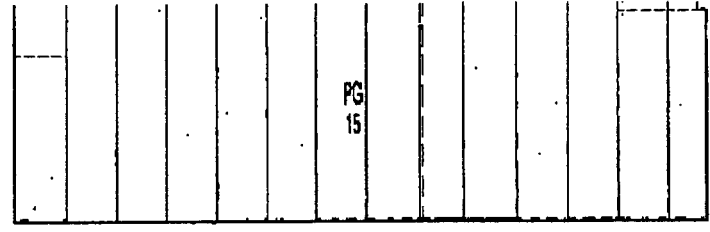


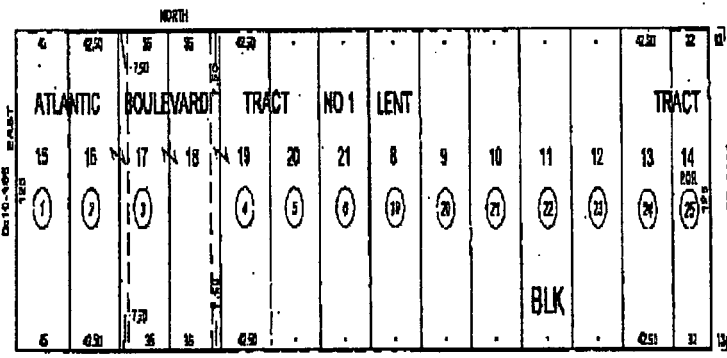
7210	16	PA 7210-16	TRA 1783	REVERSE	AM 17/2004-2005-21			SEARCHING	OFFICE OF THE ASSESSOR COUNTY OF LOS ANGELES COPYRIGHT © 2002
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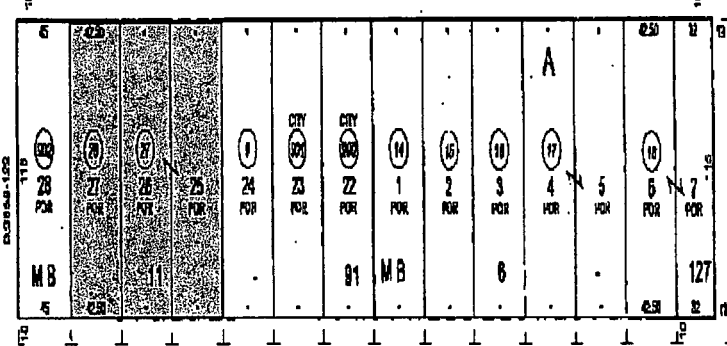
1890 Atlantic Avenue



LINE AVE



BK 7268

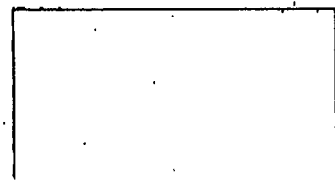


PACIFIC COAST

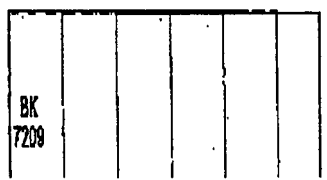
ATLANTIC AVE

Agency Parcel

Owner's Parcels



DAYMAN ST



BK 7209

ALL RED SHADDED PARCELS ON THIS PAGE ARE ASSESSED TO THE CITY OF LONG BEACH REDEVELOPMENT AGENCY UNLESS OTHERWISE NOTED

\$25.00 FILING FEE



Categorical Exemption **FILED**

NOTICE OF EXEMPTION

MAR 05 2004

CONNOR B. MCCORMACK, COUNTY CLERK
J. Baker
J. Baker DEPUTY

To: Office of Planning & Research
1400 Tenth street, Room 121
Sacramento, CA 95814

From: Department of Planning & Building
333 W. Ocean Blvd., 5th Floor
Long Beach, CA 90802

