

OVERSIGHT BOARD

OF THE CITY OF LONG BEACH AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH

333 West Ocean Blvd., 3rd Floor, Long Beach, CA 90802 Phone: 562.570.6615 Fax: 562.570.6215

November 6, 2017

OVERSIGHT BOARD MEMBERS

RECOMMENDATION:

Adopt a Resolution approving the decision of the City of Long Beach, as the Successor Agency to the Redevelopment Agency of the City of Long Beach, to declare the property located at 1112-1130 Locust Avenue, Assessor Parcel Numbers 7273-007-900, -901 and -902 (Subject Property) as surplus; authorize the City Manager, or designee, to execute any and all documents, including an Addendum to the Standard Offer, Agreement and Escrow Instructions, for Purchase of Real Estate with Jack Ravan and Bahram Javaheri and/or assignee(s) (Buyer), for the reduction in sale price of the Subject Property for a total amount of \$1,625,000.

DISCUSSION

On January 24, 2017, the City of Long Beach, as Successor Agency to the Redevelopment Agency of the City of Long Beach (Successor Agency), authorized the sale of property located at 1112-1130 Locust Avenue (Subject Property) (Exhibit A). The Subject Property totals approximately 22,200 square feet and is currently improved as a parking lot serving the adjacent area. Subsequent to Successor Agency approval, the Oversight Board approved the sale on January 25, 2017. The total sales price approved was \$1,775,000.

During the escrow process, and while the buyer was pursuing entitlements, it was determined that an alley dedication would be required for any project developed. Additionally, the Subject Property was subject to a fence easement in favor of the adjacent property, as well as a utility easement resulting in additional footage being unavailable for development. Due to these reductions and the corresponding costs of the reduced footprint, the Buyer requested a reduction in the sale price of \$150,000 for a revised total sales price of \$1,625,000. The price per developable square-foot remains at fair market value, as determined by an independent appraisal or broker opinion of value. The revised sale of the Subject Property remains consistent with the Revised Plan.

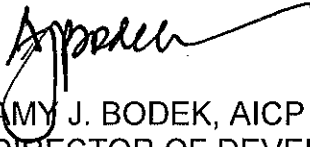
This matter was approved by the Successor Agency to the Redevelopment Agency of the City of Long Beach on October 24, 2017.

OVERSIGHT BOARD MEMBERS

November 6, 2017

Page 2 of 2

Respectfully submitted,



AMY J. BODEK, AICP
DIRECTOR OF DEVELOPMENT SERVICES



PATRICK H. WEST
CITY MANAGER

PHW:AJB:MFT

Z:\1_Successor Agency\OVERSIGHT BOARD\STAFF REPORTS Oversight Board\2017\Nov 06\112-1130 Locust-OB110617 v1.doc

Attachments: Resolution
Exhibit A - Subject Property

1 RESOLUTION NO. _____
2

3 A RESOLUTION OF THE OVERSIGHT BOARD OF
4 THE CITY OF LONG BEACH AS THE SUCCESSOR
5 AGENCY TO THE REDEVELOPMENT AGENCY OF THE
6 CITY OF LONG BEACH APPROVING THE SUCCESSOR
7 AGENCY'S DECISION TO DECLARE THE PROPERTY
8 LOCATED AT 1112-1130 LOCUST AVENUE, ASSESSOR
9 PARCEL NUMBERS 7273-007-900, -901 AND -902 AS
10 SURPLUS; AUTHORIZE A REDUCTION IN THE SALE
11 PRICE OF THE SUBJECT PROPERTY; AND, AUTHORIZE
12 THE CITY MANAGER, OR DESIGNEE, TO EXECUTE ANY
13 AND ALL DOCUMENTS NECESSARY FOR THE SALE OF
14 THE SUBJECT PROPERTY TO JACK RAVAN AND
15 BAHRAM JAVAHERI, AND/OR ASSIGNEE(S)
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17 WHEREAS, the City of Long Beach, as Successor Agency to the
18 Redevelopment Agency of the City of Long Beach ("Successor Agency") currently owns
19 the property located at 1112-1130 Locust Avenue ("Subject Property"); and

20 WHEREAS, the Subject Property is included in the Successor Agency's Long
21 Range Property Management Plan ("LRPMP"), which was approved by the State of
22 California Department of Finance on March 10, 2015 and amended on June 24, 2015
23 ("Revised Plan"); and

24 WHEREAS, the Subject Property has been categorized in the LRPMP with a
25 permissible use of "Sale of Property" allowing for the Subject Property to be sold and
26 proceeds distributed as property tax to the local taxing agencies; and

27 WHEREAS, on January 24, 2017, the Successor Agency to the
28 Redevelopment Agency of the City of Long Beach authorized the sale of the Subject

1 Property to Jack Ravan and Bahram Javaheri and/or assignee(s) ("Buyer") ; and

2 WHEREAS, on January 25, 2017, the Oversight Board approved the sale of
3 the Subject Property to Buyer; and

4 WHEREAS, during the escrow process, and while the Buyer was pursuing
5 entitlements, it was determined that an alley dedication would be required for any project
6 developed; and

7 WHEREAS, the Subject Property was also subject to a fence easement in
8 favor of the adjacent property, as well as a utility easement resulting in additional footage
9 being unavailable for development; and

10 WHEREAS, due to these reductions and the corresponding costs of the
11 reduced footprint, the Buyer requested a reduction in the sale price; and

12 WHEREAS, this matter was approved by the Successor Agency to the
13 Redevelopment Agency of the City of Long Beach on October 24, 2017;

14 NOW, THEREFORE, the Oversight Board of the City of Long Beach as the
15 Successor Agency to the Redevelopment Agency of the City of Long Beach resolves as
16 follows:

17 Section 1. Approve the decision of the Successor Agency to the
18 Redevelopment Agency of the City of Long Beach to declare the property located at 1112-
19 1130 Locust Avenue, Assessor Parcel Numbers 7273-007-900, -901 and -902, as surplus;
20 authorize a reduction in the sale price of the Subject Property; and, authorize the City
21 Manager, or designee, to execute any and all documents necessary for the sale of the
22 Subject Property to Jack Ravan and Bahram Javaheri and/or assignee(s).

