



Legislation Text

File #: 09-1144, **Version:** 1

Recommendation to receive supporting documentation in the record, conclude the public hearing, and adopt resolution making certain findings for a Disposition and Development Agreement with Hulean Tyler and Deborah Behar and the Long Beach Redevelopment Agency for development of residential property at 734 Maine Avenue.

(District 1)

The Long Beach Redevelopment Agency (Agency) staff has concluded the negotiation of a Disposition and Development Agreement (Agreement) with Hulean Tyler and Deborah Behar (Developer) for the sale and development of Agency-owned property located at 734 Maine Avenue (Property), Assessor Parcel Number 7271-023-901 (Exhibit A - Site Map).

The site is located in the Central Long Beach Redevelopment Project Area (Project Area).

The Agency acquired a historic home originally located at 721 West Third Street as part of land assemblage efforts for the West Gateway Project site. Pursuant to one of the goals of the Willmore District Implementation Plan, the Agency acquired a vacant replacement site in the Willmore City Historic District and relocated the historic structure to the new location.

The Agreement proposes renovation and restoration of the interior and exterior of the Property in a historically appropriate manner. The renovations will be consistent with the architectural style of the existing contributing properties in the surrounding neighborhood.

The Agreement includes the following major provisions:

- Under the terms of the Agreement, the Developer will pay the Agency \$18.36 per square foot, or \$35,000, as compensation for the approximately 1,690-square-foot residential structure.
- The Developer has provided evidence of financing for the development of the Property. The Developer must secure a Certificate of Completion within 12 months of the date of the Agreement.
- An Agreement Containing Covenants will be recorded at closing. This document will prohibit certain uses, describe maintenance responsibilities and levels of rehabilitation and maintenance, and require that any future improvements be subject to the Design Guidelines for historic district and the Project Area.

The City's Environmental Planning Officer has determined that the project contemplated by the Agreement qualifies for a Categorical Exemption under the California Environmental Quality Act (Exhibit B - Categorical Exemption).

Since the property was purchased by the Agency with tax increment monies, California law requires that this sale must also be approved by the City Council by resolution after a public hearing.

Pursuant to California Redevelopment Law, the Agency has made available for public inspection and reproduction a Summary Report (Exhibit C - Section 33433 Summary Report) that contains the following:

- The estimated value of the interest to be conveyed, determined at the highest and best use permitted under the Redevelopment Plan.
- The estimated value of the interest to be conveyed and with the conditions, covenants and development costs required by the Agreement.
- The purchase price.
- The cost of the Agreement to the Agency.
- The net cost/benefit to the Agency.
- An explanation of why the sale of the site will assist in the elimination of blight.
- An explanation of why the sale of the site is consistent with the Agency's AB 1290 Implementation Plan.

This letter was reviewed by Chief Assistant City Attorney Heather A. Mahood on October 12, 2009 and by Budget and Performance Management Bureau Manager David Wodynski on October 13, 2009.

City Council action is requested on November 3, 2009, as the Agency and Developer wish to proceed with an escrow closing on or before November 16, 2009.

The proceeds of \$35,000 from the proposed sale will be deposited into the Redevelopment Agency Fund (RD) in the Department of Development Services (DV). The Developer will purchase the property with private funds. There is no impact to the General Fund (GP).

Approve recommendation.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING THE PROPOSED DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA, AND HULEAN TYLER AND DEBORAH BEHAR; FINDING THAT THE CONSIDERATION FOR THE SALE OF CERTAIN REAL PROPERTY IN THE CENTRAL LONG BEACH REDEVELOPMENT PROJECT AREA IS NOT LESS THAN FAIR MARKET VALUE IN ACCORDANCE WITH COVENANTS AND CONDITIONS GOVERNING SUCH SALE; AND APPROVING THE SALE OF THE PROPERTY AND THE DISPOSITION AND DEVELOPMENT AGREEMENT

CRAIG BECK
DIRECTOR OF DEVELOPMENT SERVICES

NAME
TITLE

APPROVED:

PATRICK H. WEST
CITY MANAGER