



CITY OF LONG BEACH

R-26

DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT

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

May 23, 2017

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute any and all documents necessary, including a Purchase and Sale Agreement (PSA), with Peter Metropoulos, Trustee of the Thomas C. Maganes and Stella Maganes 1988 Family Trust (Seller), for the purchase of certain real property located at 1365 Long Beach Boulevard, Assessor Parcel Number 7269-015-001 (Subject Property), in the amount of \$815,000, and accept the Categorical Exemption CE 17-122. (District 1)

DISCUSSION

On July 5, 2016, the City Council approved the Fiscal Year 2017 (FY 17) Annual Action Plan for the expenditure of Community Development Block Grant, Emergency Solutions Grant and Home Investment Partnership Grant Funds (FY 17 Action Plan). Section X of the FY 17 Action Plan identifies priority community facilities and infrastructure projects the City will pursue, one of which is acquisition of the Subject Property for the purposes of expanding 14th Street Park (Exhibit A). The Subject Property is approximately 8,670 square feet and is improved with a vacant restaurant building. Acquisition of the Subject Property would provide additional open space consistent with the City's ongoing effort to improve the recreational needs of the residents, as well as allow 14th Street Park to expand its presence to Long Beach Boulevard.

The property owner has agreed to sell the Subject Property to the City for \$815,000, which is approximately 8 percent above fair market value, as determined by an independent appraisal. Acquisition of the Subject Property above fair market value is allowable when the Subject Property is required and the settlement amount is reasonable, prudent, and in the public interest. The Subject Property is the only parcel that could extend 14th Street Park to Long Beach Boulevard and the purchase price is a less costly alternative to judicial resolution and potential litigation costs. In addition to the purchase price, an additional amount up to \$30,000 will be expended for acquisition costs, including appraisal, environmental investigation, and escrow and closing fees.

The acquisition of the Subject Property has been reviewed under the California Environmental Quality Act. A Categorical Exemption, CE 17-122 has been issued for this action (Exhibit B).

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TIMING CONSIDERATIONS

City Council action is requested on May 23, 2017, to ensure the acquisition of the Subject Property can occur in a timely manner.

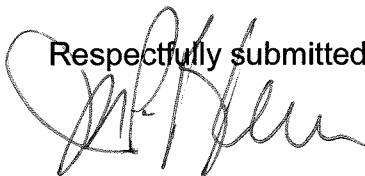
FISCAL IMPACT

The total cost for acquisition of the property is \$845,000, and has been appropriated in the Community Development Grants Fund (SR 150) in the Development Services Department (DV). Future costs related to demolition, park construction, and operating and maintenance are currently unknown. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN KEISLER
DIRECTOR OF ECONOMIC
AND PROPERTY DEVELOPMENT



AMY J. BODEK, AICP
DIRECTOR OF
DEVELOPMENT SERVICES



MARIE KNIGHT
DIRECTOR OF PARKS, RECREATION AND MARINE

JK:AJB:MK: MFT

Attachments: Exhibit A – Subject Property Map
Exhibit B – Categorical Exemption CE 17-122

APPROVED:



