

R-29

August 2, 2022

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution declaring City-owned property located at 6845 Atlantic Avenue (APN 7116-019-907) (Subject Property) as "exempt surplus land" as defined in Government Code Section 54221(f)(1)(A); and authorize the City Manager, or designee, to take any actions and execute any documents necessary to ensure compliance with the Surplus Land Act and State regulations relating thereto. (District 9)

DISCUSSION

The City of Long Beach (City) is a fee owner of property located at 6845 Atlantic Avenue (Subject Property) (Attachment A). The Subject Property consists of approximately 97,282 square feet and is improved with a former liquor storefront, a warehouse and the Atlantic Bridge Community, which is operated by the City's Health and Human Services Department to house people experiencing homelessness. The City was approached by the adjacent property owner, who proposed combining the Subject Property with their adjacent property for the development of a large affordable housing/homeless services campus, including the continued operation of the ABC Shelter. As the proposal furthers the development of affordable housing units, staff recommends executing an Exclusive Negotiating Agreement (ENA) with the adjacent property owner to determine whether the proposal can be made viable and negotiate terms and conditions of an agreement. However, prior to entering into any agreement for the Subject Property, the City must first comply with the Surplus Land Act (SLA).

The SLA, as codified in Government Code Section 54220 et seq., requires all agencies to prioritize affordable housing as well as parks and open space, when disposing of surplus land. Surplus land is land owned by a local agency that is determined to be no longer necessary for the agency's use. Recent changes to the SLA, through Assembly Bill (AB) 2135, (i) revise procedures for disposition by sale or lease of surplus land by local agencies; (ii) extend the good faith negotiation period with potential affordable housing developers to 90 days; (iii) deepen affordability requirements where an affordable housing project is developed on the site; and, (iv) add a requirement that if negotiations with an affordable housing developer are unsuccessful, then any residential development on the surplus land over ten units must make at least 15 percent of the units affordable. Further, AB 2135 no longer allows exceptions and requires local agencies to adopt a resolution declaring property "surplus" or "exempt surplus" as supported by findings at a regular public meeting of the agency's governing body.

The proposal provided by the adjacent owner combines each owner's respective properties to develop a large affordably housing/homeless services campus. The disposition of the Subject

Property would further the goals of the City as well as the SLA, which defines “exempt surplus land” to include land transferred Pursuant to Government Code Section 37364. Subject to certain conditions including affordability and building area, Section 37364 authorizes the City to dispose of the Subject Property to provide affordable housing to persons and families of low or moderate income. The City considers the Subject Property to be exempt surplus land, as defined by Government Code Section 54221(f)(1)(A), and the City Council, as the legislative body of the City, make the following findings related to the Subject Property:

- A proposal for the Subject Property has been submitted by the adjacent property owner with significant affordable housing development experience, and it is anticipated that an Exclusive Negotiating Agreement will be executed between the City and the adjacent property owner. It is expected that the Subject Property will be combined with the adjacent property owner’s property for the development of a large affordable housing / homeless services campus. The disposition of the exempt surplus land is in the City's best interest to provide affordable housing.
- The Subject Property consists of 97,282 square feet of building area. Future development on the Subject Property shall consist of at least 82,195 square feet of housing building area. Therefore, in accordance with Government Code Section 37364(b), not less than 80 percent of the area of the Subject Property will be used for the development of housing. Such ratio shall not decrease during the development of the Subject Property.
- Residential units on the Subject Property will be deed restricted such that they will be made available only to lower-income households and very low-income households. In accordance with Government Code Section 37364(c), no less than 40 percent (40%) of the total number of developed housing units will be affordable to lower-income households, and half of such 40 percent (40%) shall be affordable to very low-income households.
- The Subject Property will be subject to a recorded regulatory agreement which provides that, for 55 years after the issuance of a certificate of occupancy, the residential units may be rented only to persons or households of low or very low-income, and such agreement shall run with the Subject Property and be binding upon all future owners, in satisfaction of the requirements of Government Code Section 37364(d).

This matter was reviewed by Principal Deputy City Attorney Richard F. Anthony on July 15, 2022, and by Budget Operations and Development Officer Rhutu Amin Gharib on July 12, 2022.

TIMING CONSIDERATIONS

City Council action is requested on August 2, 2022, to allow the City to implement actions necessary to comply with the SLA and continue the ENA and disposition processes for the Subject Property.

