



# CITY OF LONG BEACH R-12

DEPARTMENT OF PUBLIC WORKS

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May 8, 2012

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Declare a portion of City-owned property located at 495 The Promenade North as surplus; Authorize the City Manager to execute any and all documents, including the Purchase and Sale Agreement (PSA) with The Retail on Promenade, LLC, a California limited liability company, for the sale of a portion of City-owned property at 495 The Promenade North in an amount of \$345,000 and authorize the close of escrow; and, increase appropriations in the Capital Projects Fund (CP 201) in the Department of Public Works (PW) by \$345,000. (District 1)

## DISCUSSION

The City of Long Beach currently owns property within the City Place Shopping Center (City Place) located at the intersection of Fifth Street and The Promenade North, commonly referred to as 495 The Promenade (Subject Property)(attached). The Subject Property is currently utilized as a common area with appurtenant landscaping and public parking for visitors wishing to shop and dine at City Place. The current Owner of City Place, utilizing the affiliate The Retail on Promenade, LLC, has expressed an interest in purchasing the portion of the Subject Property, currently used as a common area, to develop a four-story mixed use commercial/residential development, consisting of ground floor retail and 21 residential units. The portion of the Subject Property containing public parking would remain under City control for continued use as public parking. The fair market value of the Subject Property is \$345,000, as determined by an independent appraisal dated March 26, 2012. Proceeds from the sale would be appropriated for ongoing repairs to the City-owned public parking structures within City Place.

The major terms and conditions of the proposed sale are as follows:

- Property: The Subject Property is located at 495 The Promenade North and consists of a land area measuring approximately 12,789 square feet currently improved with a common area and appurtenant landscaping.
- Seller: City of Long Beach, a municipal corporation.
- Buyer: The Retail on Promenade, LLC, a California limited liability company.
- Purchase Price: \$345,000, less escrow and closing fees.
- Use: Four-story mixed-use commercial/residential development consisting of ground floor retail and 21 residential units.

Based upon the above terms and conditions, it is recommended that City Council authorize the City Manager to execute the Purchase and Sale Agreement and any other documents necessary to effectuate the close of escrow and completion of this transaction.

Pursuant to Government Code 54222, the State of California Resources Agency (State) was contacted to determine its interest in purchasing the Subject Property. Further, in accordance with past practice, a memorandum was circulated to all City Departments to determine their interest in or objection to declaring this parcel surplus. To date, neither the State nor any City Department has expressed an interest or objection.

A Categorical Exemption, CE-127-11, was completed related to the proposed transaction on September 30, 2011.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on April 10, 2012 and by Budget Management Officer Victoria Bell on April 20, 2012.

#### TIMING CONSIDERATIONS

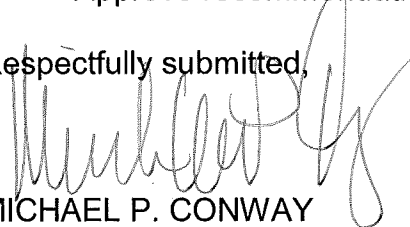
City Council action is requested on May 8, 2012 in order to execute the Purchase and Sale Agreement and related documents to complete the transaction.

#### FISCAL IMPACT

Proceeds from the sale will be deposited in the Capital Projects Fund (CP 201) and used to fund ongoing repairs to the public parking structures within the City Place Shopping Center. An appropriation increase of \$345,000 is requested in CP 201, in the Department of Public Works (PW). There is no impact to the General Fund and no known local job impact associated with the recommended action.

#### SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,  


MICHAEL P. CONWAY  
DIRECTOR OF PUBLIC WORKS

MPC:VSG:MFT:mft  
05.08.12 CityPlace v4  
Attachment: Site Map

APPROVED:

  
PATRICK H. WEST  
CITY MANAGER

ATTACHMENT

SUBJECT PROPERTY - 495 THE PROMENADE

