



# CITY OF LONG BEACH

# R-15

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

June 12, 2007

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt the attached resolution authorizing the Long Beach Redevelopment Agency to sell or lease small housing projects pursuant to California Health and Safety Code Section 33433(c). (All Redevelopment Project Areas - All Districts)

## DISCUSSION

On July 8, 2002, the Redevelopment Agency (Agency) authorized the purchase of a 4-unit residential building at 3361 Andy Street, commonly known as Assessor Parcel Number 7121-009-900 (Exhibit A - Site Map) for \$350,000 plus closing costs. Since 2002, Community Development staff has worked with property owners of the 23 other residential buildings to explore formation of a property owner's association. It was hoped that such an association would provide a tool for dealing with the crime and other blighting influences plaguing the neighborhood.

On June 5, 2007, the property owners along Andy Street voted to approve the formation of Andy Street Multi-Family Improvement District (AMID). Under Multi-Family Improvement District Law (as referenced in Section 36701 of the California Streets and Highways Code) Andy Street property and business owners will assess themselves for supplemental activities described in the AMID management plan, including: security patrol, marketing, managerial services, cleaning services, parking facilities, pedestrian benches and shelters, signs, entry monuments, trash receptacles, street lighting, street decorations, parks, fountains, planting areas and street modifications. Staff is confident formation of the AMID will go a long way towards stabilizing this neighborhood because business and property owners will have a vested interest to continue working in collaboration with the City.

Agency and Long Beach Housing Development Company (LBHDC) staff recently concluded negotiations for the transfer of 3361 Andy Street from the Agency to the LBHDC for a fair reuse price of \$500,000. This fair reuse price reflects a reduction in

fair market value as a result of lower rental revenues due to low and moderate-income restrictions. The proposed transfer and sale price was recommended by the North Long Beach Project Area Committee on April 26, 2007. The transfer was approved by both the LBHDC and the Agency on March 21, 2007, and May 21, 2007, respectively.

California Health and Safety Code Section 33433(c) allows the Agency to sell or lease small housing projects without formal findings by both the Agency and City Council, provided that the City Council provides such authorization by resolution. The attached resolution authorizes the Agency to sell or lease Agency-owned small housing projects within all redevelopment project areas. Further, the code defines "small housing project" as real property containing or proposed to contain a separate residential structure having not more than four dwelling units and which is owned by the Agency and proposed to be restricted by a recorded instrument for the use and occupancy of persons and families of low- or moderate-income for a period of not less than 30 years.

This letter was reviewed by Assistant City Attorney Heather A. Mahood on May 31, 2007, and Budget and Performance Management Bureau Manager David Wodynski on May 30, 2007.

#### TIMING CONSIDERATIONS

City Council action is requested on June 12, 2007, in order to initiate the transaction.

#### FISCAL IMPACT

Adoption of the proposed recommendation will result in reduced expenditures to the Redevelopment Fund (RD). This streamlined process will allow Agency staff to quickly address the transition of Agency owned small housing projects and save in the cost of financial analysis associated with larger real estate transactions.

#### SUGGESTED ACTION:

Approve recommendation.

HONORABLE MAYOR AND CITY COUNCIL  
June 12, 2007  
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Respectfully submitted,