PATRICK H. WEST
CITY MANAGER



Subject Property:
 1365 Long Beach Blvd
 AIN: 7269-015-001
 Council District : 1

Exhibit A

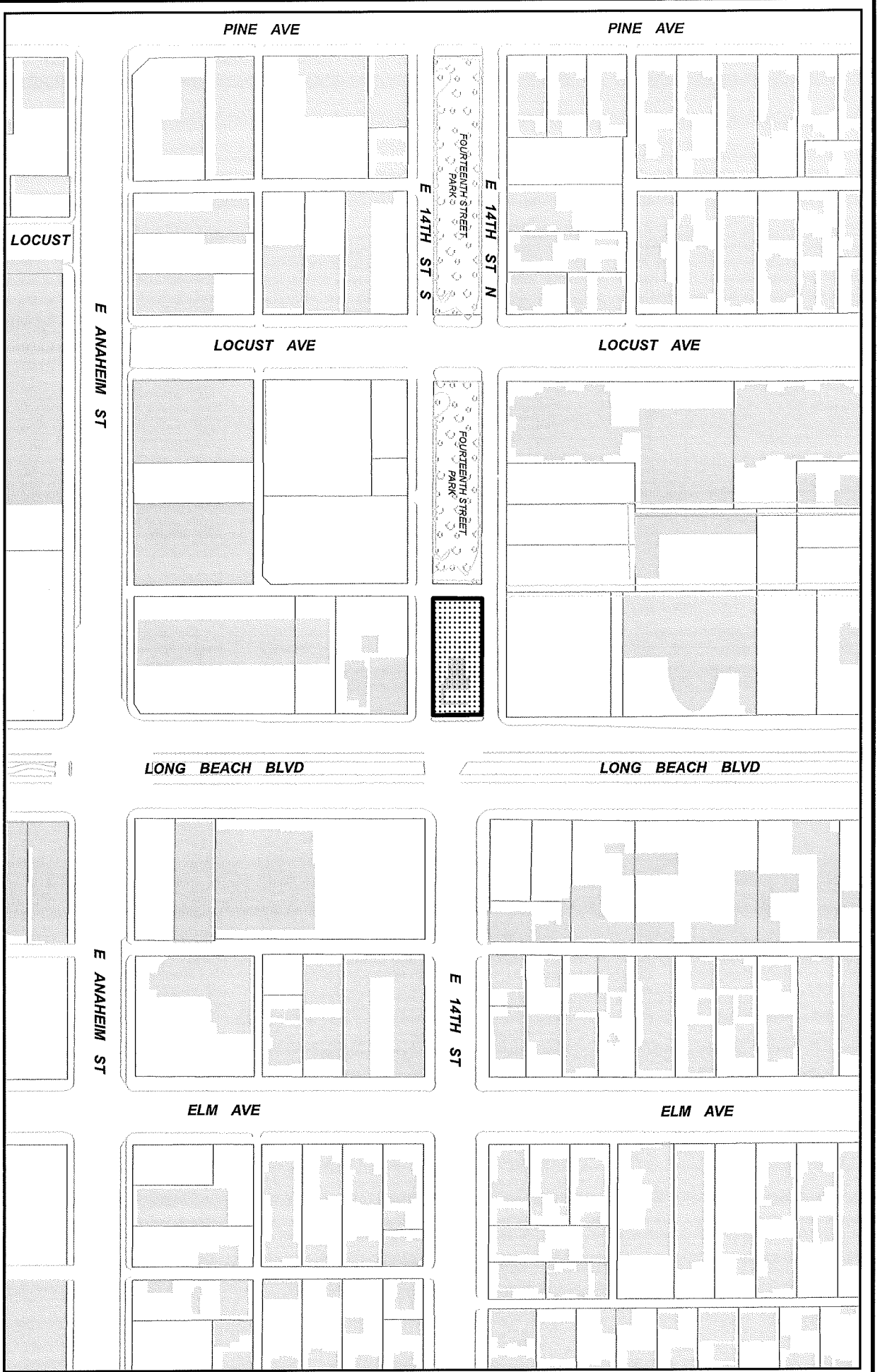
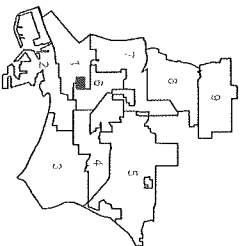




EXHIBIT B

NOTICE of EXEMPTION from CEQA

DEPARTMENT OF DEVELOPMENT SERVICES
333 W. OCEAN BLVD., 5TH FLOOR, LONG BEACH, CA 90802
(562) 570-6194 FAX: (562) 570-6068
lbs.longbeach.gov

TO: [] Office of Planning & Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

FROM: Department of Development Services
333 W. Ocean Blvd, 5th Floor
Long Beach, CA 90802

[] L.A. County Clerk
Environmental Fillings
12400 E. Imperial Hwy., Room 1201
Norwalk, CA 90650

Project Title: CE- 17-122

Project Location/Address: 1365 Long Beach Boulevard (Assessor Parcel Number 7269-015-001)

Project Activity/Description: Transfer of ownership of approximately 8,670 square feet of privately-owned property to the City of Long Beach, located at 1365 Long Beach Boulevard, Assessor Parcel Number 7269-015-001

Public Agency Approving Project: City of Long Beach, Los Angeles County, California

Applicant Name: City of Long Beach

Mailing Address: 333 West Ocean Blvd., 3rd Floor, Long Beach, CA 90802

Phone Number: 562-570-6846

Applicant Signature:

[Handwritten signature]

BELOW THIS LINE FOR STAFF USE ONLY

Application Number: _____ Planner's Initials: _____

Required Permits: _____

THE ABOVE PROJECT HAS BEEN FOUND TO BE EXEMPT FROM CEQA IN ACCORDANCE WITH STATE GUIDELINES SECTION 15312, CLASS 12, SURPLUS GOVERNMENT PROPERTY SALES (S)

15301, CLASS 1, EXISTING FACILITIES

Statement of support for this finding: THIS ACTIVITY INVOLVES A TRANSFER OF PROPERTY OWNERSHIP AND QUALIFIES FOR A CATEGORICAL EXEMPTION UNDER CLASS 1.

Contact Person: JOHN KIM

Contact Phone: 562-570-5934

Signature:

[Handwritten signature]

Date: 5/09/17