



Legislation Text

File #: 15-043SA, **Version:** 1

Recommendation to declare the property located at 140 West 7th Street and 650-656 Pacific Avenue, Assessor Parcel Numbers 7273-024-901 and -902 (Subject Property) as surplus; authorize City Manager, or designee, to execute any and all documents, including the Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate with Urban Pacific Multi-Housing, LLC and/or assignee(s) (Buyer), for the sale of the Subject Property in the amount of \$1,200,000; and accept Categorical Exemption CE 15-129. (District 1)

The City of Long Beach, as Successor Agency to the Redevelopment Agency of the City of Long Beach (Successor Agency) currently owns the property located at 140 W. 7th Street & 650-656 Pacific Avenue (Subject Property) (Exhibit A). The Subject Property is approximately 11,250 square feet and is currently improved as a public parking lot serving the adjacent area. The Subject Property is included in the Successor Agency's Long Range Property Management Plan (LRPMP), which was approved by the State of California Department of Finance (DOF) on March 10, 2015. The Subject Property has been categorized with a permissible use of "Sale of Property" allowing for the Subject Property to be sold and proceeds distributed as property tax to the local taxing agencies.

Subsequent to the LRPMP's approval, the Subject Property was marketed by Coldwell Banker Commercial WestMac, who worked with the Buyer to present the Successor Agency with an offer to purchase the property for \$1,200,000, which is above fair market value as determined by an independent appraisal or broker opinion of value, as appropriate. The sale of the Subject Property is consistent with the LRPMP and dissolution law.

In compliance with Government Code Section 54220 (Chapter 621, Statutes of 1968), on June 1, 2015, staff notified the State of California (State) that the Successor Agency was declaring all Future Development and Sale of Property parcels as surplus. Further, in accordance with past practice, a memorandum was circulated to all City Departments to determine their interest in, or objection to, declaring any parcel surplus. To date, neither the State nor any City Department has expressed an interest in, or objection to, the sale of the Subject Property. A Categorical Exemption, CE 15-129 (Exhibit B), was completed related to the proposed transaction on August 31, 2015.

This matter was reviewed by Deputy City Attorney Richard Anthony on September 2, 2015 and by Budget Management Officer Victoria Bell on September 3, 2015.

Successor Agency action is requested on September 22, 2015, so the sale of 140 W. 7th Street & 650-656 Pacific Avenue may be considered by the Oversight Board on September

23, 2015, and promptly submitted to the DOF for review.

Sale proceeds of \$1,200,000, less escrow and closing fees, commission, and recovery of administrative costs, will be remitted to the Los Angeles County Auditor-Controller for distribution to the affected taxing agencies. The net proceeds available for remittance is estimated to be \$1,032,000. The County will distribute the net proceeds to the affected taxing agencies based on their share of the \$1 tax rate. The City's share is approximately 21 percent, resulting in roughly \$216,700.

Approve recommendation.

AMY J. BODEK, AICP
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:

PATRICK H. WEST
CITY MANAGER