HONORABLE MAYOR AND CITY COUNCIL

August 2, 2022

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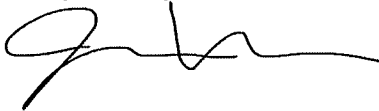
FISCAL IMPACT

This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no fiscal or local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHNNY M. VALLEJO
ACTING DIRECTOR OF
ECONOMIC DEVELOPMENT

APPROVED:



THOMAS B. MODICA
CITY MANAGER

ATTACHMENTS: RESOLUTION
A – SUMMARY OF SUBJECT PROPERTY

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH, DETERMINING A CITY-OWNED PARCEL LOCATED AT 6845 ATLANTIC AVENUE TO BE EXEMPT SURPLUS LAND PURSUANT TO GOVERNMENT CODE SECTION 54221(f)(1)(A) AND DETERMINING THE PROJECT IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

WHEREAS, the City Council supports the provision of affordable housing, and has taken several actions in furtherance thereof, including establishment of the Long Beach Community Investment Corporation, creation of the Housing Trust Fund, and the adoption of an inclusionary housing requirement for new development within the City; and

WHEREAS, after several decades of use as a warehouse, the City acquired the Property located at 6845 Atlantic Avenue, Long Beach, California (“Subject Property”); and

WHEREAS, the City currently operates a shelter for people experiencing homelessness on a portion of the Subject Property, and plans to sell or lease the Subject Property to a private developer for the continued operation of the shelter and the construction of an affordable housing development on the remainder of the Subject Property; and

WHEREAS, Assembly Bills 1486 and 1255 amended the Surplus Land Act to promote affordable housing development on surplus public land throughout the state to respond to the existing affordable housing crisis; and

WHEREAS, the proposed project, which includes the transfer of land and subsequent construction and operation of an affordable housing development is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to

1 Section 15194, Affordable Housing Exemption, which applies to projects that provide
2 housing for low-income households, on a site that is less than five acres and located in an
3 urbanized area. The project is eligible for the streamlined ministerial approval process
4 established by Senate Bill (SB) 35. As such, the project is also exempt from CEQA
5 pursuant to Cal. Code Regs. tit. 14 § 15268, which states that ministerial projects are
6 exempt from CEQA. Therefore, no further environmental review is required;

7 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
8 follows:

9 Section 1. The City Council has determined the Subject Property, as more
10 particularly described on Exhibit "A" attached hereto, is exempt surplus land as defined in
11 Government Code Section 54221(f)(1)(A).

12 Section 2. Pursuant to Government Code Section 54221(f)(1)(A) and
13 Section 103(b)(3)(A) of the Surplus Land Act Guidelines issued by the California
14 Department of Housing and Community Development, "exempt surplus land" means and
15 includes surplus land that is transferred pursuant to Government Code Section 37364.
16 Subject to certain conditions, Section 37364 authorizes a city to sell, lease, exchange,
17 quitclaim, convey, or otherwise dispose of real property to provide housing affordable to
18 persons and families of low or moderate income. In accordance with Government Code
19 Section 37364, the City Council makes the following findings of fact:

20 A. A conceptual development proposal for the Subject Property
21 has been submitted by the adjacent property owner with significant affordable
22 housing development experience, and it is anticipated that an Exclusive
23 Negotiating Agreement will be executed between the City and the adjacent
24 property owner. It is expected that the Subject Property will be combined
25 with the adjacent property owner's property for the development of a large
26 affordable housing / homeless services campus. The disposition of the
27 exempt surplus land is in the City's best interest to provide affordable
28 housing.

1 B. The Subject Property consists of 97,282 square feet of building
2 area. Future development on the Subject Property shall consist of at least
3 82,195 square feet of housing building area. Therefore, in accordance with
4 Government Code Section 37364(b), not less than 80 percent of the area of
5 the Subject Property will be used for the development of housing. Such ratio
6 shall not decrease during development of the Subject Property.

7 C. It is currently anticipated that approximately 243 residential
8 units will be constructed on the Subject Property, and at least 98 of such units
9 will be deed restricted such that they will be made available only to lower
10 income households and very low income households. In any event, in
11 accordance with Government Code Section 37364(c), no less than 40
12 percent (40%) of the total number of developed housing units will be
13 affordable to lower income households, and half of such 40 percent (40%)
14 shall be affordable to very low income households.

15 D. The Subject Property will be subject to a recorded regulatory
16 agreement which provides that, for 55 years after the issuance of a certificate
17 of occupancy, the residential units may be rented only to persons or
18 households of low or very low-income, and such agreement shall run with the
19 Subject Property and be binding upon all future owners, in satisfaction of the
20 requirements of Government Code Section 37364(d).

