



Legislation Text

File #: 17-018OB, **Version:** 1

Recommendation to adopt resolution approving the decision of the City of Long Beach, as the Successor Agency to the Redevelopment Agency of the City of Long Beach, to declare the property located at 1112-1130 Locust Avenue, Assessor Parcel Numbers 7273-007-900, -901 and -902 (Subject Property), as surplus; authorize City Manager, or designee, to execute any and all documents, including an Addendum to the Standard Offer, Agreement and Escrow Instructions, for Purchase of Real Estate with Jack Ravan and Bahram Javaheri and/or assignee(s), for the reduction in sale price of the Subject Property for a total amount of \$1,625,000.

On January 24, 2017, the City of Long Beach, as Successor Agency to the Redevelopment Agency of the City of Long Beach (Successor Agency), authorized the sale of property located at 1112-1130 Locust Avenue (Subject Property) (Exhibit A). The Subject Property totals approximately 22,200 square feet and is currently improved as a parking lot serving the adjacent area. Subsequent to Successor Agency approval, the Oversight Board approved the sale on January 25, 2017. The total sales price approved was \$1,775,000.

During the escrow process, and while the buyer was pursuing entitlements, it was determined that an alley dedication would be required for any project developed. Additionally, the Subject Property was subject to a fence easement in favor of the adjacent property, as well as a utility easement resulting in additional footage being unavailable for development. Due to these reductions and the corresponding costs of the reduced footprint, the Buyer requested a reduction in the sale price of \$150,000 for a revised total sales price of \$1,625,000. The price per developable square-foot remains at fair market value, as determined by an independent appraisal or broker opinion of value. The revised sale of the Subject Property remains consistent with the Revised Plan.

This matter was approved by the Successor Agency to the Redevelopment Agency of the City of Long Beach on October 24, 2017.

Approve recommendation.

AMY J. BODEK, AICP
DIRECTOR OF DEVELOPMENT SERVICES

PATRICK H. WEST
CITY MANAGER

