

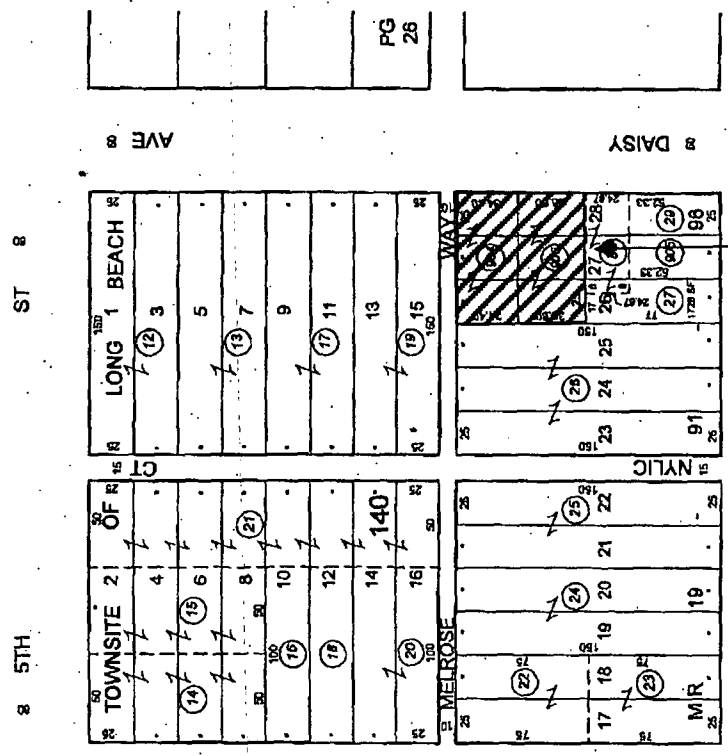
County of Los Angeles: Rick Auerbach, Assessor

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MAPPING AND GIS SERVICES SCALE 1"=60'



ALL UNRECORDED PARCELS ON THIS PAGE ARE REFERRED TO THIS MAP AS UNRECORDED UNLESS OTHERWISE NOTED

419-421 Daisy Ave.

PG 20

PG 24

PG 26

PG 22

Exhibit B

FILE COPY

applicant's copy

FEE \$133.13

Categorical Exemption CE- *209-05*



NOTICE OF EXEMPTION

To: Office of Planning & Research
1400 Tenth street, Room 121
Sacramento, CA 95814

From: Department of Planning & Building
333 W. Ocean Blvd., 5th Floor
Long Beach, CA 90802

L. A. County Clerk (requires \$25.00 filing fee)
Environmental Filings
12400 E. Imperial Hwy. 2nd Floor, Rm. 2001
Norwalk, CA 90650

Project Title: Relocation of Historic Home to 419-421 Daisy Avenue

Project Location - Specific: From 624 W. 3rd Street to 419-421 Daisy Avenue

Project - City: Long Beach Project Location - County: Los Angeles

Activity Description: Permanent relocation of home to 419-421 Daisy Avenue. House was originally located at 249 Maine Avenue and is presently temporarily located at 624 w. 3rd Street.

Name of Public Agency Approving Project: City of Long Beach

Name of Person or Agency Carrying Out Project: Willmore City Heritage Association
(Printed Name)

P. O. Box 688, Long Beach, CA 90801
(Mailing Address)

(562) 436-2815
(Telephone)

Barbara A. Kaiser
(Signature) Barbara A. Kaiser
Redevelopment Bureau Manager

LONG BEACH CITY PLANNING COMMISSION

The above project has been found to be exempt from CEQA in accordance with the State Guidelines Section

15301
Statement of Support for this finding: Relocation of existing facility

Lead Agency
Contact Person: A. Reynolds Area Code/Telephone: (562) 570-6357

Signature: *[Signature]* Date: 8/10/05 Title: Environmental Officer

Signed by Lead Agency

Signed by Applicant

Exhibit C

**SUMMARY REPORT PURSUANT TO
SECTION 33433
OF THE
CALIFORNIA HEALTH AND SAFETY CODE
ON AN
DISPOSITION AND DEVELOPMENT AGREEMENT
BY AND BETWEEN THE
REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH
AND
WILLMORE CITY HERITAGE ASSOCIATION**

