/Land	FD	9	6600 Atlantic Ave.	7115-003-906	04992	11,730
216	Parking Lot	FD	9	601 E. Artesia Blvd.	7115-003-907	04992	3,120
WEST LONG BEACH INDUSTRIAL PROJECT AREA							
14th St. & Cowles St. Development							
217	Lot/Land	FD	1	2110 W. Cowles St.	7429-018-901	05521	25,681
218	Lot/Land	FD	1	2111 W. 14th St.	7429-018-911	05521	58,370
1675 Santa Fe Avenue Development							
224	Lot/Land	FD	1	1675 Santa Fe Ave.	7432-006-914	05521	38,843
1680 Santa Fe Avenue Development							
225	Lot/Land	FD	1	1680 Santa Fe Ave.	7432-008-902	05521	12,500
1404-1420 Hayes Avenue Development							
246	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-900	05521	3,252
247	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-901	05521	3,252
248	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-902	05521	3,252
249	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-903	05521	3,252
250	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-904	05521	13,008
251	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-905	05521	3,252
252	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-906	05521	3,252
253	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-907	05521	3,252
254	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-908	05521	3,252

EXHIBIT A

FUTURE DEVELOPMENT REAL PROPERTIES INVENTORY SPREADSHEET

	Property Type	Permissible Use	Council District	Address	APN	Tax Rate Area	Lot Size
255	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-909	05521	3,251
256	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-910	05521	3,251
257	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-911	05521	3,251
258	Lot/Land	FD	1	1404-1420 Hayes Ave.	7429-041-912	05521	4,552