



Building A Better Long Beach

July 20, 2009

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Receive supporting documentation into the record, conclude the public hearing, and adopt the attached resolution making certain findings; and

Authorize the Executive Director to execute an Owner Participation Agreement with Cowelco Properties, Inc., for the development of 1328-1340 West Canal Avenue. (West Industrial - District 1)

DISCUSSION

Staff has concluded the negotiation of an Owner Participation Agreement (Agreement) with Cowelco Properties, Inc. (Developer) for the exchange of Redevelopment Agency-owned property located at 1328-1340 West Canal Avenue (Site), Assessor Parcel Number 7432-011-912 (Exhibit A – Site Map). The Site is located in the West Long Beach Industrial Redevelopment Project Area (Project Area).

The Developer is a steel fabrication business located at 1634 West 14th Street in the Project Area. The company started as a custom sailboat builder in the mid 1940's by the current owner's father who subsequently transitioned to metals and structural steel contracting to take advantage of the post World War II construction demand. Since then, the company has grown to become one of the Project Area's major manufacturing businesses employing approximately 80 people. The company is certified as a Women Business Enterprise allowing them to take advantage of major state and federal government procurement opportunities.

The Developer currently does not have off-street parking and proposes to enhance the current business in the Project Area by acquiring the Site for off-street employee parking. The Developer intends to improve the Site with a surface parking lot for 30 cars, install wrought iron fencing, and add five feet of landscaping around the perimeter of the Site. The lot would include handicap parking, curbs, gutters and sidewalks (Exhibit B – Site Plan). No structures are proposed for the Site.

REDEVELOPMENT AGENCY BOARD MEMBERS

July 20, 2009

Page 2 of 3

The Agreement includes the following major provisions:

- Under the terms of the Agreement, the Developer will exchange a 10,000-square-foot property at 1325 Harbor Avenue with the 10,600-square-foot Agency-owned property at 1328-1340 West Canal Avenue.
- The Developer will pay the Agency \$20,000 as compensation for the difference between the value of exchanged properties.
- The Developer will utilize the Site in accordance with the West Long Beach Industrial Redevelopment Plan and all applicable City codes and regulations including providing appropriate landscaping and screening.
- An Agreement Containing Covenants will be recorded at closing. This document will prohibit certain uses, describe maintenance responsibilities and levels of maintenance, and require that any future improvements be subject to the Design Guidelines for the Project Area.
- The Developer agrees to close escrow within six months of the date of the Agreement and complete construction on the Site within 180 days.

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.

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

Pursuant to California Redevelopment Law, the Agency has made available for public inspection and reproduction a Summary Report that contains the following:

- The estimated value of the interest to be conveyed, determined at the highest and best use permitted under the Redevelopment Plan.
- The estimated value of the interest to be conveyed 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.

REDEVELOPMENT AGENCY BOARD MEMBERS

July 20, 2009

Page 3 of 3

- An explanation of why the sale of the Site will assist in the elimination of blight.
- An explanation of why the sale of the Site is consistent with the Agency's AB 1290 Implementation Plan.

At its meeting held on October 8, 2008, the West Industrial Project Area Committee made a recommendation to approve the Developer's conceptual site plan for the project. A public hearing before the City Council is scheduled for July 21, 2009.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CRAIG BECK
EXECUTIVE DIRECTOR

