



Legislation Details (With Text)

File #: 06-0944 **Version:** 1 **Name:** CD - approve and authorize the payment of \$1.5 million to the Redevelopment Agency

Type: Agenda Item **Status:** Approved

File created: 9/13/2006 **In control:** City Council

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Title: Recommendation to approve and authorize the payment of \$1.5 million to the Redevelopment Agency for the acquisition of property at 4258-4260 Atlantic Avenue for \$1,350,000 plus closing costs and subsequent tenant improvements; and increase appropriation in the Planning and Building Department (PB) General Grants Fund (SR 120) by \$1,500,000. (District 8)

Sponsors: Community Development

Indexes:

Code sections:

Attachments: 1. 091906-R-32sr&att

Date	Ver.	Action By	Action	Result
9/19/2006	1	City Council	approve recommendation	Pass

Recommendation to approve and authorize the payment of \$1.5 million to the Redevelopment Agency for the acquisition of property at 4258-4260 Atlantic Avenue for \$1,350,000 plus closing costs and subsequent tenant improvements; and increase appropriation in the Planning and Building Department (PB) General Grants Fund (SR 120) by \$1,500,000. (District 8)

The Icaro Gallery is located at 4258-4260 Atlantic Avenue, just north of Carson Street, in the heart of Bixby Knolls, near restaurants, coffee shops, retail shops, and the Black Box Theater (Exhibit A - Site Map). The building encompasses more that 5,000 square feet of gallery space and includes a mini kitchen, high ceilings, and a basement vault area.

Councilwoman Gabelich approached staff with a proposal to acquire the Icaro Gallery for use by the Long Beach Historical Society (Society) . This building would provide a permanent location for the Society to display historical artifacts for public viewing . The concrete basement vault would provide excellent storage space for historical archives.

Councilwoman Gabelich believes that the Icaro Gallery is an ideal location for the Society, as it would generate foot traffic in the area while ensuring a quality tenant for neighboring businesses . To this end, the City's Redevelopment Agency acquired the property on behalf of the City. Under a separate but concurrent process, Camden Development pursued a modification to a condition of approval that obligated Camden to restore the Loeff's roof.

The modified condition called for the preservation of the cupola of the roof, to be used as an information kiosk, and the dedication of the land on which the Loeff roof was intended to be located, as a public park . The Cultural Heritage Commission approved this concept on June 21, 2006 and the Planning Commission approved the modification of the condition of approval on July 20, 2006 . As a result, Camden's \$3 million requirement to restore the Loeffs roof will now be paid into the City's Historic Preservation Fund, one half of which will be used to conduct a citywide historic survey and

one half to acquire the Icaro Gallery and provide tenant improvements.

The Redevelopment Agency (Agency) has also assisted in this process by entering into an assignable Purchase and Sale Agreement for the Icaro Gallery and fronted the earnest money deposit and the option payments . The Agency also intends to front the acquisition cost of \$1,350,000, plus closing costs . However, the Agency seeks reimbursement of its costs before the end of the current fiscal year. This letter was reviewed by Deputy City Attorney Richard F. Anthony on September 6, 2006 and Budget Management Officer David Wodynski on September 8, 2006.

City Council action is requested on September 19, 2006, in order to reimburse the Redevelopment Agency by the end of the fiscal year.

The Camden payment will be deposited in the General Grants Fund (SR 120) in the Planning and Building Department (PB) . An appropriation increase of \$1,500,000 will be required to make the reimbursement to the Redevelopment Agency, therefore an appropriation increase is included in the recommended action . Once further details are developed for the citywide historic survey, staff will request a budget adjustment for that effort. There will be no impact to the General Fund .

Approve recommendation.

PATRICK H. WEST
DIRECTOR OF COMMUNITY DEVELOPMENT

APPROVED:

GERALD R. MILLER
CITY MANAGER