



LONG BEACH REDEVELOPMENT AGENCY

333 WEST OCEAN BOULEVARD, THIRD FLOOR • LONG BEACH, CA 90802 • (562) 570-6615 • FAX (562) 570-6215

March 5, 2007

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Recommendation to approve and authorize the Executive Director to execute an Agreement and all other related documents to complete a conversion of property at 110 West Sixth Street from rental to ownership; and, to approve a profit participation payment by the Owner, DCO Pine Avenue LP, to the Long Beach Redevelopment Agency in the amount of \$700,000. (Downtown – District 1)

DISCUSSION

DCO Pine Avenue LP (Owner) is the owner of a mixed-use development in Downtown Long Beach bounded by Pine Avenue, Sixth Street, Pacific Avenue and Cereza Court (Exhibit A – Site Map). The development has five commercial spaces located on Pine Avenue and 158 rental residential units with a common address of 110 West Sixth Street (Property).

The development was originally constructed by Urban Pacific Development Corporation pursuant to a Disposition and Development Agreement (DDA) with the Long Beach Redevelopment Agency (Agency) signed in January 1984. The DDA has expired and is no longer in effect; however, the Property is subject to a Memorandum of Agreement Affecting Real Property dated October 31, 1984, which provides for payment to the Agency of profit participation in the event the Property is converted to a condominium project and individual condominium units are sold. It is the Owner's intention to convert the Property into condominiums for ultimate sale to members of the general public.

A profit participation amount of \$700,000 is proposed to the Agency, when the City has approved a condominium tract map and the County Recorder has recorded the final tract map.

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The Owner intends to spend \$6.3 million for interior and exterior improvements. Interior renovations include new cabinets, countertops, flooring, air conditioning units, appliances, plumbing and electrical fixtures, doors and trim. Exterior improvements include a new roof, window replacement, concrete deck repair and waterproofing, stucco, landscaping, security cameras, light fixtures, furniture and signage. Improvements will also be made to the storefronts of the ground-level commercial units.

With Agency approval, exterior improvements are scheduled to begin in April 2007 and interior improvements in May 2007. The Owner anticipates unit sales starting in July 2007. Pricing on the units will range from \$445 to \$540 per square foot. Units will be offered to current tenants first with special buyer incentives. The Agency is also working with the Long Beach Housing Development Company for first-time homebuyer assistance.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



For PATRICK H. WEST
EXECUTIVE DIRECTOR

PHW:CAB:RSW

Attachment: Exhibit A - Site Map

APPROVED:



GERALD R. MILLER
CITY MANAGER

PINE AVENUE CONDOMINIUM RENTALS 110 W. 6th Street

County of Los Angeles: Rick Auerbach, Assessor

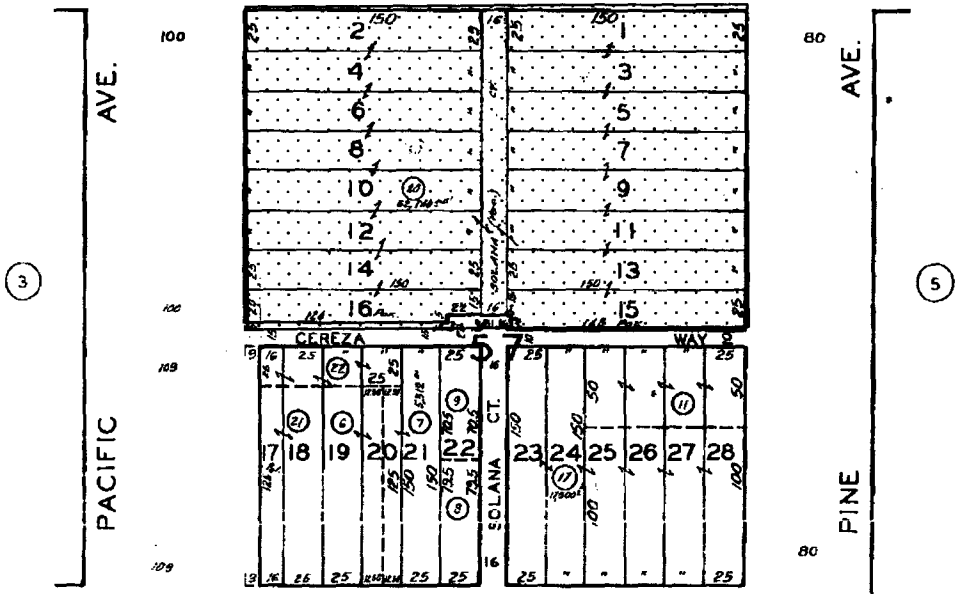
7280 4
SCALE 1" = 60'

BK.
7273

12-2-6d
RECORDED
2-20-85
7/23/87
7/23/87
7/23/87
8/12/1985-85
8/21/1985-85
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1991

6TH ST.
80 6TH Street 80



5TH ST.
80 5TH ST. 80

TOWNSHIP OF LONG BEACH
M.R. 19-91-96

CODE
5542

FOR PREV. ASSMT. SEE:
7277-3

ASSESSOR'S MAP
COUNTY OF LOS ANGELES, CALIF.

Exhibit A