CB:AJB:SJ

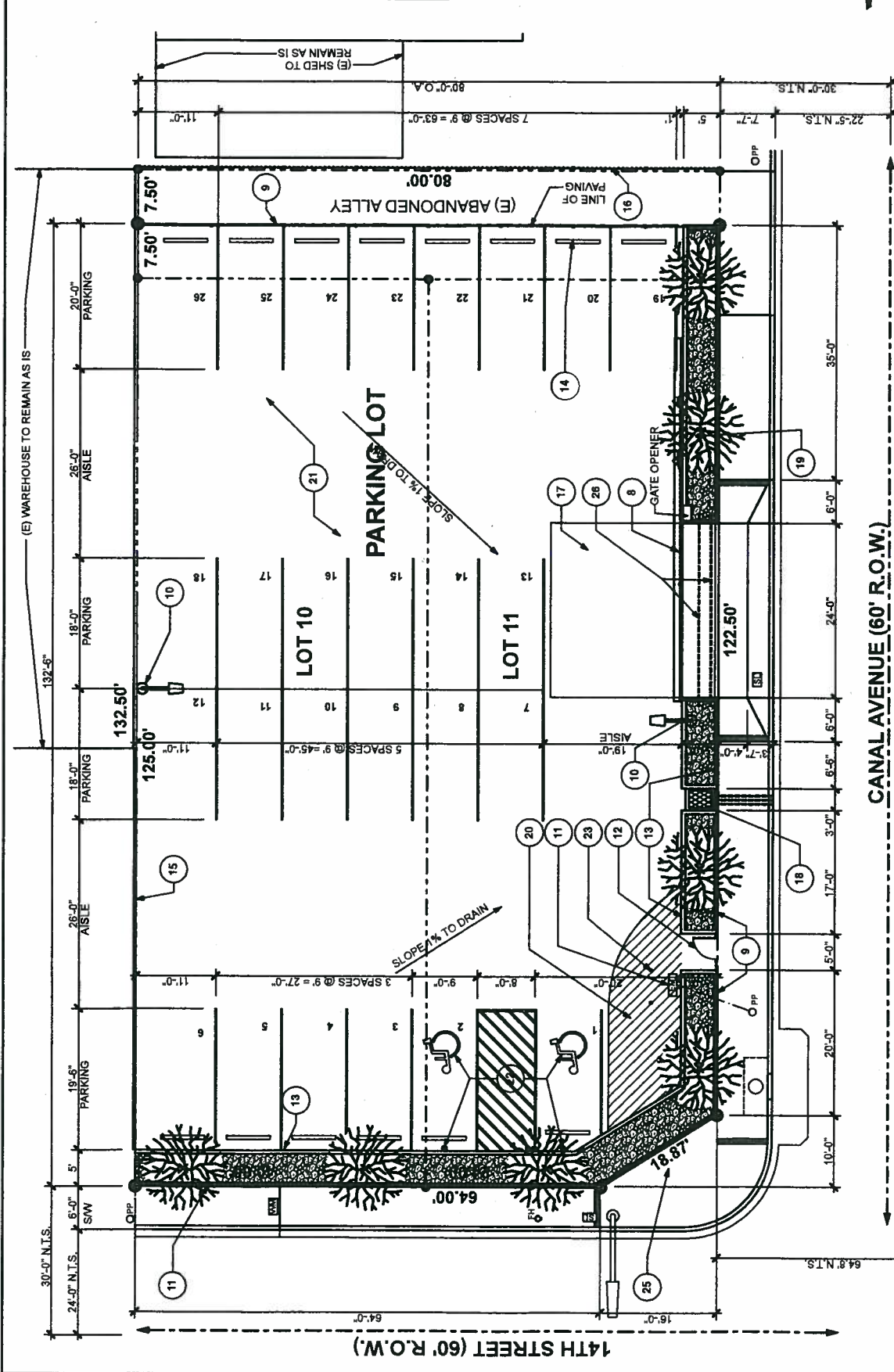
Attachments: Exhibit A – Site Map
Exhibit B – Site Plan
Redevelopment Agency Resolution

Exhibit A – Site Map





PAC DESIGN
 COMMERCIAL / INDUSTRIAL / RESIDENTIAL ARCHITECTURE
 OFFICE: 562-437-6311
 WWW.PAC-DESIGN.COM
 1415 COTA AVENUE
 LONG BEACH, CA 90813
 FAX: 562-495-0511



Site Improvement Plan

SCALE: 1" = 20'

COWELCO PARKING LOT
 1328 CANAL AVENUE
 LONG BEACH, CA 90813

- KEY NOTES**
- (1) 26" L X 8" H ROLLING TUBE STL. GATES OR RECD STL. TRACK W/ 12" X 24" DP. CONC. FTG W/ (2) #5 @ 18", SEE DETAIL 11/1.
 - (2) 6" X 6" X 6" CONC. BUMPERS W/ (2) #5 REBAR SET INTO GRADE, SEE DETAIL 4/14.
 - (3) 4" H CHAIN LINK FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (4) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (5) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (6) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (7) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (8) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (9) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (10) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (11) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (12) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (13) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (14) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (15) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (16) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (17) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (18) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (19) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (20) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (21) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (22) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (23) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (24) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (25) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
 - (26) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.

