



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

November 16, 2004

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Resolution Making Certain Findings Regarding the Acquisition of Certain Tax-Defaulted Properties for the Construction of Certain Public Improvements With Long Beach Redevelopment Project Area Funds (District 1)

DISCUSSION

The Los Angeles County Treasurer and Tax Collector periodically publishes a list of properties to be sold for nonpayment of property taxes. The Redevelopment Agency (Agency), as a public agency, has an opportunity to acquire certain tax defaulted properties for public use before they are offered for public sale.

On March 8, 2004, the Agency unanimously approved the acquisition of three sites in the Central Long Beach Redevelopment Project Area (Exhibit A – Property List) and authorized the execution of an Agreement to Purchase Tax-Defaulted Property with the County of Los Angeles for an amount of approximately \$476,500. The expenditure of tax increment funds for this purchase requires adoption of a resolution by the City Council.

Site 1

Site one, identified as APN 7278-022-043, is located at 613 W. 3rd Street, between Daisy Avenue and Nylc Court (Exhibit B – Map, Exhibit C – Photo). It is located on West Gateway Site 2 – Infill Property and can be used for future development. It is approximately 7,500 square feet and is currently vacant. It is available at a cost of approximately \$65,114 or \$8.68 per square foot.

Site 2

Site two, identified as APNs 7280-013-021, -022 and -023 and located at 447-449 West 3rd Street, consists of three adjoining parcels located on the north side of 3rd Street east of Magnolia Avenue (Exhibit D – Map, Exhibit E – Photo). It is located on West Gateway Site 7 – Infill Property and can be used for future development. It is approximately 15,000 square feet and is currently vacant. It is available at a cost of approximately \$238,994 or \$15.90 per square foot.

Site 3

Site three, identified as APN 7271-023-025, is located at 734 Maine Street, between 7th and 8th Streets (Exhibit F – Map, Exhibit G – Photo). It is approximately 7,560 square feet and is currently vacant. It is available at a cost of approximately \$172,416 or \$22.81 per square foot. Surrounded by high-density housing, this property, if acquired, would be used for open space or a public facility.

The Redevelopment Agency intends to use tax increment funds to acquire the property through a tax-defaulted sales process (Chapter 8) available through the County of Los Angeles, since property taxes on the sites are delinquent. Redevelopment law requires both the Agency and the City Council to adopt resolutions (see attached) for the use of tax increment for this purpose, which determine:

- that the acquisition of properties for the construction of public improvements are of benefit to the Project and the immediate neighborhood in which the Project is located (in this case, construction of public improvements refers to the acquisition of the property);
- that no other reasonable means of financing the improvements are available to the community; and
- that the payment of funds for the construction of the public improvements will assist in the elimination of one or more blighting conditions within the Project.

This letter was reviewed by Assistant City Attorney Heather Mahood on October 25, 2004 and Budget Management Officer David Wodynski on November 3, 2004.

TIMING CONSIDERATIONS

City Council action on this matter is requested on November 16, 2004 to complete acquisition of the sites from the County of Los Angeles.

FISCAL IMPACT

Sufficient funds to support this activity are budgeted in the Redevelopment Fund (RD) in the Department of Community Development (CD).

HONORABLE MAYOR AND CITY COUNCIL
November 16, 2004
Page 3

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Adopt the attached Resolution making certain findings regarding the construction of certain public improvements using Long Beach Redevelopment Project Area funds.

Respectfully submitted,



~~MSF~~ MELANIE S. FALLON
DIRECTOR OF COMMUNITY DEVELOPMENT

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APPROVED:



GERALD R. MILLER
CITY MANAGER

Attachments: Exhibit A – Property List
Exhibit B – Site 1 Map
Exhibit C – Site 1 Photo
Exhibit D – Site 2 Map
Exhibit E – Site 2 Photo
Exhibit F – Site 3 Map
Exhibit G – Site 3 Photo
Resolution