



Larry Herrera
10/06/2008 05:29 PM

To: Agenda Supporting Docs
cc:
Subject: Fw: Item #24 on the 10/7 City Council Agenda

For tomorrow
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From: Martha Thuente [msthuente@hotmail.com]
Sent: 10/06/2008 04:45 PM MST
To: Larry Herrera
Subject: Item #24 on the 10/7 City Council Agenda

Dear Mr. Herrera,

Please distribute copies of the message below to the mayor and councilmembers and make part of their agenda packets and a part of the record.

Thank you.

Martha Thuente

To: Mayor Foster and Councilmembers

From: Martha Thuente, Chair
North Long Beach Project Area Committee

Re: Item #24 on 10/7/08 City Council Agenda

I urge you to vote in favor of Item #24 on today's Council Agenda.

. California Redevelopment Law grants the power of eminent domain to project areas for a period of twelve years, with the ability to renew for an additional twelve years. The power of eminent domain has been available to the Long Beach Redevelopment Agency in the North Project Area since 1996. Now that it is time for renewal, a lack of knowledge of the meaning of eminent domain is raising unfounded fear among residents.

Eminent domain is a legal process. It is a last resort alternative used to acquire a piece of property when the owner and the redevelopment agency cannot come to terms of the sale/purchase. To understand the process one must fully understand the requirements of the California Redevelopment Law regarding the acquisition of property by local

redevelopment agencies. The same legal requirements, protections and benefits apply to all properties - both residential and commercial.

Once an agency determines that a property is required, a series of events is triggered. The agency orders an appraisal of the property and makes an offer to the owner. California law requires that the offer be made for fair market value. In the North Project Area many homes have been acquired (through voluntary sale) at prices considerably above the appraised value.

Once an agreement between the agency and property owner is reached, the agency is required to assist the property owner with finding a suitable new location. The new location must be of adequate size to accommodate the family or business, must be in compliance with building codes, and must be in an area acceptable to the home or business owner. In addition, the agency must pay the relocation expenses incurred by the move. It is when the owner and the agency cannot come to terms on the price to be paid for the property, the new location, etc., that eminent domain comes into the picture.

Once it is determined that eminent domain is the only alternative, the case is taken to court. A judge hears evidence from both parties and, just like any other court proceeding, considers the merits of the case. The judge will make a decision as to the price of the property, value of other benefits, and the case is resolved. The decision is final and must be carried out by both parties.

In the event a property owner is relocated, their Proposition 13 base tax year moves with them. To clarify: An owner who purchased his property in 1990 is paying taxes based on the rate of that year. When the redevelopment agency buys the property and the owner subsequently purchases at another location, the taxes on the new property will be assessed at the 1990 rate for that location.

Eminent domain is a valuable tool in ridding our corridors of blighting conditions. For example: an old bungalow style motel generating between 950 and 1000 calls for police service in one year – that is about three calls a day! - was removed by eminent domain. Crime in the area immediately dropped and nearby residents now feel safe. Had the ability to invoke eminent domain not been available, the blight would still be there.

Bear in mind that Proposition 99, passed in June by voters, prohibits the taking of owner-occupied single family homes by eminent domain. Two exceptions to that exist; homes can be taken for public purposes, i.e. to build a park, school, etc. The other exception occurs if the owner has purchased the home less than one year previous to the offer to purchase by the redevelopment agency. Even so, the agency can and will issue exemptions for property owners in the north project area less than one year provided the property is being maintained.

The availability of eminent domain in a project area will not affect property values. The North Project Area has been in place for the past twelve years. During those years property values in the project area have experienced the same meteoric rise, and now the present decline, as in the parts of our city not in redevelopment.

Finally, please understand that there is no plan in the North Project Area to undertake any project that will require the purchase of privately owned, single family, owner-occupied property at this time. The concentration of effort in North Long Beach is on the business corridors and not on the neighborhoods.