- (1) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (2) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (3) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (4) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (5) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (6) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (7) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (8) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (9) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (10) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (11) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (12) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (13) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (14) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (15) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (16) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (17) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (18) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (19) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (20) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (21) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (22) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (23) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (24) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (25) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.
- (26) 4" H TUBE STEEL FENCE @ 4'-6" H X 6" THK. CONC. WALL TO REMAIN AS IS.

RESOLUTION NO. R. A.

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA, FINDING THAT THE CONSIDERATION FOR THE SALE OF CERTAIN REAL PROPERTY IN THE WEST LONG BEACH INDUSTRIAL REDEVELOPMENT PROJECT AREA IS NOT LESS THAN FAIR MARKET VALUE IN ACCORDANCE WITH COVENANTS AND CONDITIONS GOVERNING SUCH SALE; APPROVING THE SALE OF PROPERTY TO COWELCO PROPERTIES, INC.; APPROVING THE OWNER PARTICIPATION AGREEMENT PERTAINING THERETO; AND AUTHORIZING THE EXECUTION OF THE OWNER PARTICIPATION AGREEMENT

WHEREAS, the Redevelopment Agency of the City of Long Beach, California (the "Agency"), is engaged in activities necessary to execute and implement the Redevelopment Plan for the West Long Beach Industrial Redevelopment Project Area (the "Project"); and

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

WHEREAS, Cowelco Properties, Inc. (the "Developer") has submitted to the Agency a written offer in the form of an Owner Participation Agreement to purchase the Property for not less than fair market value for uses in accordance with the Redevelopment Plan and the covenants and conditions of the Owner Participation

Agreement; and

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

WHEREAS, Developer possesses the qualifications and financial resources necessary to acquire and insure development of the Property in accordance with the purposes and objectives of the Redevelopment Plan; and

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

WHEREAS, pursuant to the provisions of the California Community Redevelopment Law, the Agency held a public hearing on the proposed sale of the Property and the proposed Owner Participation Agreement after publication of notice as required by law; and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed sale and has found that the redevelopment of the Property pursuant to the proposed Owner Participation Agreement is in the best interests of the City and the health, safety, morals and welfare of its residents and in accord with the public purposes and provisions of applicable Federal, State and local law;

NOW, THEREFORE, the Redevelopment Agency of the City of Long Beach, California resolves as follows:

Section 1. The Agency hereby determines that the development of the Property is categorically exempt under the California Environmental Quality Act.

Section 2. The Agency finds and determines that the consideration for sale of the Property pursuant to the Owner Participation Agreement is not less than fair market value in accordance with covenants and conditions governing the sale.

Section 3. The sale of the Property by the Agency to Developer and the Owner Participation Agreement which establish the terms and conditions for the sale and development of the Property are approved.

Section 4. The sale and development of the Property shall eliminate blight within the Project Area and is consistent with the implementation plan for the Project adopted pursuant to Health and Safety Code Section 33490.

Section 5. The Executive Director of the Agency is authorized to execute the Owner Participation Agreement (including attachments).

Section 6. The Executive Director of the Agency is authorized to take all steps and to sign all documents and instructions necessary to implement and carry out the Owner Participation Agreement on behalf of the Agency.

APPROVED AND ADOPTED by the Redevelopment Agency of the City of Long Beach, California this _____ day of _____, 2009.

Executive Director/Secretary

APPROVED:

Chair

EXHIBIT A
LEGAL DESCRIPTION

PARCEL 1:

LOTS 10 AND 11, BLOCK 44, INNER HARBOR TRACT, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGES 62 AND 63 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, AND OTHER MINERALS CONTAINED WITHIN SAID PROPERTY, WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, TOGETHER WITH THE RIGHT TO PRODUCE, MINE, EXTRACT AND REMOVE OIL, GAS AND OTHER MINERALS UPON, FROM AND THROUGH SAID PROPERTY AT DEPTHS BELOW FIVE HUNDRED FEET FROM THE SURFACE AND FROM LOCATIONS ON ADJACENT OR NEIGHBORING LANDS BUT WITHOUT THE RIGHT TO ENTER ANY PORTION OF SAID LAND LYING ABOVE A DEPTH OF 500 FEET BELOW THE SURFACE THEREOF, AS RESERVED IN DEED RECORDED MARCH 24, 1964 AS INSTRUMENT NO. 1741 OF OFFICIAL RECORDS.

