



CITY OF LONG BEACH

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

June 23, 2015

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH

City of Long Beach
California

RECOMMENDATION:

Declare the property located at 1900 Atlantic Avenue, Assessor Parcel Numbers 7210-009-902 and -905 (Subject Property) as surplus; authorize the City Manager, or designee, to execute any and all documents, including the Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate with Mkott Pich, LLC, a California limited liability company (Buyer), for the sale of the Subject Property in the amount of \$1,800,000; and accept Categorical Exemption CE 15-065. (District 6)

DISCUSSION

The City of Long Beach, as Successor Agency to the Redevelopment Agency of the City of Long Beach (Successor Agency) currently owns the property located at 1900 Atlantic Avenue (Subject Property) (Exhibit A). The Subject Property is approximately 30,000 square feet improved with a two-story, 12,000-square-foot building and 48 parking spaces. The first floor is leased to Union Bank through November 30, 2018, with one option to extend for a period of five years. The second floor is leased on a month-to-month tenancy to the Asian American Drug Abuse Program and Centro Cha, a California non-profit group whose mission is to enrich the lives of low-income, underserved Latino/a youth, families and neighborhoods in the City of Long Beach. These leases would be assigned to any Buyer of the Subject Property. The Subject Property is included in the Successor Agency's Long Range Property Management Plan (LRPMP), which was approved by the State of California Department of Finance (DOF) on March 10, 2015. The Subject Property is categorized with a permissible use of "Sale of Property" allowing for the Subject Property to be sold and proceeds distributed as property tax to the local taxing agencies.

Subsequent to the LRPMP's approval, the Subject Property was assigned to Coldwell Banker Commercial - Blair WestMac, who worked with the Buyer to present the Successor Agency with an offer to purchase the property for \$1,800,000, which is 3 percent less than fair market value as determined by an independent appraisal. The sale of the Subject Property is consistent with the LRPMP and dissolution activities and is well within the range of the appraisal to be considered a fair offer.

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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 or objection in the Subject Property. A Categorical Exemption, CE 15-065 (Exhibit B), was completed related to the proposed transaction on June 4, 2015.

This matter was reviewed by Deputy City Attorney Richard Anthony on June 1, 2015, and by Budget Management Officer Victoria Bell on June 4, 2015.

TIMING CONSIDERATIONS

Successor Agency action is requested on June 23, 2015, so the sale of 1900 Atlantic Avenue may be considered by the Oversight Board on July 6, 2015, and promptly submitted to the DOF for review.

FISCAL IMPACT

Sale proceeds of \$1,800,000, less escrow and closing fees, will be remitted to the Los Angeles County Auditor-Controller for distribution to the affected taxing agencies. After escrow and closing fees, the amount available for remittance is estimated to be \$1,602,000. The County will distribute the revenue 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 \$336,000.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



AMY J. BODEK, AICP
DIRECTOR OF DEVELOPMENT SERVICES



PATRICK H. WEST
CITY MANAGER

PHW:AJB:LAF

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Attachments: Exhibit A – Subject Property
Exhibit B – Categorical Exemption CE 15-065

Exhibit A
1900 Atlantic Avenue





EXHIBIT B

Categorical Exemption CE- 15-065

CITY OF LONG BEACH NOTICE OF EXEMPTION

Long Beach Development Services
333 W. Ocean Blvd., 5th Floor, Long Beach, CA 90802
Information: (562) 570-6194 Fax: (562) 570-6068
www.longbeach.gov/plan

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

FROM: Long Beach Development Services
333 W. Ocean Blvd, 5th Floor
Long Beach, CA 90802

L.A. County Clerk
Environmental Fillings
12400 E. Imperial Hwy. 2nd Floor, Room 2001
Norwalk, CA 90650

Project Location/Address: 1900 Atlantic Avenue, Long Beach, California

Project/Activity Description: Transfer of ownership of a Successor Agency-owned property located at 1900 Atlantic Avenue, Assessor Parcel Numbers 7210-009-902 & -905, measuring approximately 30,000 square feet and improved with a two-story, 12,000 square foot building, from the City of Long Beach as Successor Agency to the Redevelopment Agency of the City of Long Beach to Mkott Pich, LLC

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

Applicant Name: The City of Long Beach

Mailing Address: 333 West Ocean Boulevard, 3rd Floor, Long Beach, CA 90802

Phone Number: 562.570.6846

Applicant Signature: Mary Francis

(TO BE COMPLETED BY CITY STAFF ONLY)

Case Number:

Planner's Initials:

Required Permits:

THE ABOVE PROJECT HAD BEEN FOUND TO BE EXEMPT FROM CEQA IN ACCORDANCE WITH STATE GUIDELINES SECTION 15301 and 15308

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: [Handwritten Signature]

Date: 6/4/15