The following Summary Report has been prepared pursuant to Section 33433 of the California Health and Safety Code. The report sets forth certain details of the proposed Disposition and Development Agreement (Agreement) between the Redevelopment Agency of the City of Long Beach (Agency) and Willmore City Heritage Association, a non-profit corporation (Developer). The purpose of the Agreement is to effectuate the Redevelopment Plan for the Central Long Beach Redevelopment Project Area (Redevelopment Plan).

The Developer proposes to relocate and rehabilitate an existing vintage residence (House) on the two parcels known as 419-421 Daisy Avenue (Site), which total 5,490 square feet of land area. The Agency currently owns both the House and the Site. The Agreement requires the Agency to convey the House and the Site to the Developer for the relocation and rehabilitation of the House (Project).

The Summary Report is based upon information contained within the Agreement and is organized into the following seven sections:

- I. **Salient Points of the Agreement:** This section summarizes the scope of development and the major responsibilities imposed on the Developer and the Agency by the Agreement.
- II. **Cost of the Agreement to the Agency:** This section details the total cost to the Agency associated with implementing the Agreement.
- III. **Estimated Value of the Interests to be Conveyed Determined at the Highest Use Permitted under the Redevelopment Plan:** This section estimates the value of the interests to be conveyed determined at the highest use permitted under the Site's existing zoning and the requirements imposed by the Redevelopment Plan.
- IV. **Estimated Reuse Value of the Interests to be Conveyed:** This section summarizes the valuation estimate for the Site based on the required scope of development and the other conditions and covenants required by the Agreement.

- V. **Consideration Received and Comparison with the Established Value:** This section describes the compensation to be received by the Agency and explains any difference between the compensation to be received and the established highest and best use value of the Site.
- VI. **Blight Elimination:** This section describes the existing blighting conditions on the Site and explains how the Agreement will assist in alleviating the blighting influence.
- VII. **Conformance with the AB1290 Implementation Plan:** This section describes how the Agreement achieves goals identified in the Agency's adopted AB1290 Implementation Plan.

This report and the Agreement are to be made available for public inspection prior to the approval of the Agreement.

I. SALIENT POINTS OF THE AGREEMENT

A. Scope of Development

The four bedroom House was originally located at 249 Maine Avenue, which is the site of the new Chavez Elementary School. After acquiring the 2,000 square foot House, the Long Beach School District donated it to the Agency, which temporarily relocated the House to another Agency-owned parcel on 3rd Street.

Under the terms of the proposed Agreement, the Developer will move the House to the Site, which is located in the Drake Park/Willmore City Historic District of the City of Long Beach (City). Once the House has been relocated, the Developer will rehabilitate it to development standards detailed in the Agreement. In addition, a detached two-car garage will be constructed on the Site. At completion, the Developer will offer the Project for sale to the general public.

B. Developer Responsibilities

The Agreement requires the Developer to accept the following responsibilities:

1. The Developer agrees to purchase the parcels from the Agency for \$1.00 each on an "as is" basis.
2. The Developer agrees to purchase the House from the Agency for \$1.00 on an "as is" basis.