21 Section 3. This resolution shall take effect immediately upon its adoption
22 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802

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I hereby certify that the foregoing resolution was adopted by the City Council
of the City of Long Beach at its meeting of _____, 2022
by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk

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EXHIBIT "A"

The Subject Property is situated in the State of California, County of Los Angeles, City of Long Beach, and is described as follows:

Street Address : 6845 Atlantic Avenue, Long Beach, California

PARCEL 1:

THOSE PORTIONS OF LOT 1 IN BLOCK 24, OF THE CALIFORNIA COOPERATIVE COLONY TRACT, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 15 AND 16 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF THE 330 FOOT STRIP OF LAND DESCRIBED AND DESIGNATED AS PARCEL NO. 2 IN THE DEED FROM EDISON SECURITIES COMPANY TO SOUTHERN CALIFORNIA EDISON COMPANY, DATED FEBRUARY 29, 1928, RECORDED IN BOOK 9514, PAGE 345 OF OFFICIAL RECORDS, RECORDS OF SAID LOS ANGELES COUNTY, WITH THE CENTER LINE OF ATLANTIC BOULEVARD (STATE HIGHWAY), AS NOW ESTABLISHED, 100 FEET WIDE, ACROSS SAID LOT 1, SAID PARCEL NO. 2 BEING A PORTION OF LOT 3, AS SAME IS SHOWN ON MAP NO. 2 OF PROPERTY OF SOUTHERN CALIFORNIA EDISON COMPANY LTD., FILED IN BOOK 1, PAGE 51 OF OFFICIAL RECORDS OF SAID LOS ANGELES COUNTY; THENCE FROM SAID POINT OF BEGINNING WESTERLY ALONG SAID SOUTH LINE OF SAID PARCEL NO. 2, A DISTANCE OF 175 FEET, MORE OR LESS, TO THE EAST LINE OF THE LAND DESCRIBED AS THE FIRST EXCEPTION UNDER PARCEL 1 IN THE DEED OF MATTIE M. COUCH TO ETHEL MAY GRIFFIN, DATED JANUARY 30, 1926, AND RECORDED FEBRUARY 24, 1926 IN BOOK 5567 PAGE 307 OF OFFICIAL RECORDS, RECORDS OF SAID LOS ANGELES COUNTY, SAID EAST LINE BEING ALSO THE EAST LINE OF THE PARCEL OF LAND DESCRIBED AS PARCEL "C" IN THE DEED FROM TITLE INSURANCE AND TRUST COMPANY TO EDISON SECURITIES COMPANY, DATED JULY 16, 1932 AND RECORDED IN BOOK 11754, PAGE 96 OF OFFICIAL RECORDS, RECORDS OF SAID LOS ANGELES COUNTY; THENCE SOUTHERLY, ALONG SAID EAST LINE, 155 FEET, MORE OR LESS, TO THE NORTHERLY LINE OF THE PARCEL OF LAND DESCRIBED AS THE SECOND EXCEPTION UNDER PARCEL 1 IN SAID ABOVE REFERRED TO DEED FROM MATTIE M. COUCH TO ETHEL MAY GRIFFIN; THENCE EASTERLY ALONG SAID NORTHERLY LINE, 170 FEET, MORE OR LESS, TO A POINT IN THE CENTERLINE OF ATLANTIC BOULEVARD; THENCE NORTHERLY ALONG SAID CENTERLINE, 155 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

PARCEL 2:

THOSE PORTIONS OF LOT 1 IN BLOCK 24, OF THE CALIFORNIA COOPERATIVE COLONY TRACT, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 15 AND 16 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF THE 330 FOOT STRIP OF LAND CONVEYED TO SOUTHERN CALIFORNIA EDISON COMPANY, AS REFERRED TO ABOVE IN THE DESCRIPTION OF PARCEL 1, WITH THE EASTERLY LINE OF THE PARCEL OF LAND DESCRIBED IN THE GRANT OF EASEMENT FROM ELEANOR A. PRESTON TO LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, RECORDED IN BOOK 3977, PAGE 263, OF OFFICIAL RECORDS, RECORDS OF SAID LOS ANGELES COUNTY, SAID EASTERLY LINE BEING ALSO THE WESTERLY LINE OF THE PARCEL OF LAND DESCRIBED AS PARCEL "C" IN THE DEED FROM TITLE INSURANCE AND TRUST COMPANY TO EDISON SECURITIES COMPANY, DATED JULY 16, 1932, AND RECORDED IN BOOK 11754, PAGE 96, OFFICIAL RECORDS; THENCE FROM SAID POINT OF BEGINNING SOUTHERLY ALONG SAID EASTERLY LINE, 153 FEET, MORE

