



## Legislation Text

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**File #:** 07-1475, **Version:** 1

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Recommendation to receive supporting documentation into the record, conclude the hearing, and adopt resolution making certain findings; and authorize City Manager to execute an Owner Participation Agreement with Shoreline Gateway, LLC, for the development of the Shoreline Gateway project. (District 2)

On November 5, 2007, the Redevelopment Agency (Agency) approved an Owner Participation Agreement (OPA) with Shoreline Gateway, LLC (Participant) for the development of the Shoreline Gateway Project (Project). This public hearing is to consider the sale of 777 East Ocean Boulevard (Property) and subsurface easements to the Participant. Since the property was acquired with tax increment monies, California Redevelopment Law requires that the sale be approved by the City Council by resolution after a public hearing.

### Terms and Conditions of the Sale

The terms and conditions of the sale and subsequent development are included in an OPA between the Agency and the Participant. Under the terms of the OPA, the Participant will pay the Agency \$1,800,000 for the Property. The valuation is the fair market value as determined by an independent appraisal. Additionally, the Agency will sell subsurface easements for 645 East Ocean Boulevard and 19 Lime Avenue for \$410,000.

### Project Plans

The Project site is comprised of a single parcel and vacated public right-of-way (approximately one acre) generally located north of Ocean Boulevard and Medio Street, between Lime and Alamitos Avenues (Exhibit A - Site Map).

The Project proposes a mixed-use development involving a 35-story residential tower at the northwest corner of Ocean Boulevard and Alamitos Avenue. The Project results in 221 residential units including live/work spaces, town homes, one-to three-bedroom units, penthouse units and associated amenities. The proposed building would incorporate 12,624 square feet of retail/gallery space in addition to town homes and live/work units on the ground floor and podium levels to activate the edges along Ocean Boulevard, Alamitos Avenue and Medio Street.

Parking for the Project includes four levels of subterranean parking to accommodate 464 stalls concealed from public view. Vehicular access to the Project would occur from Medio Street.

### Compliance with California Environmental Quality Act

The Agency certified the Environmental Impact Report (EIR) on September 18, 2007, and a Supplemental EIR on November 5, 2007.

### Summary Report

Pursuant to California Redevelopment Law, the Agency has made available for public inspection and reproduction a Summary Report (Exhibit B - Section 33433 Summary Report) that contains the following:

- The estimated value of the interest to be conveyed, determined at the highest and best use permitted under the Redevelopment Plan;
- The estimated value of the interest to be conveyed, determined at the use and with the conditions, covenants and

development costs required by the Agreement;

- The purchase price;
- The cost of the Agreement to the Agency;
- The net cost/benefit to the Agency;
- An explanation of why the sale of the Property will assist in the elimination of blight; and
- An explanation of why the sale of the Property is consistent with the Agency's AB 1290 Implementation Plan.

This letter was reviewed by Assistant City Attorney Heather A. Mahood on December 6, 2007, and Budget Management Officer Victoria Bell on December 6, 2007.

City Council action is requested on December 18, 2007, in order to facilitate the sale transaction and begin construction as soon as possible.

Proceeds from the land sale will be deposited in the Redevelopment Fund (RD).  
Building fees associated with the project will accrue to the General Fund.

Approve recommendation.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING THE PROPOSED OWNER PARTICIPATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA, AND SHORELINE GATEWAY, LLC; FINDING THAT THE CONSIDERATION FOR THE SALE OF CERTAIN REAL PROPERTY IN THE CENTRAL LONG BEACH REDEVELOPMENT PROJECT IS NOT LESS THAN FAIR MARKET VALUE IN ACCORDANCE WITH COVENANTS AND CONDITIONS GOVERNING SUCH SALE; AND APPROVING THE SALE OF THE PROPERTY AND THE OWNER PARTICIPATION AGREEMENT

CRAIG A. BECK  
DIRECTOR OF PLANNING AND BUILDING

APPROVED:

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PATRICK H. WEST  
CITY MANAGER