3. The Developer's \$5,000 RFP deposit will be credited towards the required \$5,000 performance deposit, which will be returned to the Developer once the Certificate of Completion is issued.
4. The Site will be held as one parcel and cannot be subdivided for the duration of the Redevelopment Plan without prior approval by the Agency.
5. The Developer agrees to complete the Project in accordance with the Scope of Development and Schedule of Performance specified in the Agreement and comply with the Agency's Design Review Process.
6. The Developer agrees that the taxable assessed value of the Project to be used in any given tax year from fiscal year 2005/06 through 2046/47 by the Los Angeles County Tax Assessor (Assessor) to be the greater of:
 - a. The then-current taxable assessed value of the Site as improved with the Project; or
 - b. The sum of the Purchase Price plus the value of the improvements (Stipulated Value).
7. The Developer agrees to submit to the Agency evidence that the necessary financing for the acquisition of the Site, and relocation and rehabilitation of the House, has been obtained.
8. The Developer agrees to be responsible for the cost of relocation and rehabilitation of the House, except for work to be performed by the Agency expressly set forth in the Agreement.
9. The Developer and succeeding owners will be responsible for maintaining the improvements and landscaping in accordance with the "Reasonable Standards" defined in the Agreement.
10. The Developer agrees to the greatest extent possible:
 - a. To provide and require it's contractors and subcontractors to provide opportunities to the lower income residents of the City for training and employment arising in connection with the development of the Project.
 - b. To award and require its contractors and subcontractors to award contracts for work to be performed in connection with development of the Project to residents of the City, to business concerns which are located in or owned in substantial part by residents of the City, and to persons displaced, if any, as a result of the development of this Project.

c. To utilize the services of the City's Training and Employment Development Division.

11. The Developer agrees that all public work performed pursuant to this Agreement shall conform to applicable California Labor Codes.
12. The Developer indemnifies the Agency from paying prevailing wages in the future.
13. The Developer agrees to procure and maintain the insurance coverages detailed in the Agreement as well as require the Owner's contractors and subcontractors to meet the insurance requirements detailed in the Agreement.
14. The Developer agrees to secure any and all permits required by any governmental agency affected by the Project.
15. At Project completion, the Developer will offer the Project for sale to the general public and pay the Agency the following participation amount upon closing:

| |
|---|
| Gross Sales Proceeds |
| (Less) Broker's Commission (not exceeding 6% of Gross Sales Proceeds) |
| (Less) Developer's Actual Costs |
| (Less) Architecture & Engineering Costs |
| (Less) \$25,000 Developer Fee, less the Advance from the Agency |
| Participation Payment |

C. Agency Responsibilities

Under the Agreement, the Agency must accept the following responsibilities:

1. The Agency agrees to convey the Site to the Developer for \$2 in an "as is" condition.
2. The Agency agrees to convey the House to the Developer for \$1 in an "as is" condition.
3. The ad valorem taxes, possessory interest tax and assessments, if any, on the Site will be paid by the Agency prior to conveyance.
4. The Agency will provide all proper assistance to the Developer in securing the permits to relocate and rehabilitate the House on the Site. The Agency will also pay of all City fees, permits and school fees.
5. The Agency will prepare any environmental document required under the California Environmental Quality Act (CEQA) at its own expense.

6. The Agency shall pay the Developer \$20,000 (Advance) as an advance to assist with predevelopment costs associated with the Project. The Advance will be repaid, without interest, as a deduction from the \$25,000 Developer fee.

II. COST OF THE AGREEMENT TO THE AGENCY

The total Agency costs to implement the Agreement include the following:

| | |
|--------------------------|------------------|
| Site Acquisition | |
| 419 Daisy Avenue | \$60,900 |
| 421 Daisy Avenue | 38,210 |
| Permits & Fees | 48,000 |
| Temporary Relocation | 31,764 |
| Escrow Fees | 1,295 |
| Property Management | 12,918 |
| Legal Costs | 5,000 |
| Advance to the Developer | 20,000 |
| Miscellaneous Expenses | 4,965 |
| Total Agency Cost | \$223,052 |

However, the Agency Costs will be reduced by the land sale proceeds and future tax increment. The net Agency Costs / (Revenues) are estimated as follows:

| | Nominal | Present Value ¹ |
|--|-------------------|----------------------------|
| Total Agency Costs | \$223,052 | \$223,052 |
| (Less) Land Sale Proceeds | (2) | (2) |
| (Less) House Sale Proceeds | (1) | (1) |
| (Less) Participation Payment Estimate ² | (176,345) | (176,345) |
| (Less) Future Tax Increment Proceeds ³ | (95,398) | (75,801) |
| Net Agency Cost / (Revenue) | (\$45,694) | (\$29,097) |

¹ The net present value calculation assumes a 6% discount rate.

