

Proposed Property Disposition

925-945 East Pacific Coast Highway

Long Beach City Council
August 13, 2019



Subject Property

- Located at 925-945 East Pacific Coast Highway.
- Northwest corner of Martin Luther King Jr. Avenue and Pacific Coast Highway.
- City property measures approximately 15,795 square feet.



Background

- Former Redevelopment Agency Property categorized with a permissible use of “Future Development” in the City’s Long Range Property Management Plan.
- Offered through a Request for Proposals (RFP) process for development consistent with the vision and intent of the Central Long Beach Redevelopment Project Area and its guiding documents.
- On March 6, 2016, the City Council authorized a Purchase and Sale Agreement, with Wood Investments, Inc.
- Sale was not finalized and escrow did not close, resulting in the Subject Property to be advertised through a new RFP.
- Four proposals were received on December 20, 2018.
- A selection committee, comprised of City staff and outside real estate consultants, reviewed the proposals and interviewed each respondent.



Request for Proposal

- Selection committee unanimously selected the proposal submitted by Mercy Housing California of Los Angeles, CA (Mercy Housing).
- The proposed development concept includes:
 - Acquisition of adjoining property to create larger impact development.
 - 68 senior affordable apartments.
 - A portion will be reserved for seniors who have experienced homelessness.
 - Amenities: Community room, courtyard/recreation area, Community Resource Center.
 - Will create an estimated 140 temporary and five permanent jobs.



Proposed Sale Terms

- Purchase Price: \$750,000
- Initial Deposit: \$20,000
- Due Diligence Period: 90 days (3 months) from opening of escrow.
- Entitlement & Finance Period: 21 months from opening of escrow.
- Close of Escrow/Start Date: 30 days after completion of Entitlements but no later than 27 months from opening of escrow.



Recommendations

Staff recommends approval of the sale of 925-945 East Pacific Coast Highway.

Recommendations:

- Adopt Specifications No. RFP EP19-028 for the purchase and development opportunity at 925-945 East Pacific Coast Highway, Assessor Parcel Numbers 7210-013-900 and -901 (Subject Property);
- Declare the City-owned Subject Property as surplus;
- Authorize the City Manager, or designee, to execute any and all documents necessary including a Purchase and Sale Agreement (PSA) with Mercy Housing California, Inc., a California nonprofit public benefit corporation, or affiliate (Buyer/Developer), for the sale of the Subject Property in the amount of \$750,000; and,
- Accept Categorical Exemption CE 19-168. (District 6)