PARCEL 2:

THAT PORTION OF THE NORTHERLY 7.5 FEET OF THE ALLEY ADJOINING LOTS 10 AND 11, IN BLOCK 44, OF THE INNER HARBOR TRACT, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGES 62 AND 63 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY LYING EASTERLY OF THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF SAID LOT 11 AND LYING WESTERLY OF THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 10 OF SAID TRACT. SAID ALLEY BEING VACATED PURSUANT TO RESOLUTION NO. C-24132 PASSED BY THE CITY COUNCIL OF THE CITY OF LONG BEACH ON APRIL 15, 1986 AND RECORDED ON APRIL 25, 1986 AS INSTRUMENT NO. 86-512390, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

1328; 1330/1340 Canal Avenue

END OF LEGAL DESCRIPTION

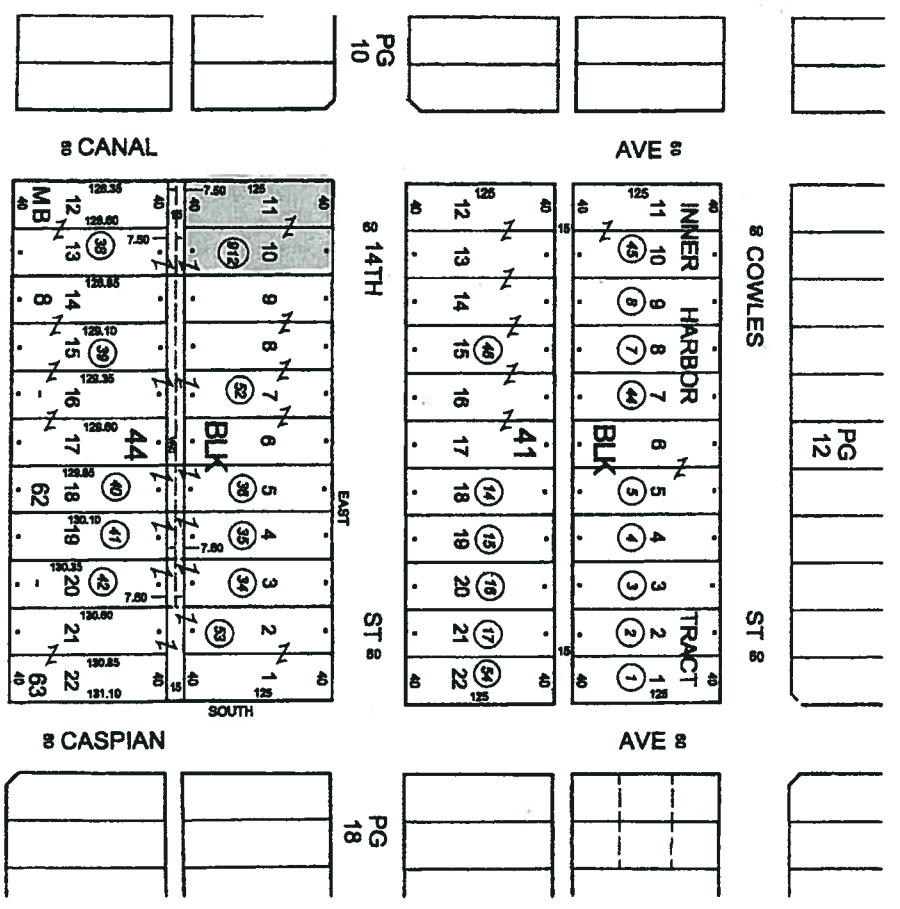
Subject Property
APN: 7432-011-912
1328; 1330 and 1340 Canal Avenue

7432	11	P A	TR A	REVISED	SEARCH NO	OFFICE OF THE ASSESSOR
SHEET	848 7	5521	2003040107			COUNTY OF LOS ANGELES
			2003040107004001-22			COPYRIGHT © 2002

2009



MAPPING AND GIS
 SERVICES
 SCALE 1" = 100'



ANAHEIM

ST 12

C F 1532

BK
7436

ALL 900 SERIES PARCELS ON THIS PAGE ARE ASSESSED TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, UNLESS OTHERWISE NOTED