² Assumes a \$550,000 gross sales price; a 6% brokerage commission; \$330,655 in actual Developer costs; \$5,000 in architecture and engineering costs, a \$25,000 Developer fee and a \$20,000 credit for the Agency Advance to the Developer.

³ The tax increment calculation is based on the market sales price of \$550,000 in fiscal year 2005/06, and 2% annual escalations through fiscal year 2046/47. See Table A.

Therefore, the Agency anticipates receiving more revenue than the total estimated costs once this Project is completed.

III. ESTIMATED VALUE OF THE INTERESTS TO BE CONVEYED DETERMINED AT THE HIGHEST USE PERMITTED UNDER THE REDEVELOPMENT PLAN

Section 33433 of the California Health and Safety Code requires the Agency to identify the value of the interests being conveyed at the highest use allowed by the Site's zoning and the requirements imposed by the Redevelopment Plan. The valuation must be based on the assumption that near-term development is required, but the valuation does not take into consideration any extraordinary use, quality and/or income restrictions are being imposed on the development by the Agency.

According to the Agency's appraiser, Ron Laurain, the highest and best use for the Site is a three to four unit residential development. The market value of the Site is estimated at \$235,000, or \$43 per square foot of land area.

IV. ESTIMATED REUSE VALUE OF THE INTERESTS TO BE CONVEYED

The Agreement requires the House to be relocated to the Site and rehabilitated and sold as a market rate residential unit. Keyser Marston Associates (KMA), the Agency's financial consultant, determined that the reuse value of the Site based on the following assumptions:

1. A \$550,000 market sales price estimate;
2. A 6% brokerage commission, which equals \$33,000;
3. A total of \$330,655 in actual Developer costs;
4. A total of \$5,000 in architecture and engineering costs; and
5. A \$25,000 Developer fee.

Therefore, the reuse value is estimated at \$156,345, or \$28 per square foot of land value.

V. CONSIDERATION RECEIVED AND COMPARISON WITH THE ESTABLISHED VALUE

The Agreement requires the Agency to convey the Site and House to the Developer for \$3 plus the estimated \$176,345 participation payment. Therefore, the consideration to be received by the Agency is higher than the reuse value of the Project. The approximately \$59,000 reduction

in the market value at the highest and best use is due to the Agreement requirement that the Developer must relocate a single residence on the Site instead of developing three to four units. Thus, KMA concluded that the consideration to be received by the Agency is justified.

VI. BLIGHT ELIMINATION

The Site is currently vacant and considered to be an underutilized property. The development of the Project will eliminate the current physical blighting conditions and create an economically viable use on the Site. Thus, the proposed development fulfills the blight elimination requirement.

VII. CONFORMANCE WITH THE AB1290 IMPLEMENTATION PLAN

The Project conforms to the Project Area's Implementation Plan. Specifically, the Project meets the following goals:

1. The elimination of blighting influences and the correction of environmental deficiencies in the Project Area, including, among others, small and irregular lots, obsolete and aged building types, incompatible and uneconomic land uses, and inadequate or deteriorated public improvements and facilities.
2. The re-planning, redesign, and development of portions of the Project Area, which are stagnant or improperly utilized.
3. The strengthening of the economic base of the Project Area and the community by the installation of needed site improvements to stimulate new residential, commercial, and industrial expansion, employment, and economic growth.