L. A. County Clerk
Environmental Filings
12400 E. Imperial Hwy. 2nd Floor, Rm. 2001
Norwalk, CA 90650

Project Title: Colonial Mortuary Expansion - OPA

Project Location - Specific: 1890 Atlantic Ave

Project - City: Long Beach Project Location - County: Los Angeles

Activity Description: sale of Agency owned property to Colonial Mortuary

Name of Public Agency Approving Project: Long Beach Redevelopment Agency

Name of Person or Agency Carrying Out Project: David S. White
(Printed Name)

333 W. Ocean Blvd. - 3rd flr. L.B. CA 90802
(Mailing Address)

562.570.5831 [Signature]
(Telephone) (Signature)

LONG BEACH CITY PLANNING COMMISSION

The above project has been found to be exempt from CEQA in accordance with the State Guidelines Section

15312
Statement of Support for this finding: Sale of Surplus Property

Lead Agency
Contact Person: ANGELA REYNOLDS Area Code/Telephone: (562) 570-6357

Signature: [Signature] Date: 2/20/04 Title: Environmental Officer

Signed by Lead Agency
 Signed by Applicant

Charge Point: CDRADMIN
CDRCYL

THIS NOTICE WAS POSTED
N MAR 05 2004
NTL APR 05 2004
REGISTRAR-RECORDER/COUNTY CLERK

04 0008958

**SUMMARY REPORT PURSUANT TO
SECTION 33433
OF THE
CALIFORNIA HEALTH AND SAFETY CODE
ON AN
OWNER PARTICIPATION AGREEMENT
BY AND BETWEEN THE
REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH
AND
FAITH CHAPEL MORTUARY, INC.**

The following Summary Report has been prepared pursuant to Section 33433 of the California Health and Safety Code. The report sets forth certain details of the proposed Owner Participation Agreement (Agreement) between the Redevelopment Agency of the City of Long Beach (Agency) and Faith Chapel Mortuary, Inc. (Owner). The purpose of the Agreement is to effectuate the Redevelopment Plan for the Central Long Beach Redevelopment Project Area (Redevelopment Plan).

The Site consists of three parcels:

1. The two parcels currently owned by the Owner are:
 - a. 1870 Atlantic Avenue – 9,802 square feet; and
 - b. 1884 Atlantic Avenue – 4,901 square feet (Owner Parcels).
2. The parcel located at 1890 Atlantic Avenue, which includes 5,175 square feet, is owned by the Agency (Agency Parcel).

An existing building is located on the Owner Parcels and is currently utilized as a mortuary. The Agency Parcel is vacant. The Agreement requires the Agency to convey the Agency Parcel to the Owner for development of a new building façade on the Owner Parcels improvements and a parking facility to support the Owner's existing business (Project).

The Summary Report is based upon information contained within the Agreement and is organized into the following seven sections:

- I. **Salient Points of the Agreement:** This section summarizes the scope of development and the major responsibilities imposed on the Owner and the Agency by the Agreement.
- II. **Cost of the Agreement to the Agency:** This section details the total cost to the Agency associated with implementing the Agreement.

- III. **Estimated Value of the Interests to be Conveyed Determined at the Highest Use Permitted under the Redevelopment Plan:** This section estimates the value of the interests to be conveyed determined at the highest use permitted under the Agency Parcel's existing zoning and the requirements imposed by the Redevelopment Plan.
- IV. **Estimated Reuse Value of the Interests to be Conveyed:** This section summarizes the valuation estimate for the Site based on the required scope of development and the other conditions and covenants required by the Agreement.
- V. **Consideration Received and Comparison with the Established Value:** This section describes the compensation to be received by the Agency and explains any difference between the compensation to be received and the established highest and best use value of the Site.
- VI. **Blight Elimination:** This section describes the existing blighting conditions on the Site and explains how the Agreement will assist in alleviating the blighting influence.
- VII. **Conformance with the AB1290 Implementation Plan:** This section describes how the Agreement achieves goals identified in the Agency's adopted AB1290 Implementation Plan.

