

# CITY OF LONG BEACH

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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

September 22, 2015

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY  
OF THE CITY OF LONG BEACH  
City of Long Beach  
California

## RECOMMENDATION:

Reclassify the Permissible Use of the property at 620-632 South Street / 5705-5721 Lime Avenue, Assessor Parcel Numbers 7127-006-902, -903, -905, -906 and -907 (Subject Property), from Future Development to Sale of Property; and

Declare the Subject Property as surplus; authorize the City Manager, or designee, to execute any and all documents necessary, including a Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate with Lab Holdings, LLC (Buyer), for the sale of the Subject Property in the amount of \$1,205,000; and accept Categorical Exemption CE 15-126. (District 8)

## DISCUSSION

Chapter 9 of AB 1484 ("Post Compliance Provisions") provides that within six (6) months following issuance of a Finding of Completion to a successor agency, that successor agency shall submit, subject to approval of its oversight board, a Long Range Property Management Plan (LRPMP) to the State of California Department of Finance (DOF). Within the LRPMP, all property owned by the former Redevelopment Agency of the City of Long Beach at the time of dissolution shall be categorized into four categories for permissible use: Enforceable Obligation, Government Use, Sale of Property and Future Development. The LRPMP was approved on March 10, 2015. The property located at 620-632 South Street / 5705-5721 Lime Avenue (Subject Property) (Exhibit A) is currently listed in the LRPMP as Future Development. Staff is requesting to change the permissible use of the Subject Property from Future Development to Sale of Property, allowing for disposition of the Subject Property to be expedited.

The Subject Property is approximately 29,375 square feet and includes a 3,630-square-foot commercial building, which is potentially historic and an adjacent unimproved lot. The commercial building contains four units, two of which are vacant. The remaining units, 628 and 638 East South Street are occupied by Calvary Chapel and Blue Ribbon Drapery, respectively. Both tenancies are month-to-month and will be assigned to the Buyer at the close of escrow. The City has entered into an agreement with the Buyer for several properties along Atlantic Avenue in an effort to revitalize the corridor in a cohesive manner. As the Subject Property is located adjacent to the Atlantic Avenue parcels, the Buyer has expressed an interest in proceeding with the purchase of the Subject Property from the Successor Agency for \$1,205,000, the fair market value of the property as determined by an independent appraisal. The Subject Property will be developed along with the adjacent

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Atlantic Avenue parcels consistent with the vision and intent of the North Long Beach Strategic Guide for Redevelopment.

In compliance with Government Code Section 54220 (Chapter 621, Statutes of 1968), on June 1, 2015, staff notified the State of California (State) that the Successor Agency was declaring all Future Development and Sale of Property parcels as surplus. Further, in accordance with past practice, a memorandum was circulated to all City Departments to determine their interest in, or objection to, declaring any parcel surplus. To date, neither the State nor any City Department has expressed an interest in, or objection to, the sale of the Subject Property. A Categorical Exemption, CE 15-126 (Exhibit B), was completed related to the proposed transaction on August 31, 2015.

This matter was reviewed by Deputy City Attorney Richard Anthony on September 2, 2015, and by Budget Management Officer Victoria Bell on September 3, 2015.

TIMING CONSIDERATIONS

Successor Agency action is requested on September 22, 2015, so the sale of 620-632 South Street / 5705-5721 Lime Avenue may be considered by the Oversight Board on September 23, 2015, and promptly submitted to the DOF for review.

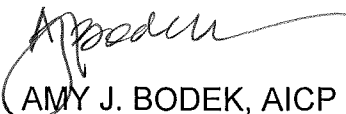
FISCAL IMPACT

Sale proceeds of \$1,205,000, less escrow and closing fees, commission, and recovers of administrative costs, will be remitted to the Los Angeles County Auditor-Controller for distribution to the affected taxing agencies. The net proceeds available for remittance is estimated to be \$1,036,300. The County will distribute the net proceeds to the affected taxing agencies based on their share of the \$1 tax rate. The City's share is approximately 21 percent, resulting in roughly \$217,600.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



AMY J. BODEK, AICP  
DIRECTOR OF DEVELOPMENT SERVICES



PATRICK H. WEST  
CITY MANAGER

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Attachments: Exhibit A – Subject Property  
Exhibit B – Categorical Exemption CE 15-126



**Subject Property:**

620-632 South St / 5705-5721 Lime Ave

AIN: 7127-006-902, 903, 905, 906, 907

Council District : 8

**Exhibit A**

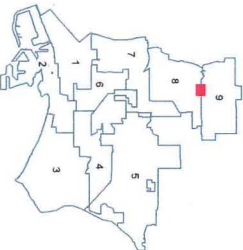
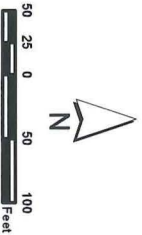




EXHIBIT B  
NOTICE of EXEMPTION from CEQA

DEPARTMENT OF DEVELOPMENT SERVICES  
333 W. OCEAN BLVD., 5<sup>TH</sup> FLOOR, LONG BEACH, CA 90802  
(562) 570-6194 FAX: (562) 570-6068  
lbs.longbeach.gov

TO:  Office of Planning & Research  
1400 Tenth Street, Room 121  
Sacramento, CA 95814

FROM: Department of Development Services  
333 W. Ocean Blvd, 5<sup>th</sup> Floor  
Long Beach, CA 90802

L.A. County Clerk  
Environmental Fillings  
12400 E. Imperial Hwy., Room 1201  
Norwalk, CA 90650

Categorical Exemption CE- 15-126

Project Location/Address: 620-632 South Street/5705-5721 Lime Ave, APNs 7127-006-902, -903, -905, -906, and -907

Project/Activity Description: Transfer of ownership of approximately 29,375 square feet of property owned by the City of Long Beach as Successor Agency to the Redevelopment Agency of the City of Long Beach, at 620-632 South Street/5705-5721 Lime Ave, APNs 7127-006-902, -903, -905, -906, and -907

Public Agency Approving Project: City of Long Beach, Los Angeles County, California

Applicant Name: City of Long Beach

Mailing Address: 333 West Ocean Blvd., 3<sup>rd</sup> floor, Long Beach, CA 90802

Phone Number: 562 570 6846 Applicant Signature: Mary Frankfurt

BELOW THIS LINE FOR STAFF USE ONLY

Application Number: \_\_\_\_\_ Planner's Initials: \_\_\_\_\_

Required Permits: \_\_\_\_\_

THE ABOVE PROJECT HAS BEEN FOUND TO BE EXEMPT FROM CEQA IN ACCORDANCE WITH STATE GUIDELINES SECTION 15301 and 15308, Class 1 and Class 8

Statement of support for this finding: This activity qualifies for a Categorical Exemption with Class 1 and Class 8 as the appropriate exemptions.

Contact Person: Craig Chalfant Contact Phone: 562-570-6368  
Signature: [Signature] Date: 8/31/15