PATRICK H. WEST  
DIRECTOR OF COMMUNITY DEVELOPMENT

PHW:CB:LAM:lm


Attachments: Exhibit A - Site Map  
Resolution

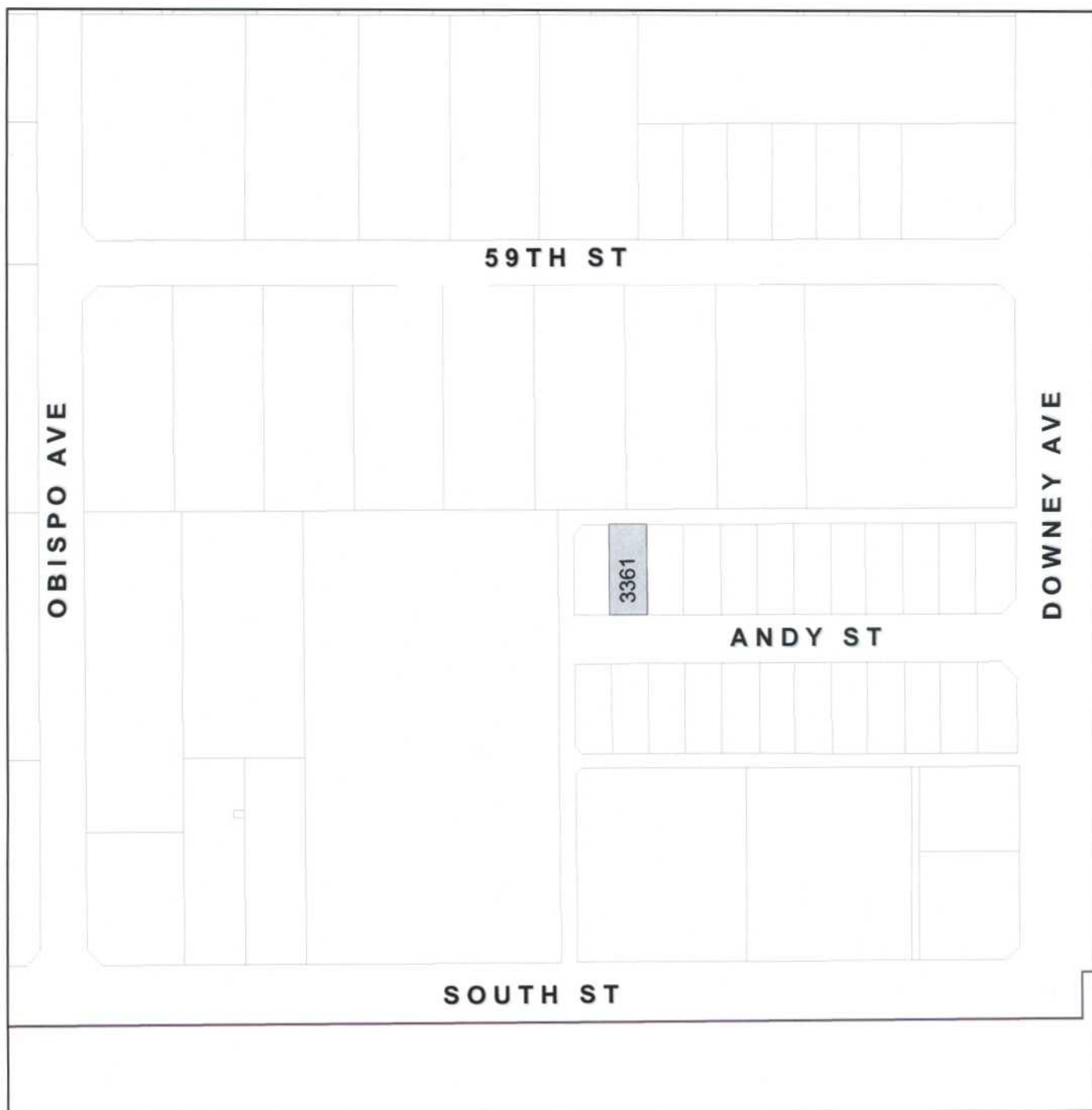
APPROVED:

  
  
GERALD R. MILLER  
CITY MANAGER

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Exhibit A

 **Site Map**  
**3361 Andy Street**



OFFICE OF THE CITY ATTORNEY  
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333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF LONG BEACH AUTHORIZING THE LONG  
BEACH REDEVELOPMENT AGENCY TO SELL OR LEASE  
SMALL HOUSING PROJECTS PURSUANT TO  
CALIFORNIA HEALTH AND SAFETY CODE SECTION  
33433(c)

WHEREAS, California Health and Safety Code Section 33433(c) provides that redevelopment agencies may sell or lease small housing projects without formal findings by both the Redevelopment Agency and the City Council, provided that the City Council provides such authorization by resolution; and

WHEREAS, in order to streamline the process of developing small housing projects, the City Council desires to so authorize the Redevelopment Agency;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. The City Council of the City of Long Beach authorizes the Redevelopment Agency of the City of Long Beach, California to sell or lease small housing projects without the adoption by the Agency and the City of the formal findings required by California Health and Safety Code Section 33433.

Section 2. The term "small housing project" shall mean real property containing or proposed to contain a separate residential structure having not more than four dwelling units and which is owned by the Agency and proposed to be conveyed to persons and families of low or moderate income, or to private parties pursuant to an agreement with the Agency to develop or maintain the residential structure to be restricted for the use and occupancy of persons or families of low or moderate income for a period of not less than 30 years, which further meets the criteria set forth in California

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1 Health and Safety Code Section 33013.

2 Section 3. Prior to such sale or lease, the Agency shall hold a public  
3 hearing pursuant to California Health and Safety Code Section 33431, and shall make  
4 an annual report to the City Council which discloses the name of the buyer, the legal  
5 description or street address of the property, the date of the sale or lease, the  
6 consideration for which the property was sold or leased by the Agency and the date on  
7 which the Agency conducted its public hearing, for all properties sold or leased pursuant  
8 to this resolution.

9 Section 4. This resolution shall take effect immediately upon its adoption  
10 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

11 I hereby certify that the foregoing resolution was adopted by the City  
12 Council of the City of Long Beach at its meeting of \_\_\_\_\_, 2007, by the  
13 following vote:

14  
15 Ayes: Councilmembers: \_\_\_\_\_

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19 Noes: Councilmembers: \_\_\_\_\_

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21 Absent: Councilmembers: \_\_\_\_\_

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City Clerk

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HAM:fl  
5/7/2007  
#07-02011