This report and the Agreement are to be made available for public inspection prior to the approval of the Agreement.

I. SALIENT POINTS OF THE AGREEMENT

A. Scope of Development

The Owner will develop on the Site a new building façade on the improvements on the Owner Parcels and a parking facility to support the Owner's existing business on the Agency Parcel and conform to the development standards detailed in the Agreement.

B. Owner Responsibilities

The Agreement requires the Owner to accept the following responsibilities:

1. The Owner agrees to purchase the Agency Parcel from the Agency for \$84,000.
2. The Site will be held as one parcel and cannot be subdivided for the duration of the Redevelopment Plan without prior approval by the Agency.

3. Billboards and signage not expressly allowed by the Agreement cannot be placed on the Site.
4. The Owner agrees to complete the Project in accordance with the Scope of Development and Schedule of Performance specified in the Agreement.
5. The Owner agrees that the taxable assessed value of the Project to be used in any given tax year from fiscal year 2004/05 through 2046/47 by the Los Angeles County Tax Assessor (Assessor) to be the greater of:
 - a. The then-current taxable assessed value of the Site as improved with the Project;
or
 - b. \$114,000 (Stipulated Value).
6. The Owner agrees to submit to the Agency evidence of obtaining sufficient equity capital and firm and binding commitments for financing.
7. The Owner agrees to be responsible for the cost of developing the Site and construction of all improvements, except for work to be performed by the Agency expressly set forth in the Agreement.
8. The Owner will be responsible for maintaining the improvements and landscaping in accordance with the "Reasonable Standards" defined in the Agreement.
9. The Owner agrees to the greatest extent possible:
 - a. To provide and require its contractors and subcontractors to provide opportunities to the lower income residents of the City for training and employment arising in connection with the development of the Project.
 - b. To award and require its contractors and subcontractors to award contracts for work to be performed in connection with development of the Project to residents of the City, to business concerns which are located in or owned in substantial part by residents of the City, and to persons displaced, if any, as a result of the development of this Project.
 - c. To utilize the services of the City's Training and Employment Development Division.
10. The Owner indemnifies the Agency from paying prevailing wages in the future.
11. The Owner agrees to procure and maintain the insurance coverages detailed in the Agreement as well as require the Owner's contractors and subcontractors to meet the insurance requirements detailed in the Agreement.

12. The Owner agrees to secure any and all permits required by any governmental agency affected by the Project.
13. The Owner agrees that all public work performed pursuant to this Agreement shall conform to applicable California Labor Codes.
14. The Owner, at its expense, is responsible for all maintenance and repairs detailed in the Agreement.

C. Agency Responsibilities

Under the Agreement, the Agency must accept the following responsibilities:

1. The Agency agrees to convey the Agency Parcel to the Owner for \$84,000 in an "as is" condition.
2. The Agency will waive the Public Art fee requirement for the Project.
3. The Agency will pay for an architect selected by the Agency to assist the Owner and the Owner's architect in designing the Site including the design of the exterior façade of the existing improvements.

II. COST OF THE AGREEMENT TO THE AGENCY

The total Agency costs to implement the Agreement include the following:

Site Acquisition	\$152,877
Liquor Store Settlement (Tenant)	103,323
Insurance Company Settlement (Tenant)	22,997
Sign Board Settlement	19,791
Acquisition and Design Costs	48,734
Demolition	<u>24,952</u>
 Total Agency Cost	 \$372,674

However, the Agency Costs will be reduced by the land sale proceeds and future tax increment. The net Agency Costs are estimated as follows:

	Nominal	Present Value ¹
Total Agency Costs	\$372,674	\$372,674
(Less) Land Sale Proceeds	(84,000)	(84,000)
(Less) Future Tax Increment Proceeds ²	(56,600)	(17,500)
Net Agency Cost	\$232,074	\$271,174

III. ESTIMATED VALUE OF THE INTERESTS TO BE CONVEYED DETERMINED AT THE HIGHEST USE PERMITTED UNDER THE REDEVELOPMENT PLAN

Section 33433 of the California Health and Safety Code requires the Agency to identify the value of the interests being conveyed at the highest use allowed by the Agency Parcel's zoning and the requirements imposed by the Redevelopment Plan. The valuation must be based on the assumption that near-term development is required, but the valuation does not take into consideration any extraordinary use, quality and/or income restrictions are being imposed on the development by the Agency.

