

June 18, 2024

## SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH

### RECOMMENDATION:

Recommendation to adopt resolution declaring eight Successor-Agency-owned properties, known collectively as the Subject Properties, as “surplus land” as defined in Government Code Section 54220 *et seq.*; and authorize City Manager, or designee, to take any actions and execute any documents necessary to ensure compliance with the Surplus Land Act and State regulations thereto. (District 8)

### DISCUSSION

The City of Long Beach (City), as Successor Agency to the Redevelopment Agency of the City of Long Beach (Successor Agency), is currently the owner of multiple properties along Atlantic Avenue between 55<sup>th</sup> and South Streets, specifically 5564 Atlantic Avenue (APN 7127-009-902, -903); 5641-5649 Atlantic Avenue (APN 7127-007-912, -911, -910); 5616-18 Atlantic Avenue (APN 7127-006-915); 5701 Atlantic Avenue (APN 7127-007-908); and 5708 Atlantic Avenue (APN 7127-006-911) (Subject Properties) (Attachment A).

In December 2017, the parcels were sold to the LAB, Inc. (LAB), as part of the dissolution of the redevelopment agency, with the intent to create a strong Village Center consistent with the vision and intent of the Redevelopment Plan for North Long Beach Redevelopment Project and other guiding documents. The LAB pursued renovations to, and development of, the Subject Properties; however, delays and challenges, including the COVID-19 pandemic, hampered any significant progress on the Subject Properties. Despite continued efforts to bring the North Village Development concept to fruition, progress was slow, and completion did not appear imminent. A Restrictive Covenant recorded on each of the Subject Properties required development to be achieved by a time certain. As the development and/or renovations were not completed, the Subject Properties were returned to the Successor Agency.

In keeping with dissolution law requiring the Subject Properties to be sold expeditiously and to avoid long-term retention of the Subject Properties the accompanying costs of interim maintenance and security measures, City staff recommends proceeding with the disposition process. Disposition requires compliance with the State Surplus Land Act (SLA), including designation of the Subject Properties as “surplus land,” and would allow interested parties the opportunity to reactivate the Subject Properties. Further, the eventual disposition would generate sales proceeds as well as property tax revenue by returning the Subject Properties to the tax rolls.

The SLA, as codified in Government Code Section 54220 *et seq.*, requires all public agencies

to prioritize affordable housing as well as parks and open space when disposing of surplus land. Surplus land is land owned by a local agency that is determined to be no longer necessary for the agency's use. Recent changes to the SLA, through Assembly Bill (AB) 2135, (i) revise procedures for disposition by sale or lease of surplus land by local agencies, (ii) extend the good faith negotiation period with potential affordable housing developers to 90 days, (iii) deepen affordability requirements where an affordable housing project is developed on the site, and (iv) add a requirement that if negotiations with an affordable housing developer are unsuccessful, then any residential development on the surplus land over 10 units must make at least 15 percent of the units affordable. Further, AB 2135 no longer allows exceptions and requires local agencies to adopt a Resolution declaring property as either "surplus" or "exempt surplus" at a regular public meeting of the agency's governing body.

The Subject Properties do not qualify as exempt under the SLA. The Subject Properties are therefore considered to be non-exempt surplus land, as defined by the Government Code Section 54220 *et seq.* and it is recommended that the City Council, as the legislative body of the Successor Agency to the Redevelopment Agency of the City of Long Beach, adopt a Resolution making this finding. Upon determination that the Subject Properties are non-exempt surplus land, the procedures set forth in the SLA must be followed. Procedures applicable to surplus land require the Successor Agency to issue a written notice of availability of the Subject Property to certain entities, for a period of 60 days, as follows:

- For the purposes of developing low- and moderate-income housing, a written notice of availability of surplus land must be sent to any "local public entity" as defined in Health and Safety Code Section 50079 within whose jurisdiction the surplus land is located and to "Housing Sponsors" that have notified the California Department of Housing and Community Development (HCD) of their interest in surplus land. Local public entities include the Long Beach Community Investment Company and the Housing Authority of the City of Long Beach.
- For open space purposes, a written notice of availability of surplus land must be sent to the Los Angeles County Department of Parks and Recreation, Los Angeles County Regional Park and Open Space District, the State Resources Agency, or any agency that may succeed to its powers.
- For the purpose of use by a school district for school facilities construction or open space purposes, a written notice of availability of the surplus land must be sent to the Long Beach Unified School District.

