



Legislation Details (With Text)

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File created:	2/25/2016	In control:		In control:	City Council
On agenda:	3/8/2016	Final action:		Final action:	3/8/2016
Title:	Recommendation to declare the City-owned property located at 925-941 East Pacific Coast Highway, Assessor Parcel Numbers 7210-013-900 and -901 as surplus; authorize City Manager, or designee, to execute any and all documents necessary, including a Purchase and Sale Agreement, with Wood Investments, Inc., a California corporation, or assignee, for the sale of the Subject Property in the amount of \$550,000; and accept Categorical Exemption CE 16-043. (District 6)				
Sponsors:	Economic and Property Development				
Indexes:	Agreements, Purchase Agreement				
Code sections:					
Attachments:	1. 030816-R-14sr&att.pdf				

Date	Ver.	Action By	Action	Result
3/8/2016	1	City Council	approve recommendation	Pass

Recommendation to declare the City-owned property located at 925-941 East Pacific Coast Highway, Assessor Parcel Numbers 7210-013-900 and -901 as surplus; authorize City Manager, or designee, to execute any and all documents necessary, including a Purchase and Sale Agreement, with Wood Investments, Inc., a California corporation, or assignee, for the sale of the Subject Property in the amount of \$550,000; and accept Categorical Exemption CE 16-043. (District 6)

The City of Long Beach currently owns a 15,795-square-foot unimproved lot located at 925-941 East Pacific Coast Highway, Assessor Parcel Numbers 7210-013-900 and -901 (Subject Property) (Attachment). Formerly owned by the Redevelopment Agency of the City of Long Beach (Agency), the Subject Property was included in the Successor Agency's Long Range Property Management Plan (LRPMP), which was approved by the State of California Department of Finance (DOF) on March 10, 2015 and amended on June 24, 2015. The Subject Property has been categorized with a permissible use of "Future Development" allowing for the disposition of the Subject Property for development consistent with the vision and intent of the Central Long Beach Redevelopment Project Area and its guiding documents.

At the time of the Agency's dissolution, the Agency was in pre-existing and near-final discussions with parties including Wood Investments, Inc. (Buyer), for the purchase and development of the Subject Property. The Buyer has expressed an interest in proceeding with the purchase of the Subject Property from the City for \$550,000, which is considered the fair market value of the Subject Property as determined by an independent appraisal. The Subject Property development will include a commercial/retail center, which provides neighborhood-serving uses.

In compliance with Government Code Section 54220 (Chapter 621, Statutes of 1968), on June 1, 2015, staff notified the State of California (State) that the City was declaring the Subject Property as surplus. Further, in accordance with past practice, a memorandum was circulated to all City Departments to determine their interest in or objection to declaring these parcels surplus. To date, neither the State nor any City Department has expressed an interest or objection. A Categorical Exemption, CE 16-043 (Exhibit A) was completed related to the proposed transaction on February 24, 2016.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on February 23, 2016 and by Budget Management Officer Victoria Bell on February 22, 2016.

City Council action is requested on March 8, 2016, to execute the PSA and related documents to complete the transaction.

Sale proceeds of \$550,000, less escrow and closing fees, commission, and recovery of administrative costs, will be remitted to the City. The net proceeds is estimated to be \$473,000. The City will retain 21 percent, an estimated \$99,330, and shall distribute the remainder to various taxing agencies. Consistent with City Council policy direction, 75 percent of the City's proceeds, \$74,498, shall be retained for non-recurring economic programs in the former Downtown Project Area and 25 percent, \$24,832, shall be retained for non-recurring economic programs with a City-wide impact.

Approve recommendation.

MICHAEL P. CONWAY
DIRECTOR OF ECONOMIC & PROPERTY DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER