



Building A Better Long Beach

Item 4

April 7, 2008

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Approve and authorize the Executive Director to execute a Purchase and Sale Agreement and all other related documents to complete the acquisition of property at 2300 Martin Luther King Jr. Avenue, for the purchase price of \$4,200,000 plus closing costs and subsequent sale to the City of Long Beach. (Central – District 6)

DISCUSSION

In July 2007, the Redevelopment Agency (Agency) and the City of Long Beach (City) entered into a loan agreement whereby the City loaned the Agency the proceeds from the 2006 Open Space Revenue Bonds (Open Space Loan Agreement). The proceeds are to be expended for the expansion and development of parks and open space in underserved communities. As part of the bond issue, several potential park projects were identified including the Pacific Electric Right-of-Way Bike Trail Project (Project) (Exhibit A). To allow for the development of the Project, the acquisition of property at 2300 Martin Luther King Jr. Avenue is required (Property) (Exhibit B).

Acquisition of the Property would contribute approximately 2.76 acres of open space in the underserved Central Long Beach Redevelopment Project Area. Of the 2.76 acres, 1.83 acres is comprised of the former Pacific Electric Right-of-Way (PE ROW) extending from Martin Luther King Jr. Avenue to Lemon Avenue. The PE ROW will be included in the development of a bicycle trail extending from the Blue Line Transportation Terminal at Willow Street and Long Beach Boulevard to the Long Beach City College Pacific Coast Campus and Chittick Field (Exhibit B). The uses on the remaining .93 acres have not been identified; however, it is anticipated to include passive uses such as walking, picnicking, cycling, etc. Additionally, the remaining property has been identified as a replacement park for the southern site expansion at the Aquarium of the Pacific.

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The property owner has agreed to sell the Property for \$4,200,000, which is three percent below the fair market value as determined by an independent appraisal. An additional amount of \$30,000 will be expended for escrow and closing fees for a total acquisition cost of \$4,230,000.

To expedite the acquisition of the Property, staff is recommending that the Agency act on the City's behalf, as the City's agent, to purchase the Property. The City has secured grant funding to acquire this Property, which provides for the reimbursement of \$3,355,000 of the purchase price. The City will purchase the Property from the Agency for the amount of the grant funding. The net fiscal impact to the 2006 Open Space Bond Fund budget is \$875,000.

Once the City has purchased the Property from the Agency, it is appropriate to transfer the fee title of the Property to the City. Once the transfer is complete, the City will take the appropriate steps to develop and dedicate the Property as permanent parkland.

SUGGESTED ACTION:

Adopt recommendation.

