



LONG BEACH REDEVELOPMENT AGENCY

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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 1195 E. 15th Street and 1519 Orange Avenue for \$495,000 plus closing costs. (Central - District 6)

DISCUSSION

The Central Long Beach Strategic Guide for Development (Strategic Guide) has identified that the Central Long Beach Redevelopment Project Area (Project Area) is far underserved in terms of recreational and open space opportunities. Redevelopment staff, in collaboration with Parks, Recreation and Marine (Parks), has identified open space development opportunities throughout the Project Area to address this need. One such opportunity is located at the northeast corner of 15th Street and Alamitos Avenue.

The properties proposed for acquisition are 1195 E. 15th Street and 1519 Orange Avenue (Property) (Exhibit A – Site Map and Photos). The Property is 11,318 square feet and improved with a 2,200 square-foot vacant commercial structure. The existing commercial building has been vacant for approximately 20 years and suffers from extensive deferred maintenance and physical deterioration. In addition, the Property has a legal nonconforming billboard that would be removed if acquired and developed.

Along with the development of the neighborhood park, the Department of Public Works has proposed intersection improvements that will allow for better traffic circulation and create a more pedestrian friendly environment along Orange and Alamitos Avenues.

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The following summarizes the proposed transaction:

- Tea and Tan, LLC owns the property;
- A formal appraisal was conducted by Lidgard and Associates, Inc. on June 10, 2005, which concluded the fair market value to be \$440,000;
- The Agency's purchase price for the property will be \$495,000 or approximately \$43 per square-foot. This is 12% above the property's appraised fair market value of \$440,000;
- The property is vacant and does not require relocation; and
- This is a voluntary sale, avoiding eminent domain.


On June 27, 2005, the Agency Board approved an appropriation in the Central Long Beach Redevelopment Project Area fiscal year 2005-2006 budget for the acquisition of the Property. Subsequently on September 12, 2005, the Agency Board approved a resolution making certain findings for public improvements on the Property.

The Central Project Area Committee approved a recommendation to support the acquisition of this Property at its July 7, 2005, meeting.

SUGGESTED ACTION:

Adopt recommendation.

Respectfully submitted,



PATRICK H. WEST
EXECUTIVE DIRECTOR

APPROVED:

PHW:BAK:JV



GERALD R. MILLER
CITY MANAGER

Attachment: Exhibit A – Site Map and Photo

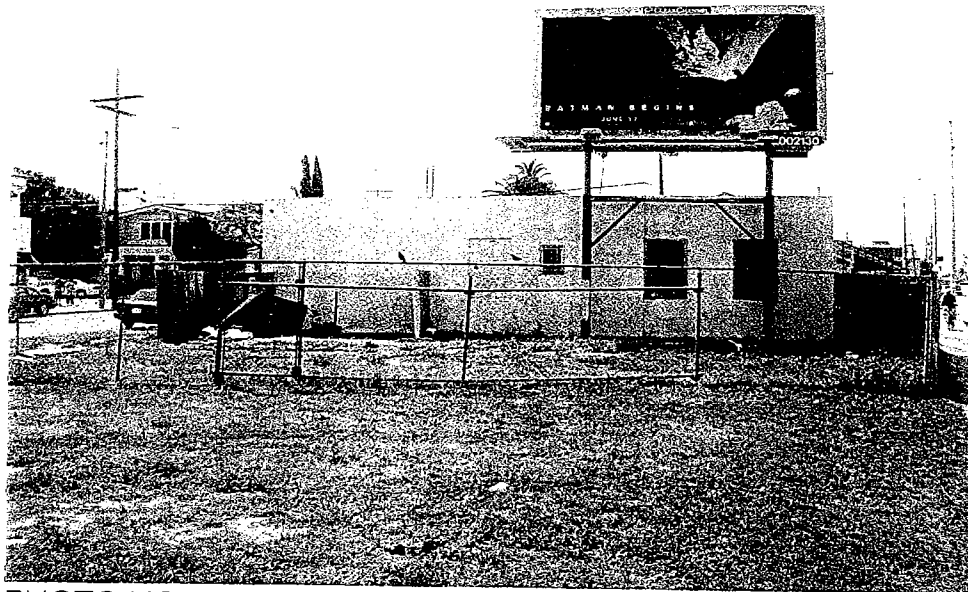


PHOTO NO. 1: View looking south across the rear portion of the subject building.

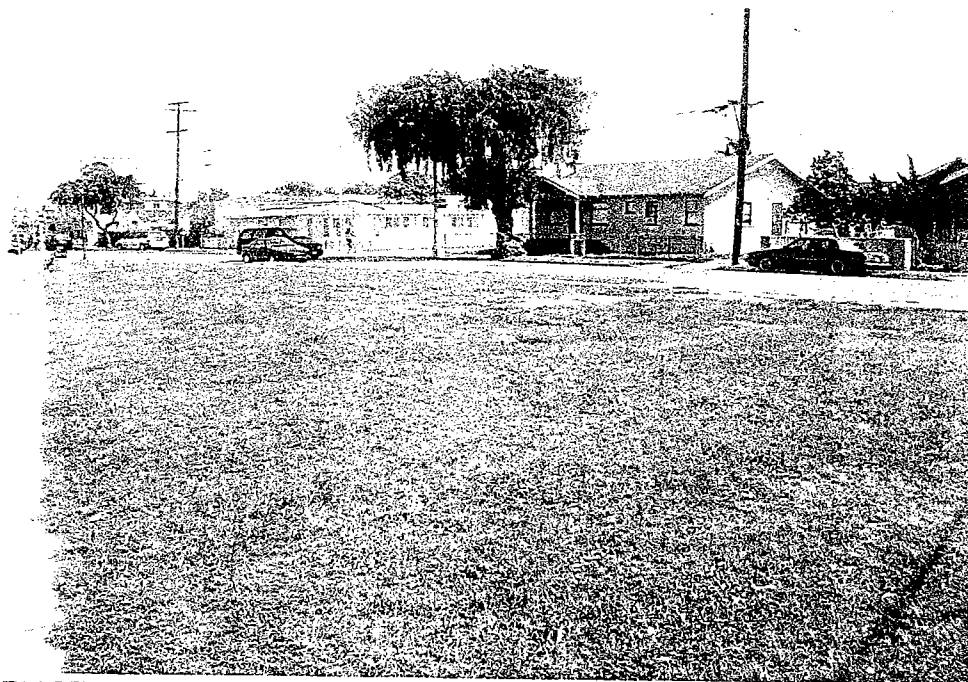


PHOTO NO. 2: View looking north across the northerly portion of the subject property.