



# LONG BEACH REDEVELOPMENT AGENCY

333 WEST OCEAN BOULEVARD, THIRD FLOOR • LONG BEACH, CA 90802 • (562) 570-6615 • FAX (562) 570-6215

May 21, 2007

REDEVELOPMENT AGENCY BOARD MEMBERS  
City of Long Beach  
California

## RECOMMENDATION:

Recommendation to:

- Hold a public hearing;
- Receive supporting documentation into the record and conclude the public hearing;
- Approve and authorize Executive Director to execute and record Covenants, Conditions and Restrictions (CCR's) on Agency owned property at 3361 Andy Street restricting occupancy to low and moderate-income households at affordable rents for a period of 55 years;
- Approve and authorize the Executive Director to vote in favor of the Andy Street Multi-Family Improvement District; and
- Approve and authorize the Executive Director to execute a Purchase and Sale Agreement and all other related documents for the sale of property at 3361 Andy Street to the Long Beach Housing Development Company for \$500,000 plus closing costs. (North – District 9)

## DISCUSSION

On July 8, 2002, the Redevelopment Agency (Agency) authorized the purchase of 3361 Andy Street (Site), commonly known as Assessor Parcel Number 7121-009-900 (Exhibit A) for \$350,000 plus closing costs.

Since 2002, Community Development staff has worked with property owners of the 23 other 4-unit residential buildings to explore formation of a property owner's association. It was hoped that such an association would provide a tool for dealing with the crime and other blighting influences plaguing the neighborhood.

*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.*

## REDEVELOPMENT AGENCY BOARD MEMBERS

May 21, 2007

Page 2

The property owners along Andy Street have recently completed initial steps to form the Andy Street Multi-Family Improvement District (AMID). The proposed AMID will be comprised of both property and business owners within the proposed boundaries, as well as be the first residential assessment district in the city. It is expected to generate approximately \$95,087 in its first year for these services. If approved, the first year levy of assessment will cover the period of October 1, 2007 through September 30, 2008.

Owners of each property within the AMID boundaries are now being formally asked to vote to form the proposed assessment district for a period of ten years. Because the Agency currently owns 3361 Andy Street, the Agency is entitled to one vote. A simple majority of votes will decide the outcome.

Agency staff supports the transfer of 3361 Andy Street from the Agency to the LBHDC for a fair reuse price of \$500,000. This fair reuse price reflects a reduction in fair market value as a result of lower rental revenues due to low and moderate-income affordability restrictions. Staff also recommends approval of the AMID.

The Agreement includes the following major provisions:

- Under the terms of the Agreement, the LBHDC will pay the Agency \$500,000 as compensation for the approximately 5,880 square foot Site.
- The LBHDC will utilize the Site in accordance with the North Long Beach Redevelopment Plan and all applicable City codes and regulations including providing appropriate landscaping, screening and parking.
- An Agreement Containing Covenants will be recorded prior to closing. This document will prohibit certain uses, describe maintenance responsibilities and levels of maintenance, and require that any future improvements be subject to the Design Guidelines for the Project Area.

At its meeting held on April 26, 2007, the North Project Area Committee made a recommendation to approve the sale of 3361 Andy Street to the LBHDC.

Since the property was purchased by the Agency with tax increment monies, California Law requires that the sale of this small housing project must be approved after a public hearing. This Public Hearing was properly noticed on May 7 and May 14, 2007.

REDEVELOPMENT AGENCY BOARD MEMBERS

May 21, 2007

Page 3

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST  
EXECUTIVE DIRECTOR

PHW:CAB:LAM

APPROVED:



GERALD R. MILLER  
CITY MANAGER

Attachments: Exhibit A – Site Map

Exhibit A



Site Map  
3361 Andy Street

