



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

December 13, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive the supporting documentation into the record, conclude the public hearing, and adopt the attached Resolution making certain findings and approving and authorizing the City Manager to execute a Disposition and Development Agreement with Willmore City Heritage Association. (District 1)

DISCUSSION

Redevelopment Agency (Agency) staff has concluded the negotiation of a Disposition and Development Agreement (Agreement) with Willmore City Heritage Association (Developer) for the sale and development of Agency-owned property located at 419-421 Daisy Avenue (Site), commonly known as Assessor Parcel Numbers 7278-025-904 and 7278-025-906 (Exhibit A - Site Map). The Site is located in the Central Long Beach Redevelopment Project Area (Project Area) and was acquired by the Agency at a cost of \$99,110.

Under the terms of the Agreement, the Developer will pay the Agency \$1.00 for each of the two parcels comprising the 5,490-square foot Site. The Developer will relocate the 2,000-square foot historic home that was previously located at 249 Maine Avenue, on the Cesar Chavez School site, and is currently situated at 624 West Third Street. The Developer will renovate the house in its new location at 419-421 Daisy Avenue, within the Drake Park/Willmore City Historic District, add a two-car garage, and re-sell the restored property. The Agency will receive any profit from the re-sale after the Developer recoups all expenses and a profit of \$25,000. The Developer has provided evidence of financing for the development of the Site.

The Cultural Heritage Commission reviewed the Developer's proposal on August 17, 2005 and issued a Certificate of Appropriateness. The Redevelopment Agency Board approved the Agreement on December 12, 2005.

The City's Environmental Planning Officer has determined that the project contemplated by the Agreement qualifies for a Categorical Exemption under the California Environmental Quality Act (Exhibit B - Categorical Exemption).

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Since the property was purchased by the Agency with tax increment monies, California Redevelopment Law requires that this sale also be approved by the City Council by resolution after a public hearing.

Pursuant to California Redevelopment Law, Section 33433 of the California Health and Safety Code, the Agency has made available for public inspection and reproduction a Summary Report (Exhibit C - Section 33433 Summary Report) that contains the following:

- The estimated value of the interests to be conveyed, determined at the highest use permitted under the Redevelopment Plan;
- The estimated reuse value of the interests to be conveyed, determined at the use and with the conditions, covenants and development costs required by the Agreement;
- The purchase price;
- The cost of the Agreement to the Agency;
- The net cost/benefit to the Agency;
- An explanation of why the sale of the Site will assist in the elimination of blight; and
- An explanation of why the sale of the Site is consistent with the Agency's AB 1290 Implementation Plan.

This letter was reviewed by Assistant City Attorney Heather A. Mahood on November 28, 2005, and Budget Management Officer David Wodynski on December 1, 2005.

TIMING CONSIDERATIONS

City Council action is requested on December 13, 2005, in order to facilitate the sale transaction.

FISCAL IMPACT

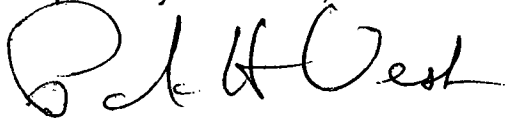
Proceeds from the land sale and subsequent sale of the house will be deposited in the Redevelopment Fund (RD) in the Department of Community Development (CD). There is no fiscal impact to the General Fund.

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SUGGESTED ACTION:

Approve recommendation.


Respectfully submitted,



PATRICK H. WEST
DIRECTOR OF COMMUNITY DEVELOPMENT

PHW/BAK/BEC

APPROVED:



GERALD R. MILLER
CITY MANAGER

Attachments: Exhibit A - Site Map
Exhibit B - Categorical Exemption
Exhibit C - Section 33433 Summary Report
City Council Resolution