In an appraisal dated July 2003, Lidgard & Associates, the Agency's appraiser, states that the highest and best use for the Agency Parcel is commercial development. The appraisal also sets the value of the Agency Parcel at \$84,000, or \$16.25 per square foot of land area.

IV. ESTIMATED REUSE VALUE OF THE INTERESTS TO BE CONVEYED

The Agreement requires the Agency Parcel to be combined with the Owner Parcels and used as a parking lot for the existing commercial use. Given that the Agency Parcel will be used to support a commercial use, Keyser Marston Associates (KMA), the Agency's financial consultant, determined that the reuse value of the Agency Parcel should be based on the value of commercial land. Therefore, the reuse value is estimated at \$84,000, or \$16.25 per square foot of land value.

¹ The net present value calculation assumes a 6% discount rate.

² The tax increment calculation is based on the Stipulated Value of \$114,000 in fiscal year 2004/05, and 2% annual escalations through fiscal year 2046/47.

V. CONSIDERATION RECEIVED AND COMPARISON WITH THE ESTABLISHED VALUE

The Agreement requires the Agency to convey the Agency Parcel to the Developer for \$84,000, which is the same as the value of the Agency Parcel at the highest and best use and the reuse value. Thus, KMA concluded that the consideration to be received by the Agency is justified.

VI. BLIGHT ELIMINATION

The Agency Parcel is currently vacant and considered to be an underutilized property. The development of the Project will eliminate the current physical blighting conditions and create an economically viable use on the Site. Thus, the proposed development fulfills the blight elimination requirement.

VII. CONFORMANCE WITH THE AB1290 IMPLEMENTATION PLAN

The Project conforms to the Project Area's Implementation Plan. Specifically, the Project meets the following goals:

1. The elimination of blighting influences and the correction of environmental deficiencies in the Project Area, including, among others, small and irregular lots, obsolete and aged building types, incompatible and uneconomic land uses, and inadequate or deteriorated public improvements and facilities.
2. The re-planning, redesign, and development of portions of the Project Area, which are stagnant or improperly utilized.
3. The strengthening of the economic base of the Project Area and the community by the installation of needed site improvements to stimulate new residential, commercial, and industrial expansion, employment, and economic growth.

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

1 RESOLUTION NO. C-

2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH APPROVING THE PROPOSED
5 OWNER PARTICIPATION AGREEMENT BETWEEN THE
6 REDEVELOPMENT AGENCY OF THE CITY OF LONG
7 BEACH, CALIFORNIA, AND FAITH CHAPEL MORTUARY,
8 INC.; FINDING THAT THE CONSIDERATION FOR THE
9 CONVEYANCE OF CERTAIN REAL PROPERTY IN THE
10 CENTRAL REDEVELOPMENT PROJECT IS NOT LESS
11 THAN FAIR MARKET VALUE IN ACCORDANCE WITH
12 COVENANTS AND CONDITIONS GOVERNING SUCH
13 CONVEYANCE; AND APPROVING THE CONVEYANCE
14 OF THE PROPERTY AND THE OWNER PARTICIPATION
15 AGREEMENT

16
17 WHEREAS, the Redevelopment Agency of the City of Long Beach,
18 California (the "Agency"), is engaged in activities necessary to execute and implement
19 the Redevelopment Plan for the Central Redevelopment Project (the "Project"); and

20 WHEREAS, in order to implement the Redevelopment Plan, the Agency
21 proposes to convey certain real property (the "Property") in the Project pursuant to the
22 terms and provisions of an Owner Participation Agreement ("Agreement") and which
23 Property is described in Exhibit "A" which is attached and incorporated by reference;
24 and

