



**SOUTH GATE HOUSING AUTHORITY  
REGULAR MEETING AGENDA**

Tuesday, September 14, 2021 at 5:30 p.m.

**SOUTH GATE COUNCIL CHAMBERS OR  
TELECONFERENCE  
DIAL-IN-NUMBER: 1 (669) 900-6833**

**MEETING ID: 812 9494 4290**

**<https://us02web.zoom.us/j/81294944290>**

**I. Call To Order/Roll Call**

**CALL TO ORDER**

Al Rios, Chairperson

**ROLL CALL**

Carmen Avalos, City Clerk

**II. City Officials**

<b>CHAIRPERSON</b>	<b>INTERIM EXECUTIVE DIRECTOR</b>
Al Rios	Chris Jeffers
<b>VICE CHAIRPERSON</b>	<b>RECORDING SECRETARY</b>
Maria del Pilar Avalos	Carmen Avalos
<b>HOUSING AUTHORITY MEMBERS</b>	<b>INTERIM DIRECTOR OF THE HOUSING AUTHORITY</b>
Maria Davila	William Campana
Denise Diaz	

Gil Hurtado	<b>AUTHORITY COUNSEL</b>
	Raul F. Salinas
	<b>INTERIM TREASURER/CHIEF FINANCIAL OFFICER</b>
	Kingsley Okereke

### **III. Meeting Compensation Disclosure**

Pursuant to Government Code Section 54952.3: Disclosure of compensation for meeting attendance by Housing Authority Commissioners is \$75 per meeting.

### **IV. Open Session Agenda**

#### **1. Resolution Declaring 13050 Paramount Boulevard, South Gate, California As Surplus Property**

The South Gate Housing Authority will consider: (CD)

- a. Adopting a **Resolution** \_\_\_\_\_ declaring 13050 Paramount Boulevard as surplus property; and
- b. Directing the Housing Authority Executive Director to follow disposition procedures set forth in the Surplus Lands Act ("Act").

Documents:

[HA ITEM 1 REPORT 09072021.PDF](#)

#### **2. Minutes**

The South Gate Public Housing Authority will consider approving the Special Meeting Minutes of July 21, 2021. (CLERK)

Documents:

[HA ITEM 2 REPORT 05072021.PDF](#)

### **V. Comments From The Audience**

### **VI. Comments From The Authority Members**

### **VII. Adjournment**

I, Carmen Avalos, Secretary, certify that a true and correct copy of the

foregoing Meeting Agenda was posted on September 8, 2021, at 11:25 a.m., as required by law.

Carmen Avalos, CMC

City Clerk

Materials related to an item on this Agenda submitted to the Housing Authority after distribution of the agenda packet are available for public inspection in the City Clerk's Office

8650 California Avenue, South Gate, California 90280  
(323) 563-9510 \* fax (323) 563-5411 \* [www.cityofsouthgate.org](http://www.cityofsouthgate.org)

In compliance with the American with Disabilities Act, if you need special assistance to participate in the Housing Authority Meetings, please contact the Office of the City Clerk.

Notification 48 hours prior to the Housing Authority Meeting will enable the City to make reasonable arrangements to assure accessibility.

SEP 02 2021

11:30 A.M.


**City of South Gate**  
**SOUTH GATE HOUSING AUTHORITY**  
**AGENDA BILL**

For the Regular Meeting of: September 14, 2021Originating Department: Community Development

Interim Director:

  
Grace Martin

Interim City Manager:

  
Chris Jeffers

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**SUBJECT: RESOLUTION DECLARING 13050 PARAMOUNT BOULEVARD, SOUTH GATE, CALIFORNIA (APN 6264-004-900) AS SURPLUS PROPERTY**

**PURPOSE:** To adopt a Resolution declaring 13050 Paramount Boulevard, South Gate, California ("Property") as surplus property.

**RECOMMENDED ACTIONS:** The South Gate Housing Authority will consider;

- a. Adopting a Resolution declaring 13050 Paramount Boulevard as surplus property; and
- b. Directing the Housing Authority Executive Director to follow disposition procedures set forth in the Surplus Lands Act ("Act").

**FISCAL IMPACT:** The designation of surplus property has nominal costs funded by the Housing Authority for property disposition. Costs include staff and consultant time for preparing the required documents, transmitting the Notice of Availability, receiving and analyzing offers, and presenting recommendations to the Housing Authority. These Housing Authority funds are appropriated in Fund 240. The estimated cost of the surplus property disposition is \$3,500.

