



LONG BEACH REDEVELOPMENT AGENCY

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

January 23, 2006

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Approve and authorize the Executive Director to enter into a Purchase and Sale Agreement and all other related documents for the acquisition of property at 539-543 Daisy Avenue for \$800,000 plus closing costs. (Central - District 6)

DISCUSSION

On June 13, 2005, the Redevelopment Agency Board approved the Willmore District Implementation Plan (Plan). The Plan is a supplement to the Central Long Beach Strategic Guide for Development and serves as a guide for the enhancement and preservation of the Willmore City Historic District (Willmore). One of the top three goals identified in the Plan is the adaptive reuse of vacant lots for the relocation of historic homes. To further this goal, Agency staff has pursued the acquisition of vacant parcels in Willmore in order to relocate vintage homes that are currently located in the West Gateway project sites.

The property proposed for acquisition and development is located at 539-543 Daisy Avenue (Property) (Exhibit A – Site Map and Photos). The Property is composed of two parcels. The north parcel at 543 Daisy is improved with a single-family residence totaling approximately 906 square feet of livable space and is tenant-occupied. The south parcel at 539 Daisy is 6,000 square feet and is vacant. The vacant site is an appropriate location for a historic home as it is located between two single-family homes, has alley access and is large enough to accommodate a house and a garage.

On June 30, 2005, Agency staff issued a letter notifying the property owner of the Agency's interest in participating in the development of their property. Staff met with the owner and discussed the opportunity to participate by either accepting a historic home or selling the property to the Agency. The owner indicated the preference to sell both properties at 539 and 543 Daisy.

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The Property is composed of two parcels that are tied together in title and may not be sold separately without the property owners request for a Certificate of Conformance or a Lot Line adjustment. Staff recommends acquiring both properties in order to develop the vacant parcel and to provide an affordable housing opportunity that would utilize the existing single family home.

The following summarizes the proposed transaction:

- Maria and Joseph McDonald, Trustees own the property;
- A formal appraisal was conducted by R.P. Laurain & Associates, Inc. on September 29, 2005, which concluded the fair market value to be \$795,000;
- The Agency's purchase price for the property will be \$800,000 or \$133 per square foot of land. This is within 1% of the property's appraised fair market value of \$795,000;
- The tenants are eligible to be relocated in accordance with state relocation law; and
- This is a voluntary sale, avoiding eminent domain.

Funds have been appropriated in the Central Long Beach Redevelopment Project Area FY 05-06 budget to support land acquisition.

The Central Project Area Committee approved a recommendation to support the acquisition of vacant properties in Willmore at its January 5, 2006, meeting.

SUGGESTED ACTION:

Adopt recommendation.

Respectfully submitted,



PATRICK H. WEST
EXECUTIVE DIRECTOR

PHW:BAK:JV

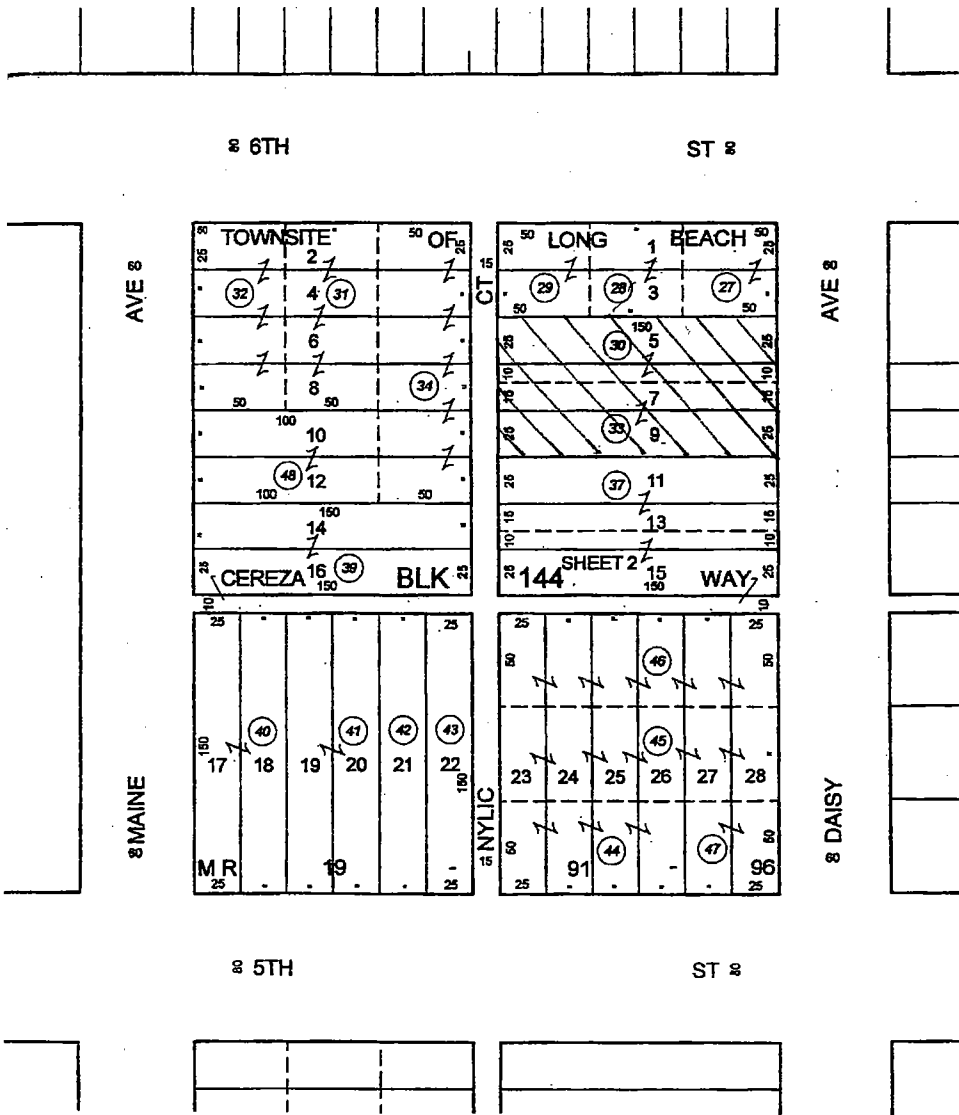
APPROVED:



GERALD R. MILLER
CITY MANAGER

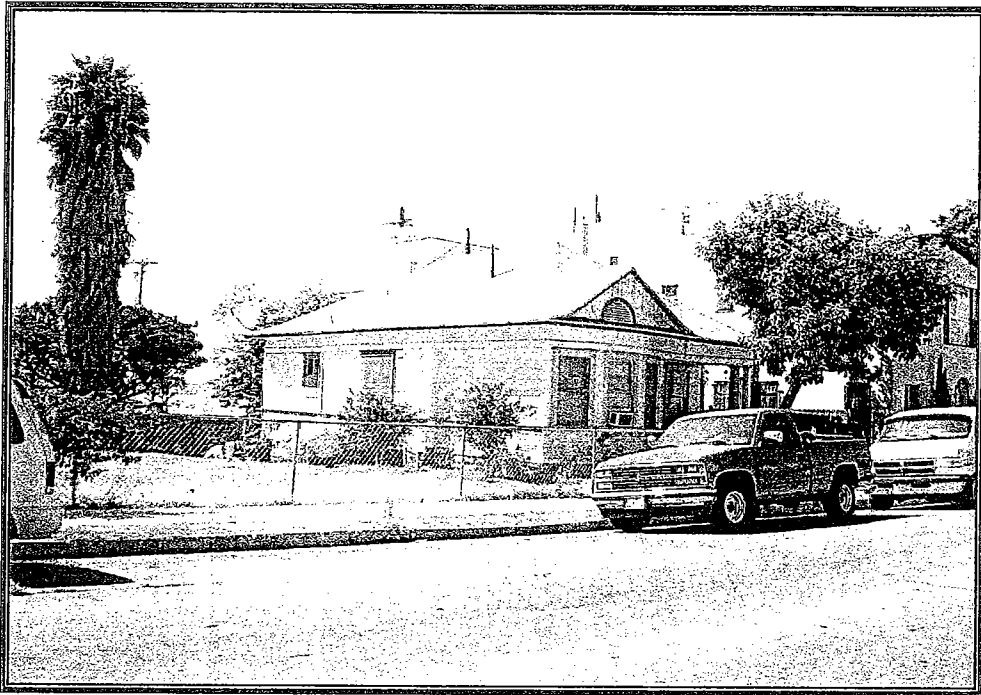
Attachment: Exhibit A – Site Map and Photo

Exhibit A



R. P. LAURAIN
& ASSOCIATES
APPRAISERS - ANALYSTS

SUBJECT PROPERTY



View looking northwesterly at the subject property from Daisy Avenue. See additional photographs in the latter portion of this section.

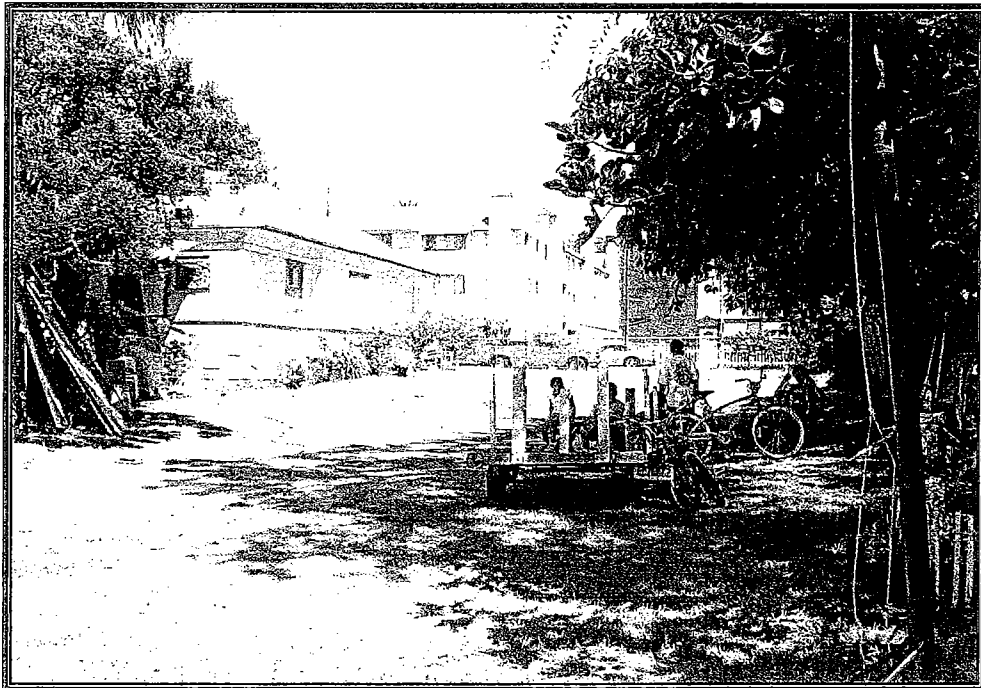


PHOTO NO. 4: View looking easterly across the south vacant land parcel, from the westerly portion thereof.