23 Section 2. This resolution shall take effect immediately upon its adoption
24 by the Oversight Board, and the City Clerk shall certify the vote adopting this resolution.

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PASSED, APPROVED, and ADOPTED at a meeting of the Oversight Board
of the City of Long Beach as the Successor Agency to the Redevelopment Agency of the
City of Long Beach held this ____ day of _____, 2017 by the following vote:

Ayes: _____

Noes: _____

Absent: _____

Chairperson, Oversight Board

APPROVED:

Secretary, Oversight Board

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Lona Beach, CA 90802-4664

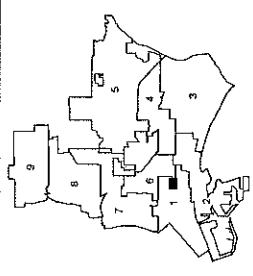
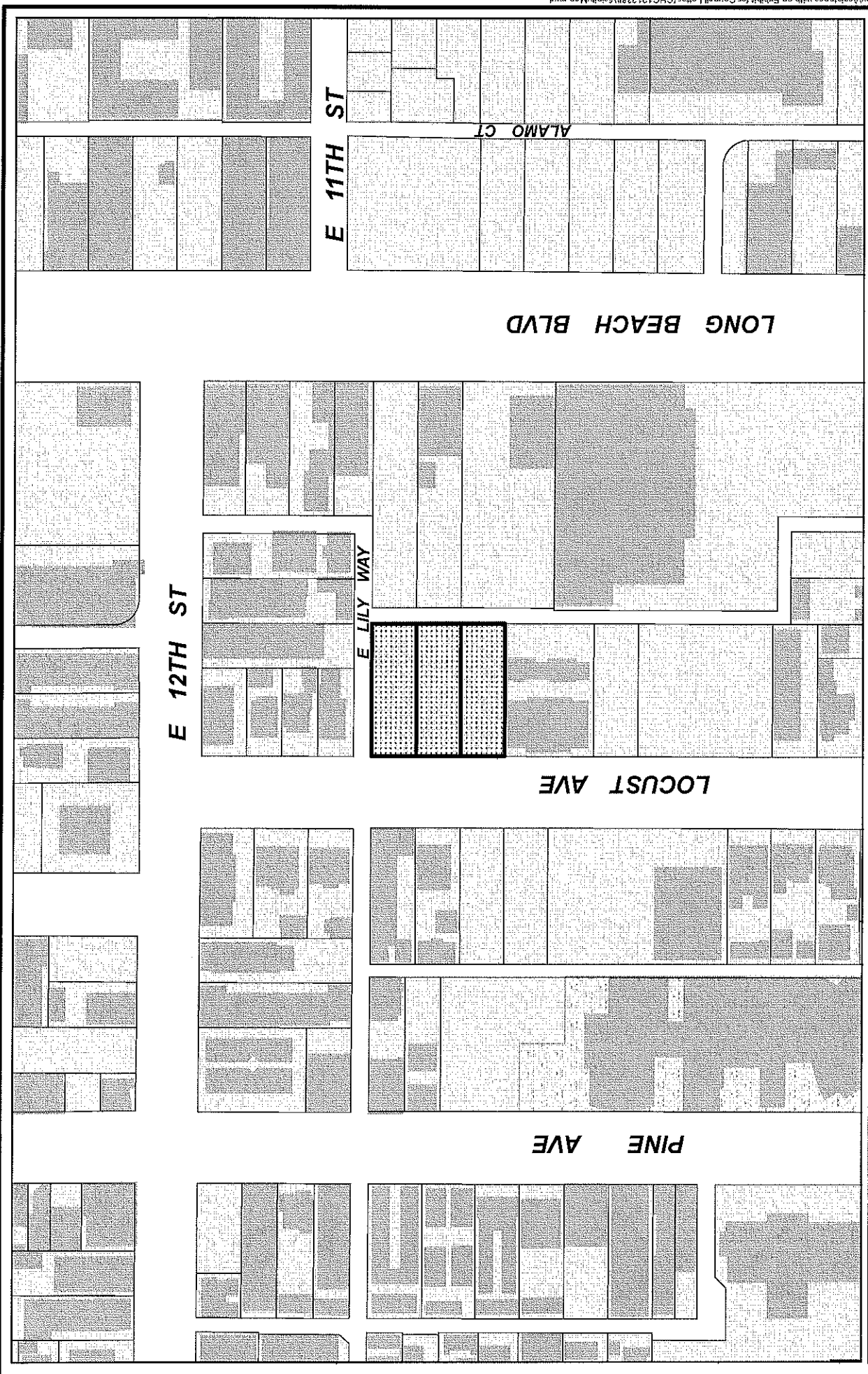
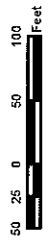
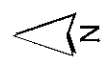


Exhibit A



Subject Property:

1112-1130 Locust Ave
 AIN: 7273-007-900, 901 & 902
 Council District : 1