**ANALYSIS:** The Housing Authority acquired the Property in May 2020 to facilitate the development of affordable housing within the Hollydale Specific Plan area in response to the acute housing crisis in the City and to help fulfill a substantial housing production goal in the 6<sup>th</sup> Housing Element Cycle. After purchasing the Property, the Housing Authority intended to solicit proposals from qualified affordable housing developers who would purchase and develop the Property as an affordable ownership housing project.

Under the Surplus Land Act and HCD's implementing guidelines that went into effect in April of this year, public agencies are now obligated to first make properties that are not under contract available as surplus properties before entertaining other offers. While the intent of the statute is to encourage affordable housing, the new process is an important next step. In short, public agencies with properties not under a current sales contract must first designate the properties as surplus property, then provide notice of their availability to specified nonprofit housing providers and certain other entities before engaging in negotiations to dispose of the properties with any other entity.

The process for surplus property disposition entails these main actions:

1. Under the Act, once the surplus designation is made, a notice of availability is prepared and transmitted to housing sponsors and other parties as required by law.
2. Those entities have sixty (60) days to notify the Housing Authority that they are interested in the property by providing a notice of intent.
3. Thereafter, the Housing Authority must negotiate in good faith with any qualifying entity expressing interest in the property.
4. If the Housing Authority and the qualifying entity cannot come to an agreement within ninety (90) days of the commencement of negotiations, or no qualifying entity expresses interest in the property during the sixty (60) day notice period, the Housing Authority is able to market and sell the property to any entity.
5. The Housing Authority is not required to sell the property to a qualifying entity for less than fair market value, but is required to negotiate with qualifying entities in "good faith." Among other things, the Housing Authority is prohibited from negotiating with a potential buyer, other than a qualifying entity, until the ninety (90) day period has ended. In short, the Housing Authority could enter into an agreement within the 90 day period, or wait until the 90 day period lapses before proceeding with negotiations with another buyer.

The tentative disposition schedule is detailed below:

September 14, 2021 – Declare 13050 Paramount Boulevard as Surplus Property

September 15, 2021 – Distribute Notice of Availability

November 14, 2021 – Notice of Intent Due from Qualifying Entities

February 12, 2021 – Good Faith Negotiation Period Ends

The attached draft Notice of Availability is based on the HCD template and provides basic information as required HCD guidelines, as well as, states the City Council's interest in affordable housing for this property should that be proposed by a prospective buyer. Under the HCD guidelines, housing is considered an acceptable use of any surplus property regardless of its zoning designation.

**BACKGROUND:** The subject Property comprises 1.32 acres and is located within the City's Hollydale Mixed-Use 2 Zoning district within the Hollydale Specific Plan area. Under the current Zoning, residential is a permitted use at a maximum density of 30 units per acre, but state Density Bonus Law allows for the maximum with density bonus to be 54 units per acre. The Property is the site of a vacant supermarket and is improved with a 18,090 square foot building, which will be demolished prior to redevelopment.

In October 2019, the South Gate Housing Authority received a Notice of Sale of Surplus Property from the Los Angeles County Office of Education ("LACOE"), giving the Housing Authority notice of the LACOE's intent to sell the Property. The Housing Authority submitted a Notice of Interest to LACOE and subsequently approved a Purchase and Sale Agreement on March 24, 2020.

Funds were not appropriated in the Fiscal Year 2019/20 budget for the acquisition of the Property and the Housing Authority did not have enough discretionary funds available for the acquisition. As such, the City and Housing Authority entered into a Cooperation Agreement on April 28, 2020, to appropriate funds from the City's General Fund to the Housing Authority in an amount not to exceed \$1,813,000 to facilitate the purchase the Property. The Housing Authority acquired the Property on May 13, 2020. Under the Cooperation Agreement, the Housing Authority must repay the City's General Fund with property sales proceeds or other funds upon the resale of the Property.

The Housing Authority now intends to proceed with the disposition and development of the Property. To do so, the Housing Authority must first proceed with declaration of surplus property and notify affordable housing sponsors of the opportunity to purchase and develop the site. Once any offers (notices of interest) are received, the Housing Authority may rank the proposals based on the objectives in the Surplus Land Act and which project proposals it may wish to offer assistance, if any. The Surplus Land Act does not obligate the Housing Authority to sell the property for less than fair market value nor provide financial assistance to a proposal it does not favor.