Respectfully submitted,



CRAIG BECK
EXECUTIVE DIRECTOR

CB:DSW:MFT:mft

Attachments: Exhibit A – Project Map
Exhibit B – Site Map

Exhibit "A" – Project Map

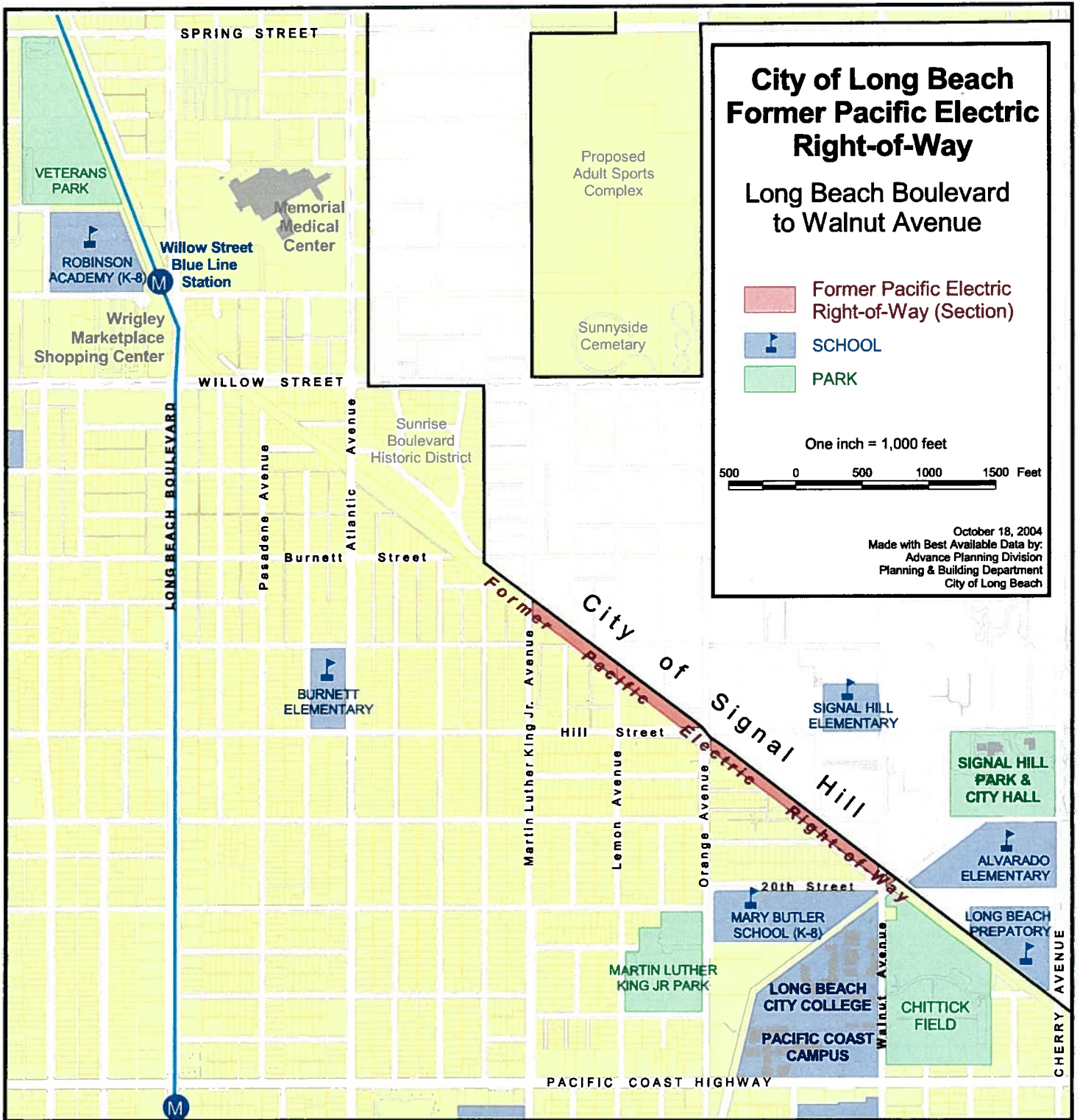
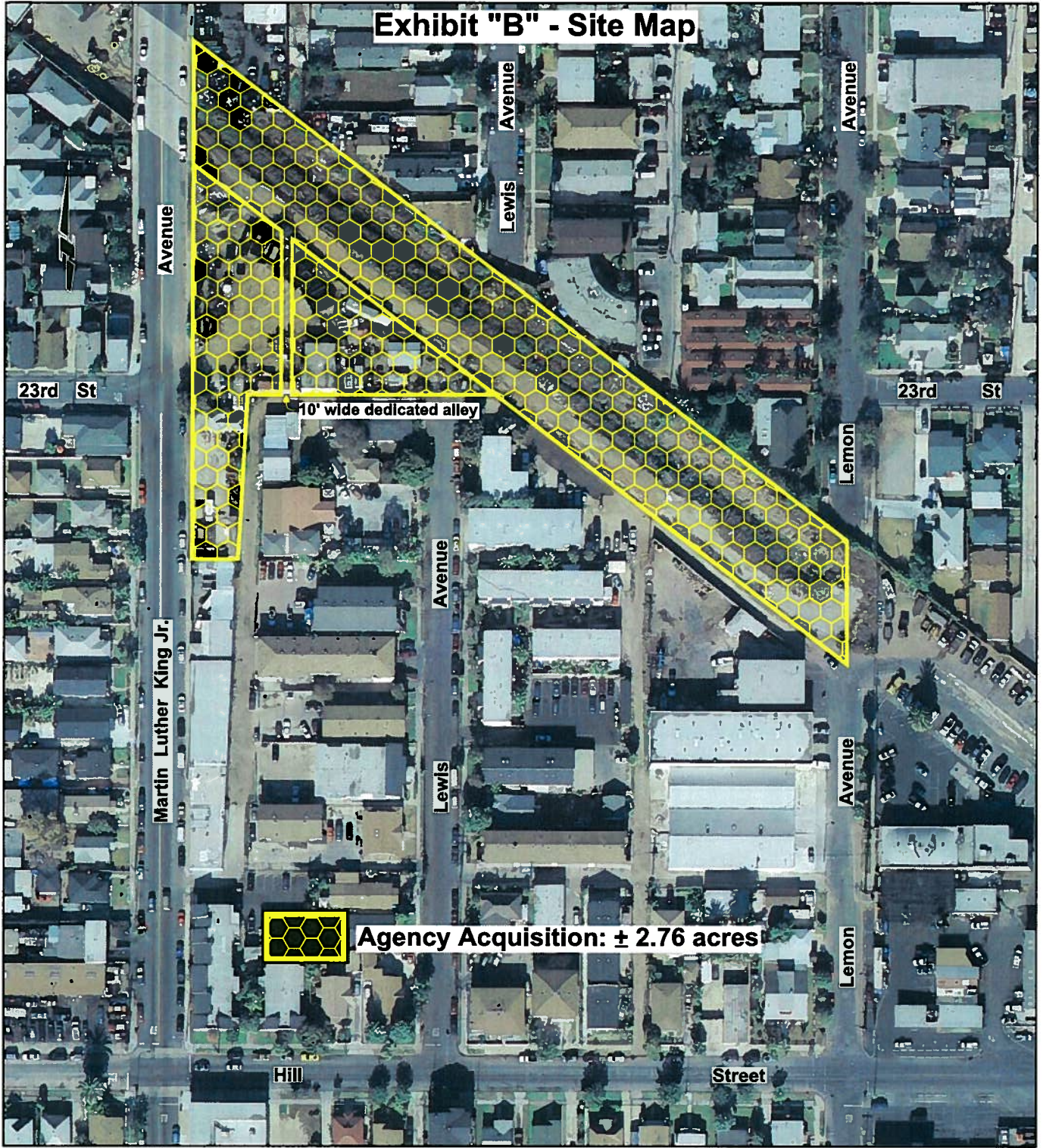


Exhibit "B" - Site Map



s.amth/public works/engineering - 4/1/08

**CITY OF LONG BEACH - CALIFORNIA
DEPARTMENT OF PUBLIC WORKS, ENGINEERING BUREAU**

Vicinity Map for
2300 Martin Luther King Jr. Avenue

apn's: 7211-016-(014,017,019) and 7211-017-037