



Legislation Text

File #: 11-0268, **Version:** 1

Recommendation to authorize City Manager to execute any and all documents necessary for the conveyance of the property described in Exhibit "A" to the City of Long Beach from the Redevelopment Agency of the City of Long Beach;

Authorize City Manager to execute any and all documents necessary for the conveyance of the assets described in Exhibit "B" to the City of Long Beach from the Redevelopment Agency of the City of Long Beach;

Authorize City Manager to execute any and all documents necessary for the assignment of the agreements described in Exhibit "C" to the City of Long Beach from the Redevelopment Agency of the City of Long Beach;

Increase appropriations in the Redevelopment (RD) Fund in the Department of Development Services by \$50 million to effectuate the transfer of funds to the Capital Projects (CP) Fund in the Department of Development Services to implement the Second Amendment to Amended and Restated Agreement for Services Between the City of Long Beach and the Long Beach Redevelopment Agency; and

Increase appropriations in the Capital Projects (CP) Fund in the Department of Development Services by \$100 million to implement the Second Amendment to Amended and Restated Agreement for Services Between the City of Long Beach and the Long Beach Redevelopment Agency.
(Citywide)

For 50 years, the Redevelopment Agency of the City of Long Beach (Agency) has fulfilled its core mission of eliminating blight, improving neighborhoods, promoting economic development and enhancing the quality of life for residents, businesses and community stakeholders. In recent years, the Agency has taken a leadership role in basic neighborhood revitalization initiatives to improve public safety, leverage private investment, create jobs and fund public infrastructure projects. The Agency has accumulated land holdings throughout its redevelopment project areas in order to remove blighting influences, assemble parcels suitable for commercial or residential development, construct public facilities including parks and open space, and to leverage additional investment.

Due to the nature of the development process, the Agency currently has numerous projects in various stages of development, from conceptual planning and pre-construction to actual construction. These projects range from significant public facility projects such as Fire Station No. 12 in North Long Beach (currently under construction) to the proposed new park at Oregon and Del Amo Avenues (currently in design development). The Agency also has numerous properties under negotiation for redevelopment in public-private partnerships to further its goals.

Given the current budget environment in the State, the Agency's ability to carry out its mission may be limited and it is unknown whether these properties could be developed by the Agency for their

intended use. However, conveying the properties to the City of Long Beach (City) pursuant to Section 33220(g) of the California Health and Safety Code would allow for the potential redevelopment of these properties within local control and in accordance with the redevelopment plans. It is, therefore, recommended that certain properties currently owned by the Agency be conveyed to the City. These actions are prudent and necessary to protect the future development of these properties and to allow the continued revitalization of key neighborhoods and business corridors absent the existence of the Agency.

A list of properties currently owned by the Agency and subject to this action is attached as Exhibit A (Properties). A number of the Properties are currently being held by the Agency until such time as public facilities are completed, at which time they were to be conveyed to the City. This category of Properties includes parcels for Fire Station No. 12, the park at Oregon and Del Amo Avenues, the expansions of Davenport Park and Admiral Kidd Park, the Art Exchange, the Promenade Square Park and that portion of the North Village Center on which the new North Neighborhood Library is planned. There are additional Properties throughout the project areas that are also used for public purpose, including public parking lots in the Downtown and North Project Areas.

In accordance with the California Environmental Quality Act (CEQA), the Agency previously prepared and certified Environmental Impact Reports (EIR) for Fire Station No. 12, the Art Exchange, and the North Village Center project site located on Atlantic Avenue between South and 59th Streets, which is slated for both public improvements and private development. The Agency had also prepared and certified Negative Declarations for the park at Oregon and Del Amo Avenues, the Admiral Kidd Park Expansion and Promenade Square Park. The City's Environmental Planning Officer has determined that the proposed conveyance of the Properties to the City qualifies for a Categorical Exemption under the California Environmental Quality Act (CEQA).

In order for the Agency to fund construction of these public facilities, California Redevelopment Law (CRL) provides that a redevelopment agency may, with the consent of the City Council, pay for such public improvements that are publicly owned either within or outside of a redevelopment project area upon certain findings of public benefit. Both the Agency Board and the Long Beach City Council adopted the required resolutions making these findings of benefit regarding the aforementioned public improvements on January 20, 2011 and January 18, 2011, respectively.

Further, some of the Properties recommended for conveyance to the City by the Agency are being considered for public-private partnerships or are part of land assembly efforts for future redevelopment opportunities. The City's Environmental Planning Officer has determined that the proposed conveyance of these Properties also qualifies for a Categorical Exemption under CEQA.

In addition to the Properties, the Agency owns certain assets located on the Properties, such as video surveillance systems and parking revenue control equipment. These additional assets are listed in Exhibit B. It is, therefore, also recommended that these additional assets be conveyed to the City.

In conjunction with the Properties, the Agency also has various agreements between the Agency and outside entities for the development of these assets, such as Exclusive Negotiating Agreements or Memorandums of Understanding (Agreements). These types of Agreements are utilized to negotiate the eventual disposition of property for intended purposes. It is desirable for these relationships to be maintained in order to ensure consistency with the City's and Agency's economic

development, housing and revitalization goals by assigning these Agreements to the City.

It is anticipated that many of these assigned Agreements may lead to the eventual disposition and redevelopment of property in accordance with the original vision and intent of the redevelopment plans. The City will continue to manage the disposition of all of these properties in accordance with the redevelopment plans. A list of existing Agreements proposed to be assigned is included in Exhibit C.

On March 7, 2011, the Redevelopment Agency Board authorized the conveyance of the Properties and certain assets and the assignment of certain Agreements, as listed in Exhibits A, B and C, from the Redevelopment Agency of the City of Long Beach to the City of Long Beach.

On January 18, 2011, and January 20, 2011, the City Council and the Agency approved the Second Amendment to the Amended and Restated Agreement for Services (Second Amendment). The Second Amendment provided for the advancement of funds by the Agency to the City to implement certain projects, including those discussed above. In order to effectuate the Second Amendment, it is necessary to increase appropriations in the Redevelopment (RD) Fund in the Development Services Department by \$50 million. The increased appropriations will allow the transfer of funds from the Redevelopment Agency to the City. In order to implement the projects provided for in the Second Amendment, an appropriations increase in the Capital Projects (CP) Fund in the Department of Development Services is also needed. The requested appropriations for the CP Fund is \$100 million. (Existing appropriations in the RD Fund do not require the same increase as the CP Fund.)

This letter was reviewed by Chief Assistant City Attorney Heather A. Mahood and by Budget and Performance Budget Management Bureau Manager Lou Palmer on March 7, 2011.

City Council action is requested on March 8, 2011, in order to effectuate the conveyance of land and the appropriation of funds on March 9, 2011.

There is no impact to the General Fund (GP) associated with this recommendation. The request for appropriations is to transfer existing Redevelopment (RD) Fund balances to the Capital Projects (CP) Fund in the Department of Development Services (DV) where expenses will be incurred. There is no local job impact associated with this recommendation.

Approve recommendation.

AMY J. BODEK, AICP
DIRECTOR OF DEVELOPMENT SERVICES

MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

APPROVED:

PATRICK H. WEST
CITY MANAGER