

Exhibit I



CITY OF LONG BEACH

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

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October 1, 2013

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

RECOMMENDATION:

Approve the Long Range Property Management Plan and authorize submittal to the Oversight Board and authorize its submittal to the State of California Department of Finance for approval, subject to approval of the Oversight Board. (Citywide)

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 a Successor Agency shall submit, subject to approval of its Oversight Board, a Long Range Property Management Plan to the State of California Department of Finance. The Successor Agency received its Finding of Completion on April 23, 2013, and is now eligible to submit a Long Range Property Management Plan to the Oversight Board. Should the Oversight Board request changes to the Long Range Property Management Plan (attached), staff will incorporate those into the document before transmittal to the State of California Department of Finance.

The purpose of the Long Range Property Management Plan is to address the disposition and use of real property of the former Long Beach Redevelopment Agency (RDA). Pursuant to AB 1484, the Long Range Property Management Plan must include an inventory of the real property of the former Redevelopment Agency and all related information described in the statute. The State Department of Finance has dictated the format in which the information is to be provided.

AB 1484 provides that the Long Range Property Management Plan classify real property into four categories, as follows: (1) governmental use properties; (2) properties to be retained for future development (projects identified in an approved redevelopment plan); (3) properties to be sold; and (4) properties which are to be retained to fulfill an enforceable obligation. The largest proportion of the properties in the Long Range Property Management Plan have been classified for future development of projects identified in an approved redevelopment plan.

Once the Long Range Property Management Plan has been approved by the State Department of Finance, the listed properties may be retained or sold as provided in the Plan. Methods of disposition will include competitive solicitation (i.e., request for proposals), offerings for sale with conditions or covenants, and offerings for sale at market

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value. Disposition procedures differ for each of the four categories of real property identified in AB 1484. Staff and the City Attorney interpret AB 1484 disposition provisions as described below; however, due to the ambiguity of the language contained in AB 1484, the State Department of Finance may interpret these provisions differently.

- (1) Government Use Properties – These properties will be transferred to the City at no cost for governmental use.
- (2) Properties to be Retained for Future Development – These properties will be retained for development and transferred to the City for disposition. Sale proceeds will be retained by the City.
- (3) Properties to be Sold – These properties will be sold. Proceeds from their sale will be distributed as property tax to taxing entities. The City will receive approximately 22 percent of that amount.
- (4) Properties to be Retained to Fulfill an Enforceable Obligation – These properties will be retained or transferred as provided in the respective agreements which created the enforceable obligation. The agreements pre-date dissolution of the Long Beach Redevelopment Agency and govern disposition of these properties.

This matter was reviewed by Deputy City Attorney Richard Anthony on September 4, 2013, and by Budget Management Officer Victoria Bell on September 6, 2013.

TIMING CONSIDERATIONS

Successor Agency action is requested on October 1, 2013 in order that the Long Range Property Management Plan may be considered by the Oversight Board in October, and subsequently submitted to the State of California Department of Finance for approval.

FISCAL IMPACT


Because the Long Range Property Management Plan must be reviewed and approved by the Oversight Board and by the State of California Department of Finance, it is subject to modification, and it is not possible to predict the amount of future revenue or expense that will flow to the City from the disposition of real property of the former Redevelopment Agency. In the event that properties are transferred to the City for either governmental use or future development, the Successor Agency will not receive funding via future ROPS to pay for the maintenance of those properties. Proceeds from the sale of the initial properties could be used to establish a property maintenance reserve to pay for the ongoing maintenance of the remaining City properties.

SUGGESTED ACTION:

Approve recommendation.

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OF THE CITY OF LONG BEACH
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Respectfully submitted,



PATRICK H. WEST
CITY MANAGER

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Attachments: Long Range Property Management Plan
Maps