If the Successor Agency receives a letter of interest from any of the above entities, the Successor Agency would enter into concurrent good faith negotiations with all such entities for a period of 90 days. If terms cannot be agreed upon after 90 days (or if no entity gives notice of interest), the Successor Agency may proceed with disposition of the Subject Properties. However, any residential development on the Subject Properties that contains 10 or more units must restrict 15 percent of the units for affordable housing. Any agreement for the sale of the Subject Properties would be brought before the Successor Agency Board for consideration.

This matter was reviewed by Deputy City Attorney Richard F. Anthony and Revenue Management Officer Geraldine Alejo on May 28, 2024.

TIMING CONSIDERATIONS

City Council consideration of the Resolution is requested on June 18, 2024, to allow the City to implement actions necessary to comply with the SLA and continue the disposition process for the Subject Properties.

FISCAL IMPACT

There is no fiscal or local job impact associated with this recommendation. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Christopher Koontz  
Community Development

APPROVED:



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THOMAS B. MODICA  
CITY MANAGER

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH, ACTING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, DECLARING EIGHT SUCCESSOR AGENCY-OWNED PROPERTIES LOCATED ALONG ATLANTIC AVENUE BETWEEN 55TH STREET AND SOUTH STREET (COLLECTIVELY "SUBJECT PROPERTIES") AS "SURPLUS LAND" AS DEFINED IN GOVERNMENT CODE SECTION 54220 ET SEQ.; AND AUTHORIZE THE CITY MANAGER, OR DESIGNEE, TO TAKE ANY ACTIONS AND EXECUTE ANY DOCUMENTS NECESSARY TO ENSURE COMPLIANCE WITH THE SURPLUS LAND ACT AND STATE REGULATIONS RELATING THERETO

WHEREAS, the City of Long Beach, as Successor Agency to the Redevelopment Agency of the City of Long Beach ("Successor Agency"), currently owns multiple properties along Atlantic Avenue between 55th Street and South Street, specifically 5564 Atlantic Avenue (APN 7127-009-902, -903); 5641-5649 Atlantic Avenue (APN 7127-007-912, -911, -910); 5616-18 Atlantic Avenue (APN 7127-006-915); 5701 Atlantic Avenue (APN 7127-007-908); and, 5708 Atlantic Avenue (APN 7127-006-911), ("Subject Properties"); and

WHEREAS, in December 2017, the Subject Properties were sold to the LAB, Inc. (LAB), as part of the dissolution of the redevelopment agency, with the intent to create a strong Village Center consistent with the vision and intent of the Redevelopment Plan for North Long Beach Redevelopment Project Area and its other guiding documents; and

1 WHEREAS, due to delays and challenges, including the COVID-19  
2 pandemic, completion of the development failed to happen. As the development and/or  
3 renovations were not completed, the Subject Properties was returned back to the  
4 Successor Agency; and

5 WHEREAS, to reactivate the Subject Property, generate sales proceeds,  
6 and generate property tax by returning the Subject Property to the tax rolls, staff  
7 recommends proceeding with the disposition of the Subject Property. Disposition of the  
8 Subject Property requires compliance with the Surplus Land Act (SLA); and

9 WHEREAS, an exemption under the Surplus Land Act is not available. The  
10 Subject Property is therefore considered to be non-exempt surplus land, as defined by  
11 the Government Code Section 54220 et seq. and it is recommended that the City Council,  
12 as the legislative body of the Successor Agency to the Redevelopment Agency of the City  
13 of Long Beach, adopt a resolution making this finding;

14 NOW, THEREFORE, the City Council of the City of Long Beach acting as the  
15 Successor Agency to the Redevelopment Agency of the City of Long Beach resolves as  
16 follows:

17 Section 1. Declare the properties located along Atlantic Avenue between  
18 55th Street and South Street, specifically 5564 Atlantic Avenue (APN 7127-009-902, -903);  
19 5641-5649 Atlantic Avenue (APN 7127-007-912, -911, -910); 5616-18 Atlantic Avenue  
20 (APN 7127-006-915); 5701 Atlantic Avenue (APN 7127-007-908); and, 5708 Atlantic  
21 Avenue (APN 7127-006-911), as "surplus land" and authorize the City Manager or  
22 designee, on behalf of the Successor Agency to the Redevelopment Agency of the City of  
23 Long Beach, to take any actions and execute any documents necessary to ensure  
24 compliance with the Surplus Land Act and State regulations relating thereto.

25 Section 2. This Resolution shall take effect immediately upon its adoption  
26 by the City Council, and the City Clerk shall certify the vote adopting this Resolution.