25 WHEREAS, Faith Chapel Mortuary, Inc., (the "Developer"), has submitted
26 to the Agency a written offer in the form of the Agreement to purchase the Property for
27 not less than fair market value for uses in accordance with the Redevelopment Plan
28 and the covenants and conditions of the Agreement; and

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City Attorney of Long Beach
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Long Beach, California 90802-4664
Telephone (562) 570-2200

1 WHEREAS, the proposed Agreement contains all the provisions, terms
2 and conditions and obligations required by Federal, State and local law; and

3 WHEREAS, Developer possesses the qualifications and financial
4 resources necessary to acquire and insure Developer's performance under the
5 Agreement in accordance with the purposes and objectives of the Redevelopment Plan;
6 and

7 WHEREAS, the Agency has prepared a summary setting forth the cost of
8 the Agreement to the Agency, the estimated value of the interest to be conveyed,
9 determined at the highest uses permitted under the Redevelopment Plan and the
10 purchase price and has made the summary available for public inspection in
11 accordance with the California Redevelopment Law; and

12 WHEREAS, the Agency has found that this project is categorically exempt
13 pursuant to the California Environmental Quality Act; and

14 WHEREAS, pursuant to the provisions of the California Community
15 Redevelopment Law, the City Council of the City of Long Beach held a public hearing
16 on the proposed conveyance of the Property and the proposed Agreement after
17 publication of notice as required by law; and

18 WHEREAS, the City Council has duly considered all terms and conditions
19 of the proposed conveyance and believes that the conveyance of the Property pursuant
20 to the proposed Agreement is in the best interests of the City and the health, safety,
21 morals and welfare of its residents and in accord with the public purposes and
22 provisions of applicable Federal, State and local law.

23 NOW, THEREFORE, the City Council of the City of Long Beach resolves
24 as follows:

25 Section 1. The City Council finds and determines that the consideration
26 for conveyance of the Property pursuant to the Agreement is not less than fair market
27 value in accordance with covenants and conditions governing the conveyance, and the
28 Council further finds and determines that the consideration for the conveyance of the

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1 Property, determined at the highest and best use under the Redevelopment Plan, is
2 necessary to effectuate the purposes of the Redevelopment Plan for the Project.

3 Sec. 2. The conveyance of the Property by the Agency to Developer
4 and the Agreement which establish the terms and conditions for the conveyance and
5 development of the Property are approved.

6 Sec. 3. The conveyance and development of the Property shall
7 eliminate blight within the Project Area and is consistent with the implementation plan
8 for the Project adopted pursuant to Health and Safety Code Section 33490.

9 Sec. 4. The City Council further authorizes the City Manager to
10 execute any additional agreements necessary to implement the Agreement.

11 Sec. 5. This resolution shall take effect immediately upon its
12 adoption by the City Council, and the City Clerk shall certify to the vote adopting this
13 resolution.

14 I hereby certify that the foregoing resolution was adopted by the City
15 Council of the City of Long Beach at its meeting of _____, 2005, by the
16 following vote:

17 Ayes: Councilmembers: _____

18 _____

19 _____

20 _____

21 Noes: Councilmembers: _____

22 _____

23 Absent: Councilmembers: _____

24 _____

25 _____

26 _____

City Clerk

27 HAM:fl

1/28/05

28 L:\APPS\CtyLaw32\WPDOCS\D028\PO03\00069952.WPD

#05-00402

Agency Parcel

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Los Angeles, described as follows:

LOT 28 OF ATLANTIC BOULEVARD TRACT NO. 1, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 11 PAGE 91 OF MAPS, IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER. EXCEPT THE WEST 10 FEET THEREOF.

End of Legal Description

Commonly known as: 1890-92 Atlantic Avenue, Long Beach, CA 90806
Assessor Parcel No: 7210-016-013