



# OVERSIGHT BOARD

OF THE CITY OF LONG BEACH AS THE 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

December 10, 2012

## OVERSIGHT BOARD MEMBERS

### RECOMMENDATION:

Adopt a resolution approving the decision of the Successor Agency to the Redevelopment Agency of the City of Long Beach for the disposition of property located at 101 East Pacific Coast Highway and 1814 Pine Avenue to Pine PCH, LLC (Buyer).

### DISCUSSION

The Successor Agency to the Redevelopment Agency of the City of Long Beach currently owns two contiguous parcels (Subject Property) located at 101 East Pacific Coast Highway and 1814 Pine Avenue (Exhibit A – Site Map). The Subject Property totals approximately 17,188 square feet of land area and contains no buildings or other site improvements.

The Buyer has expressed an interest in acquiring the Subject Property for development of a commercial building and appurtenant parking to provide neighborhood serving retail businesses. The Buyer and the former Redevelopment Agency previously entered into an Exclusive Negotiation Agreement for the development contemplated in this transaction but were unable to conclude negotiations prior to the dissolution of the Redevelopment Agency. The Buyer proposes to acquire the Subject Property for the purchase price of \$393,500, which is fair market value, as determined by an independent appraisal. As a condition of the sale, a restrictive covenant would be recorded requiring the Buyer to use the Subject Property for certain specified commercial retail uses and to maintain it at all times. Further, the proposed sale of the Subject Property will restore an underutilized property to productive use, place it back on the tax rolls and spur economic development through new temporary and permanent jobs, all of which are a benefit to the City and other taxing agencies. The PSA is subject to approval from the Oversight Board and the State Department of Finance before it is effective.

The major terms and conditions of the proposed sale are as follows:

- Property: The property is located at 101 East Pacific Coast Highway and 1814 Pine Avenue and consists of a land area measuring approximately 17,188 square feet.
- Seller: City of Long Beach, as Successor Agency to the Redevelopment Agency of the City of Long Beach.

OVERSIGHT BOARD MEMBERS

December 10, 2012

Page 2 of 2

- Buyer: Pine PCH, LLC, a California limited liability company.
- Purchase Price: \$393,500. The sale proceeds of \$393,500, less any closing and escrow fees, will be held in the Successor Agency Fund until the Long Range Disposition Plan is approved and allocation of these funds can be determined.
- Deposit: In connection with the opening of escrow, Buyer will provide a conditionally refundable deposit of \$25,000.
- Use: The Buyer is acquiring the property to develop a commercial building and appurtenant parking to provide neighborhood serving retail businesses.
- Due Diligence: Buyer shall have sixty (60) days from the date of the executed PSA to review title, conduct surveys, studies and inspections and review other applicable due diligence materials relating to the property.
- Escrow Closing: Buyer shall close escrow no later than 365 days from the date of opening.

This matter was approved by the Successor Agency on December 4, 2012, including declaring the property surplus. Further, a Categorical Exemption (CE-34-12) was completed related to the proposed transaction. The Long Beach City Council approved the transaction at a public hearing on December 4, 2012, after taking public testimony and considering a Summary Report of the transaction in accordance with Section 33433 of the California Health & Safety Code. They further authorized the City Manager to execute any and all documents related to this transaction.

Respectfully submitted,



PATRICK H. WEST  
CITY MANAGER

PHW:AJB:RMZ:MFT

R:\Successor Agency\OVERSIGHT BOARD\STAFF REPORTS Oversight Board\2012\December 10 - Special Meeting\OB.PinePCHv5.doc

Attachment: Exhibit A – Site Map  
Resolution

Exhibit A

# ATTACHMENT

## SUBJECT PROPERTY

Northeast Corner of Pacific Coast Highway and Pine Avenue  
101 East Pacific Coast Highway/1814 Pine Avenue



1 RESOLUTION NO. \_\_\_\_\_

2  
3 A RESOLUTION OF THE OVERSIGHT BOARD OF  
4 THE CITY OF LONG BEACH AS THE SUCCESSOR  
5 AGENCY TO THE REDEVELOPMENT AGENCY OF THE  
6 CITY OF LONG BEACH APPROVING THE DISPOSITION  
7 OF PROPERTY LOCATED AT 101 EAST PACIFIC COAST  
8 HIGHWAY AND 1814 PINE AVENUE TO PINE PCH, LLC  
9

10 WHEREAS, the Successor Agency to the Redevelopment Agency of the  
11 City of Long Beach ("Successor Agency") owns two contiguous parcels located at 101  
12 East Pacific Coast Highway and 1814 Pine Avenue ("Property"); and

13 WHEREAS, Pine PCH, LLC ("Buyer") has expressed an interest in  
14 acquiring the Property for development of a commercial building and appurtenant parking  
15 to provide neighborhood serving retail businesses; and

16 WHEREAS, the Buyer proposes to acquire the Property for the purchase  
17 price of three hundred ninety-three thousand five hundred dollars (\$393,500), which is  
18 fair market value; and

19 WHEREAS, this matter was approved by the Successor Agency to the  
20 Redevelopment Agency of the City of Long Beach on December 4, 2012;

21 NOW, THEREFORE, the Oversight Board of the City of Long Beach as the  
22 Successor Agency to the Redevelopment Agency of the City of Long Beach ("Oversight  
23 Board") resolves as follows:

24 Section 1. Approve the decision of the Successor Agency to the  
25 Redevelopment Agency of the City of Long Beach for the disposition of property located  
26 at 101 East Pacific Coast Highway and 1814 Pine Avenue to Pine PCH, LLC.

27 Section 2. This resolution shall take effect immediately upon its adoption  
28 by the Oversight Board, and the City Clerk shall certify the vote adopting this resolution.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

PASSED, APPROVED, and ADOPTED at a meeting of the Oversight Board of the City of Long Beach as the Successor Agency to the Redevelopment Agency of the City of Long Beach held this 10<sup>th</sup> day of December, 2012 by the following vote:

Ayes: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Noes: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Absent: \_\_\_\_\_

\_\_\_\_\_  
Chairperson, Oversight Board

APPROVED:

\_\_\_\_\_  
Secretary, Oversight Board

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664