The Housing Authority is responsible for property management including security and utilities until the Property is disposed.

**ATTACHMENTS:** A. Proposed Resolution

B. Draft Notice of Availability of Surplus Property

**HOUSING AUTHORITY RESOLUTION NO. \_\_\_\_**

**A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY  
OF SOUTH GATE DECLARING 13050 PARAMOUNT  
BOULEVARD, SOUTH GATE, CALIFORNIA AS SURPLUS  
PROPERTY**

**WHEREAS**, the City of South Gate Housing Authority (“Housing Authority”) is a public body, corporate and politic, formed, organized, existing, and exercising its powers pursuant to the California Housing Authorities Law, Health and Safety Code (“HSC”) Section 34200, et seq., and has been authorized to transact business pursuant to action of the City Council of the City of South Gate; and

**WHEREAS**, HSC Section 34315 permits housing authorities to acquire real or personal property for affordable housing development; and

**WHEREAS**, the Housing Authority owns the property commonly known as 13050 Paramount Boulevard, South Gate, California (APN 6264-004-900) (“Property”), being depicted in the Map in Attachment A hereto and legally described in Attachment B hereto and having acquired the Property on May 13, 2020 for affordable housing development pursuant to a Purchase and Sale Agreement (“PSA”) dated March 24, 2020 with the Los Angeles County Office of Education (“LACOE”); and

**WHEREAS**, the Housing Authority and City of South Gate (“City”) entered into a Cooperation Agreement on April 28, 2020 to appropriate funds from the City General Fund as a loan to the Housing Authority in an amount not to exceed \$1,813,000 to facilitate the purchase the Property; and

**WHEREAS**, the Housing Authority intends to repay the City the full amount of appropriated funds upon the resale of the Property; and

**WHEREAS**, the Housing Authority desires to proceed with the disposition and development of the Property; and

**WHEREAS**, the Surplus Lands Act (California Government Code Section 54220 through 54234) and the implementing guidelines adopted by the California Department of Housing and Community Development (“HCD”) generally requires, with limited exceptions, public agencies, including housing authorities, to offer property not under contract to nonprofit housing providers and certain other entities before the public agency disposes of the Property; and

**WHEREAS**, the Housing Authority desires to declare the Property as surplus land and direct the Housing Authority Executive Director to comply with the notice and negotiation procedures set forth in the Surplus Lands Act for disposal of the Property.

**NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF SOUTH GATE:**

Section 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

Section 2. For the reasons set forth in the foregoing Recitals, 13050 Paramount Boulevard, South Gate, California is hereby declared as surplus land pursuant to the Surplus Lands Act.

Section 3. The Housing Authority Executive Director is authorized and directed to follow the notice and negotiations procedures set forth in the Surplus Lands Act for the disposition of the property commonly known as 13050 Paramount Boulevard, South Gate, California.

**APPROVED AND ADOPTED** this 14th day of September 2021.

**HOUSING AUTHORITY OF THE CITY OF  
SOUTH GATE**

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Al Rios, Chair


(SEAL)

**ATTEST:**

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Carmen Avalos, Recording Secretary

**APPROVED AS TO FORM:**



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Raul F. Salinas, General Counsel  
Housing Authority of the City of South Gate



**ATTACHMENT A**

MAP OF SUBJECT PROPERTY  
13050 PARAMOUNT BOULEVARD, SOUTH GATE

(APN 6264-004-900)

[follows this page]



## **ATTACHMENT B**

### **LEGAL DESCRIPTION**

#### **13050 Paramount Blvd. Property**

The Land referred to herein below is situated in the City of South Gate, County of Los Angeles, State of California, and is described as follows:

LOTS 1 AND 2 AND THE NORTHEASTERLY 31 1/2 FEET (MEASURED AT RIGHT ANGLES) OF LOT 3, BLOCK 1, OF TRACT 5501, IN THE CITY OF SOUTH GATE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 60, PAGE 85, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE NORTHEASTERLY 14.00 FEET (MEASURED AT RIGHT ANGLES) OF SAID LOT 1.