TABLE A

**33433 TAX INCREMENT PROJECTION
419-421 DAISY AVE
CENTRAL PROJECT AREA
LONG BEACH, CALIFORNIA**

| Fiscal Year | Total Assessed Value | Base Year | Tax Increment Value | Gross TI Revenue | Less: Housing Set Aside | Less: County Admin Fee | Less: Total Pass-Throughs | Net Tax Increment |
|-------------|----------------------|-----------|---------------------|------------------|-------------------------|------------------------|---------------------------|-------------------|
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2005 - 06 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2006 - 07 | - | - | - | - | - | - | 0 | 0 |
| 2007 - 08 | 550,000 | - | 550,000 | 5,500 | 1,100 | 110 | 1,100 | 3,190 |
| 2008 - 09 | 561,000 | - | 561,000 | 5,610 | 1,122 | 112 | 1,122 | 3,254 |
| 2009 - 10 | 572,220 | - | 572,220 | 5,722 | 1,144 | 114 | 1,144 | 3,319 |
| 2010 - 11 | 583,664 | - | 583,664 | 5,837 | 1,167 | 117 | 1,167 | 3,385 |
| 2011 - 12 | 595,338 | - | 595,338 | 5,953 | 1,191 | 119 | 1,210 | 3,433 |
| 2012 - 13 | 607,244 | - | 607,244 | 6,072 | 1,214 | 121 | 1,254 | 3,482 |
| 2013 - 14 | 619,389 | - | 619,389 | 6,194 | 1,239 | 124 | 1,299 | 3,532 |
| 2014 - 15 | 631,777 | - | 631,777 | 6,318 | 1,264 | 126 | 1,344 | 3,583 |
| 2015 - 16 | 644,413 | - | 644,413 | 6,444 | 1,289 | 129 | 1,391 | 3,636 |
| 2016 - 17 | 657,301 | - | 657,301 | 6,573 | 1,315 | 131 | 1,438 | 3,689 |
| 2017 - 18 | 670,447 | - | 670,447 | 6,704 | 1,341 | 134 | 1,487 | 3,743 |
| 2018 - 19 | 683,856 | - | 683,856 | 6,839 | 1,368 | 137 | 1,536 | 3,798 |
| 2019 - 20 | 697,533 | - | 697,533 | 6,975 | 1,395 | 140 | 1,586 | 3,854 |
| 2020 - 21 | 711,484 | - | 711,484 | 7,115 | 1,423 | 142 | 1,638 | 3,912 |
| 2021 - 22 | 725,713 | - | 725,713 | 7,257 | 1,451 | 145 | 1,690 | 3,970 |
| 2022 - 23 | 740,228 | - | 740,228 | 7,402 | 1,480 | 148 | 1,743 | 4,030 |
| 2023 - 24 | 755,032 | - | 755,032 | 7,550 | 1,510 | 151 | 1,798 | 4,091 |
| 2024 - 25 | 770,133 | - | 770,133 | 7,701 | 1,540 | 154 | 1,854 | 4,154 |
| 2025 - 26 | 785,535 | - | 785,535 | 7,855 | 1,571 | 157 | 1,910 | 4,217 |
| 2026 - 27 | 801,246 | - | 801,246 | 8,012 | 1,602 | 160 | 1,968 | 4,282 |
| 2027 - 28 | 817,271 | - | 817,271 | 8,173 | 1,635 | 163 | 2,027 | 4,348 |
| 2028 - 29 | 833,616 | - | 833,616 | 8,336 | 1,667 | 167 | 2,087 | 4,415 |
| 2029 - 30 | 850,289 | - | 850,289 | 8,503 | 1,701 | 170 | 2,149 | 4,484 |
| 2030 - 31 | 867,295 | - | 867,295 | 8,673 | 1,735 | 173 | 2,211 | 4,554 |
| 2031 - 32 | 884,640 | - | 884,640 | 8,846 | 1,769 | 177 | 2,294 | 4,606 |
| 2032 - 33 | 902,333 | - | 902,333 | 9,023 | 1,805 | 180 | 2,379 | 4,659 |
| 2033 - 34 | 920,380 | - | 920,380 | 9,204 | 1,841 | 184 | 2,466 | 4,713 |
| 2034 - 35 | 938,788 | - | 938,788 | 9,388 | 1,878 | 188 | 2,554 | 4,768 |
| 2035 - 36 | 957,563 | - | 957,563 | 9,576 | 1,915 | 192 | 2,644 | 4,825 |
| 2036 - 37 | 976,715 | - | 976,715 | 9,767 | 1,953 | 195 | 2,736 | 4,882 |
| 2037 - 38 | 996,249 | - | 996,249 | 9,962 | 1,992 | 199 | 2,830 | 4,941 |
| 2038 - 39 | 1,016,174 | - | 1,016,174 | 10,162 | 2,032 | 203 | 2,926 | 5,000 |
| 2039 - 40 | 1,036,497 | - | 1,036,497 | 10,365 | 2,073 | 207 | 3,023 | 5,061 |
| 2040 - 41 | 1,057,227 | - | 1,057,227 | 10,572 | 2,114 | 211 | 3,123 | 5,124 |
| 2041 - 42 | 1,078,372 | - | 1,078,372 | 10,784 | 2,157 | 216 | 3,224 | 5,187 |
| 2042 - 43 | 1,099,939 | - | 1,099,939 | 10,999 | 2,200 | 220 | 3,328 | 5,252 |
| 2043 - 44 | 1,121,938 | - | 1,121,938 | 11,219 | 2,244 | 224 | 3,433 | 5,318 |
| 2044 - 45 | 1,144,377 | - | 1,144,377 | 11,444 | 2,289 | 229 | 3,541 | 5,385 |
| 2045 - 46 | 1,167,264 | - | 1,167,264 | 11,673 | 2,335 | 233 | 3,651 | 5,454 |
| 2046 - 47 | 1,190,610 | - | 1,190,610 | 11,906 | 2,381 | 238 | 3,763 | 5,524 |