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I hereby certify that the foregoing resolution was adopted by the City Council  
of the City of Long Beach at its meeting of \_\_\_\_\_, 2024 by the  
following vote:

Ayes: Councilmembers: \_\_\_\_\_

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Noes: Councilmembers: \_\_\_\_\_

\_\_\_\_\_

Absent: Councilmembers: \_\_\_\_\_

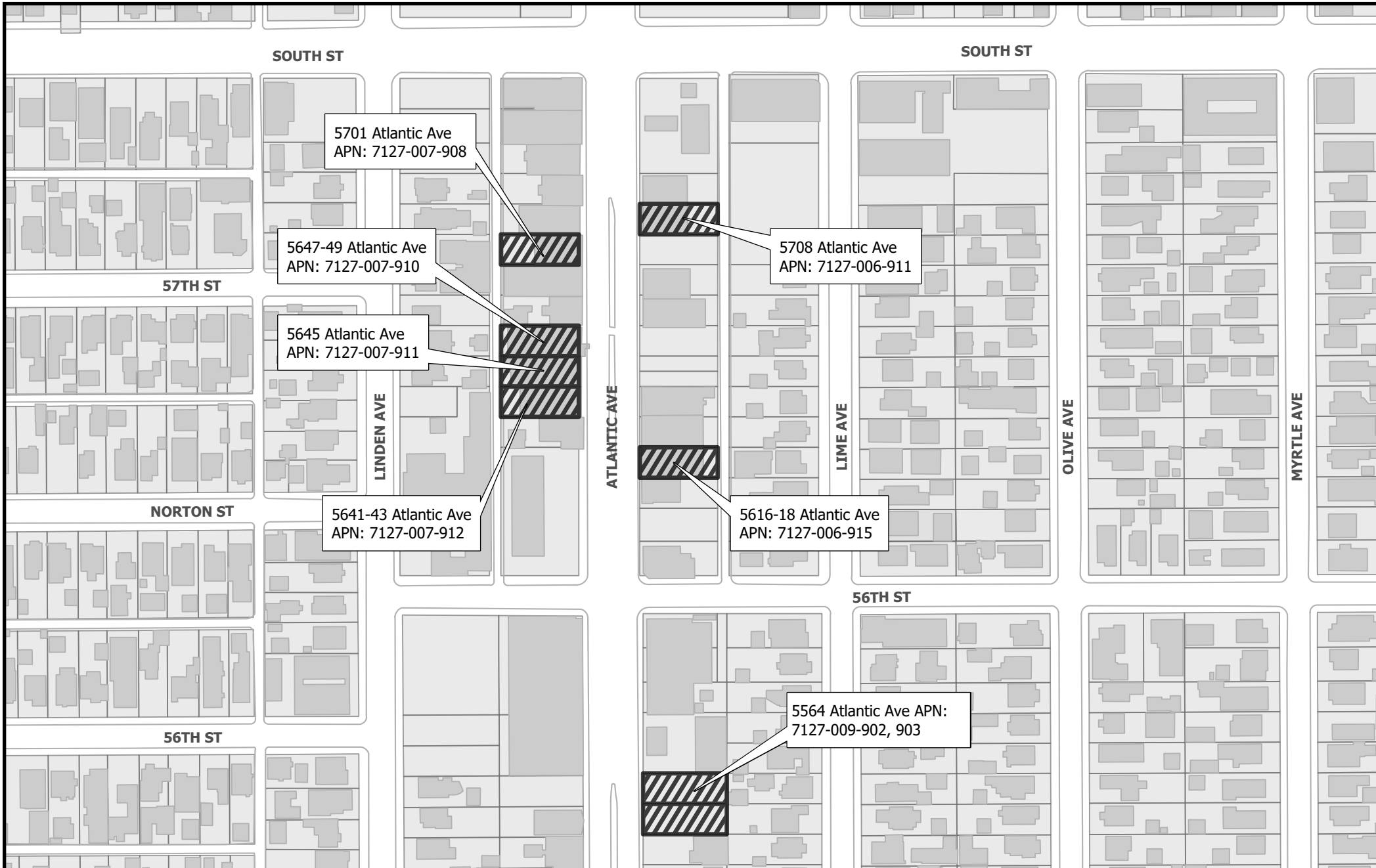
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Recusal(s): Councilmembers \_\_\_\_\_

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City Clerk



# Attachment A

## Subject Properties

### Council District: 8



**Disclaimer**  
 This map from the City of Long Beach is intended for informational purposes only. While reasonable effort has been made to ensure the accuracy of the data, the City assumes no liability or damages arising from errors or omissions. This map is provided without warranty of any kind. No part of this map may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying or recording system.

T:\EconomicDevelopment\Real Estate Division Maps\Complete\5560-5708 Atlantic Ave

As of May 2024

