

4TH DISTRICT CONSOLIDATED OVERSIGHT BOARD
OF THE CITY OF LONG BEACH AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF LONG BEACH

April 19, 2022

Mr. Jayme Wilson
Consolidated Oversight Board Chair, 4th District
C/O Kenneth Hahn Hall of Administration
500 West Temple Street, Room B-50
Los Angeles, CA 90012

RECOMMENDATION:

Adopt a Resolution declaring Successor Agency-owned property located at 1827 Pacific Avenue (APN: 7209-022-900) (Subject Property) 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. (District 7)

DISCUSSION

The Successor Agency to the Redevelopment Agency of the City of Long Beach (Successor Agency) is currently fee owner of a parcel located at 1827 Pacific Avenue, APN 7209-022-900 (Subject Property) (Attachment A). On January 24, 2017 and January 25, 2017, the Successor Agency and Oversight Board, respectively, declared the Subject Property as "surplus" and authorized the City Manager to execute all documents necessary, including the Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate, with Kay Mendoza and/or assignee, for the sale of the Subject Property. Subsequently, the sale was not finalized and escrow did not close, resulting in the Subject Property to be redeclared as "surplus land" and be made to available for purchase. Prior to taking any actions to sell the Subject Property, specific requirements must be met to comply with the State Surplus Land Act (SLA).

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 ninety (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 ten 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

4th DISTRICT CONSOLIDATED OVERSIGHT BOARD

April 19, 2022

Page 2 of 3

resolution declaring property as either “surplus” or “exempt surplus” at a regular public meeting of the agency’s governing body.

The Subject Property does not qualify as exempt under the SLA. The Subject Property is therefore considered to be non-exempt surplus land, as defined by the Government Code Section 54220 *et seq.*, and on March 22, 2022, the City Council, as the legislative body of the Successor Agency, adopted a Resolution making this finding. Upon determination that the Subject Property is 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 shall 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 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 shall 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 shall be sent to the Long Beach Unified School District.

The Successor Agency will release the notice of availability following State Department of Finance review and approval of this action, if approved by the Oversight Board.

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 Property. However, any residential development on the Subject Property that contains 10 or more units must restrict 15 percent of the units for affordable housing. Any agreement for the sale of the Subject Property would be brought before the City Council, as legislative body to the Successor Agency, as well as the Oversight Board, for consideration and submitted to the State Department of Finance for review.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

4th DISTRICT CONSOLIDATED OVERSIGHT BOARD

April 19, 2022

Page 3 of 3



OSCAR W. ORCI
DIRECTOR OF DEVELOPMENT SERVICES



THOMAS B. MODICA
CITY MANAGER

ATTACHMENTS: RESOLUTION
ATTACHMENT A - MAP OF SUBJECT PROPERTY