NPV to Current Year @ 6%

\$55,426

Total

\$70,273

RESOLUTION NO.

1
2
3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH APPROVING THE PROPOSED
5 DISPOSITION AND DEVELOPMENT AGREEMENT
6 BETWEEN THE REDEVELOPMENT AGENCY OF THE
7 CITY OF LONG BEACH, CALIFORNIA, AND THE
8 WILLMORE CITY HERITAGE ASSOCIATION; FINDING
9 THAT THE CONSIDERATION FOR THE SALE OF
10 CERTAIN REAL PROPERTY IN THE CENTRAL
11 REDEVELOPMENT PROJECT IS NOT LESS THAN FAIR
12 MARKET VALUE IN ACCORDANCE WITH COVENANTS
13 AND CONDITIONS GOVERNING SUCH SALE; AND
14 APPROVING THE SALE OF THE PROPERTY AND THE
15 DISPOSITION AND DEVELOPMENT AGREEMENT
16

17 WHEREAS, the Redevelopment Agency of the City of Long Beach,
18 California (the "Agency"), is engaged in activities necessary to execute and implement
19 the Redevelopment Plan for the Central Redevelopment Project (the "Project"); and

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

25 WHEREAS, the Willmore City Heritage Association (the "Developer") has
26 submitted to the Agency a written offer in the form of a Disposition and Development
27 Agreement to purchase the Property for not less than fair market value for uses in
28 accordance with the Redevelopment Plan and the covenants and conditions of the

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City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
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1 Disposition and Development Agreement; and

2 WHEREAS, the proposed Disposition and Development Agreement
3 contains all the provisions, terms and conditions and obligations required by Federal,
4 State and local law; and

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

8 WHEREAS, the Agency has prepared a summary setting forth the cost of
9 the Disposition and Development Agreement to the Agency, the estimated value of the
10 interest to be conveyed, determined at the highest uses permitted under the Redevel-
11 opment Plan and the purchase price and has made the summary available for public
12 inspection in accordance with the California Redevelopment Law; and

13 WHEREAS, the Agency has determined that the development of the
14 Property is categorically exempt under the California Environmental Quality Act; and

15 WHEREAS, pursuant to the provisions of the California Community
16 Redevelopment Law, the City Council of the City of Long Beach held a public hearing
17 on the proposed sale of the Property and the proposed Disposition and Development
18 Agreement after publication of notice as required by law; and

19 WHEREAS, the City Council has duly considered all terms and conditions
20 of the proposed sale and believes that the redevelopment of the Property pursuant to
21 the proposed Disposition and Development Agreement is in the best interests of the
22 City and the health, safety, morals and welfare of its residents and in accord with the
23 public purposes and provisions of applicable Federal, State and local law;

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

26 Section 1. The City Council finds and determines that the consideration
27 for sale of the Property pursuant to the Disposition and Development Agreement is not
28 less than fair market value in accordance with covenants and conditions governing the