1 OR LESS, TO THE SOUTHWEST CORNER OF SAID PARCEL OF LAND CONVEYED BY TITLE INSURANCE
2 AND TRUST COMPANY TO EDISON SECURITIES COMPANY ABOVE REFERRED TO; THENCE EASTERLY
3 ALONG THE SOUTH LINE OF SAID LAND CONVEYED BY TITLE INSURANCE AND TRUST COMPANY TO
4 EDISON SECURITIES COMPANY 346.4 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF SAID
5 LAND, THENCE NORTHERLY ALONG THE EAST LINE OF SAID LAND CONVEYED BY TITLE INSURANCE AND
6 TRUST COMPANY TO EDISON SECURITIES COMPANY, SAID EAST LINE BEING ALSO THE EAST LINE OF
7 THE PARCEL OF LAND DESCRIBED AS THE FIRST EXCEPTION UNDER PARCEL 1 IN THE DEED FROM
8 MATTIE M. COUCH TO ETHEL MAY GRIFFIN DATED JANUARY 30, 1926, AND RECORDED FEBRUARY 24,
9 1926, IN BOOK 5567 PAGE 307 OF OFFICIAL RECORDS, A DISTANCE OF 150 FEET, MORE OR LESS, TO A
10 POINT IN THE SOUTH LINE OF SAID ABOVE REFERRED TO 330 FOOT STRIP OF LAND CONVEYED TO
11 SOUTHERN CALIFORNIA EDISON COMPANY; THENCE WESTERLY ALONG SAID SOUTH LINE, 324 FEET,
12 MORE OR LESS, TO THE POINT OF BEGINNING.

13 EXCEPTING THEREFROM SAID PARCEL 2, 8/13 PERCENT OF ALL OIL, GAS, ETC., FOUND IN OR
14 PRODUCED FROM SAID PARCEL 2, AS RESERVED IN DEED FROM ELEANOR A. PRESTON, RECORDED IN
15 BOOK 5646, PAGE OF 240 OF OFFICIAL RECORDS. ALSO EXCEPTING THEREFROM PARCELS 1 AND 2 AN
16 UNDIVIDED ONE-HALF INTEREST IN AND TO ALL OIL, GAS, PETROLEUM AND ALL OTHER MINERALS AND
17 HYDROCARBON SUBSTANCES IN AND UNDER THE LAND DESCRIBED ABOVE AS PARCELS 1 AND 2,
18 SUBJECT, HOWEVER, TO RESERVATION OF 8 1/13 PERCENT OF ALL OIL, GAS, ETC., FOUND ON OR
19 PRODUCED FROM THE LAND DESCRIBED ABOVE AS PARCEL 2, AS RESERVED IN THE DEED FROM
20 ELEANOR A. PRESTON, RECORDED IN BOOK 5646, PAGE 240 OF OFFICIAL RECORDS ABOVE, AS
21 RESERVED IN DEED FROM EDISON SECURITIES COMPANY, A CORPORATION, RECORDED MAY 8, 1942 IN
22 BOOK 19320 PAGE 115 OF OFFICIAL RECORDS.

23 PARCEL 3:
24 THAT PORTION OF TRACT OF LAND IN THE RANCHO SAN PEDRO, MARKED "WIDNEY" ON THE MAP OF
25 THE HELLMAN TRACT, IN THE CITY OF LONG BEACH, AS PER MAP RECORDED IN BOOK 2, PAGES 524
26 AND 525 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY,
27 AND A PORTION OF LOT 1 IN BLOCK 24 OF THE CALIFORNIA CO-OPERATIVE COLONY TRACT, IN SAID
28 CITY, AS PER MAP RECORDED IN BOOK 21, PAGES 15 AND 16, OF MISCELLANEOUS RECORDS, IN THE
OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED AS A WHOLE AS FOLLOWS:

BOUNDED SOUTHERLY BY THE EASTERLY PROLONGATION OF THE SOUTHERLY TINE OF SAID TRACT
MARKED "WIDNEY". BOUNDED NORTHERLY BY THAT CERTAIN COURSE IN THE SOUTHERLY BOUNDARY
OF LOT 3, THE PROPERTY OF CALIFORNIA EDISON COMPANY LTD., MAP NO. 2, AS SHOWN ON A MAP
FILED IN BOOK 1, PAGE 51, OF OFFICIAL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID
COUNTY, SHOWN ON SAID MAP AS HAVING A BEARING AND LENGTH OF "SOUTH 89°14'26" WEST,
1280.43 FEET". BOUNDED EASTERLY BY THE EASTERLY LINE OF LOS ANGELES COUNTY FLOOD
CONTROL RIGHT-OF-WAY DESCRIBED IN THE GRANT OF EASEMENT FROM ELEANOR A. PRESTON TO
LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, DATED APRIL 2, 1925, AND RECORDED IN BOOK
3977 PAGE 263, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
BOUNDED WESTERLY BY THE WESTERLY LINE OF THE LANDS QUITCLAIMED IN THAT CERTAIN
QUITCLAIM DEED FROM LOS ANGELES COUNTY FLOOD CONTROL DISTRICT TO ASSOCIATED SOUTHERN
INVESTMENT COMPANY, RECORDED FEBRUARY 20, 1964, IN BOOK D2366, PAGE 893, OF OFFICIAL
RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.



Subject Property:
 6845 Atlantic Ave
 Council District : 9

Attachment A