ALSO EXCEPTING THEREFROM THAT PORTION OF LOT 1, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF A LINE THAT IS PARALLEL WITH AND 14 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES FROM THE NORTHERLY LINE OF SAID LOT 1, BLOCK 1, WITH THE EASTERLY LINE OF PARAMOUNT BOULEVARD (100 FEET WIDE) AS DESCRIBED IN DEED TO THE CITY OF SOUTH GATE RECORDED OCTOBER 17, 1949 AS INSTRUMENT NO. 2308 IN BOOK 31242, PAGE 366, OFFICIAL RECORDS, THENCE EASTERLY ALONG SAID PARALLEL LINE 15 FEET; THENCE SOUTHWESTERLY IN A DIRECT LINE TO A POINT IN THE SAID EASTERLY LINE OF PARAMOUNT BOULEVARD, DISTANT SOUTHERLY THEREON 15 FEET FROM THE POINT OF BEGINNING; THENCE NORTHERLY ALONG SAID PARAMOUNT BOULEVARD, 15 FEET TO THE SAID POINT OF BEGINNING.

For conveyancing purposes only: APN 6264-004-900

**Notice of Availability/Offer to Sell Surplus Property**  
**13050 Paramount Boulevard, South Gate**  
Housing Authority of the City of South Gate

September 15, 2021

To All Interested Parties:

As required by Government Code Section 54220 of the State of California, the Housing Authority of the City of South Gate ("Housing Authority") is providing notification that the Housing Authority intends to sell surplus property located at 13050 Paramount Boulevard ("Property") in the City of South Gate. The Housing Authority declared the Property surplus on September 14, 2021.

A map showing the location of the Property is presented in Attachment 2.

About the Subject Property and Goals for the Site

The Housing Authority seeks a 100% affordable housing project on the Property. The City is particularly interested in senior housing and ownership affordable housing in this area, where senior housing is limited and homeownership rates are unattainable for many households.

The subject Property is a +/-1.32-acre (per LA County Assessor) lot (APN 6264-004-900) located between Gardendale Street and McKinley Avenue to the east of Paramount Boulevard. The remainder of the block is made up of single family and multifamily residential uses.

The Property is improved with a ~18,090 square foot vacant building that was formerly used as a supermarket.

The Property is located within the Hollydale Specific Plan area and the Hollydale Mixed Use-2 (HMU2) Zoning District.

Responding to this Notice of Availability

Entities proposing to submit a letter of interest are advised to review the requirements set forth in the Surplus Land Act (Government Code Section 54220-54234).

In accordance with Government Code Section 54222, an interested party has sixty (60) days from the date this offer was sent via certified mail or electronic mail to notify the Housing Authority of its interest in acquiring the Property. However, this offer shall not obligate the Housing Authority to sell the Property to an interested party. Instead, the Housing Authority would enter into at least ninety (90) days of negotiations with an interested party pursuant to Government Code Section 54223. If no agreement is reached on sales price and terms, the Housing Authority may market the Property to the general public.

As required by Government Code Section 54227, if the Housing Authority receives more than one letter of interest during this 60-day period, it will give first priority to entities proposing to develop housing where at least 25 percent of the units will be affordable to lower income households. If more than one such proposal is received, priority will be given to the proposal with the greatest number of affordable units. If more than one proposal specifies the same number of affordable units, priority will be given to the proposal that has the lowest average affordability level.



In the event any party is interested in purchasing the property, each interested party must provide a Notice of Interest in writing to the Housing Authority no later than sixty (60) days of the date of this Notice of Availability.

Following receipt of all Notices of Interest, the City will review and engage in good faith negotiations for a period of not less than ninety (90) days.

**SUBMITTAL REQUIREMENTS (IMPORTANT)**

The Notice of Interest in acquiring the Property shall be received (not postmarked) no later than 5:00 pm Sunday, November 14, 2021. An interested party may send the Notice of Interest by email or regular mail by way of the United States Postal Service. If by regular mail, we suggest that an interested party send it via certified mail with return receipt requested. However, the Housing Authority is not responsible for delays in mail delivery so please plan accordingly to ensure that submittals are received before the deadline to be considered. The Notice of Interest should contain at a minimum, the name of the entity interested in purchasing the Property, proposed use, proposed purchase price, and terms and conditions to closing. The Notice of Interest shall be addressed to:

Alex Lawrence, RSG, Inc.  
17872 Gillette Avenue, Suite 350, Irvine, CA 92614  
[alawrence@webrsg.com](mailto:alawrence@webrsg.com)

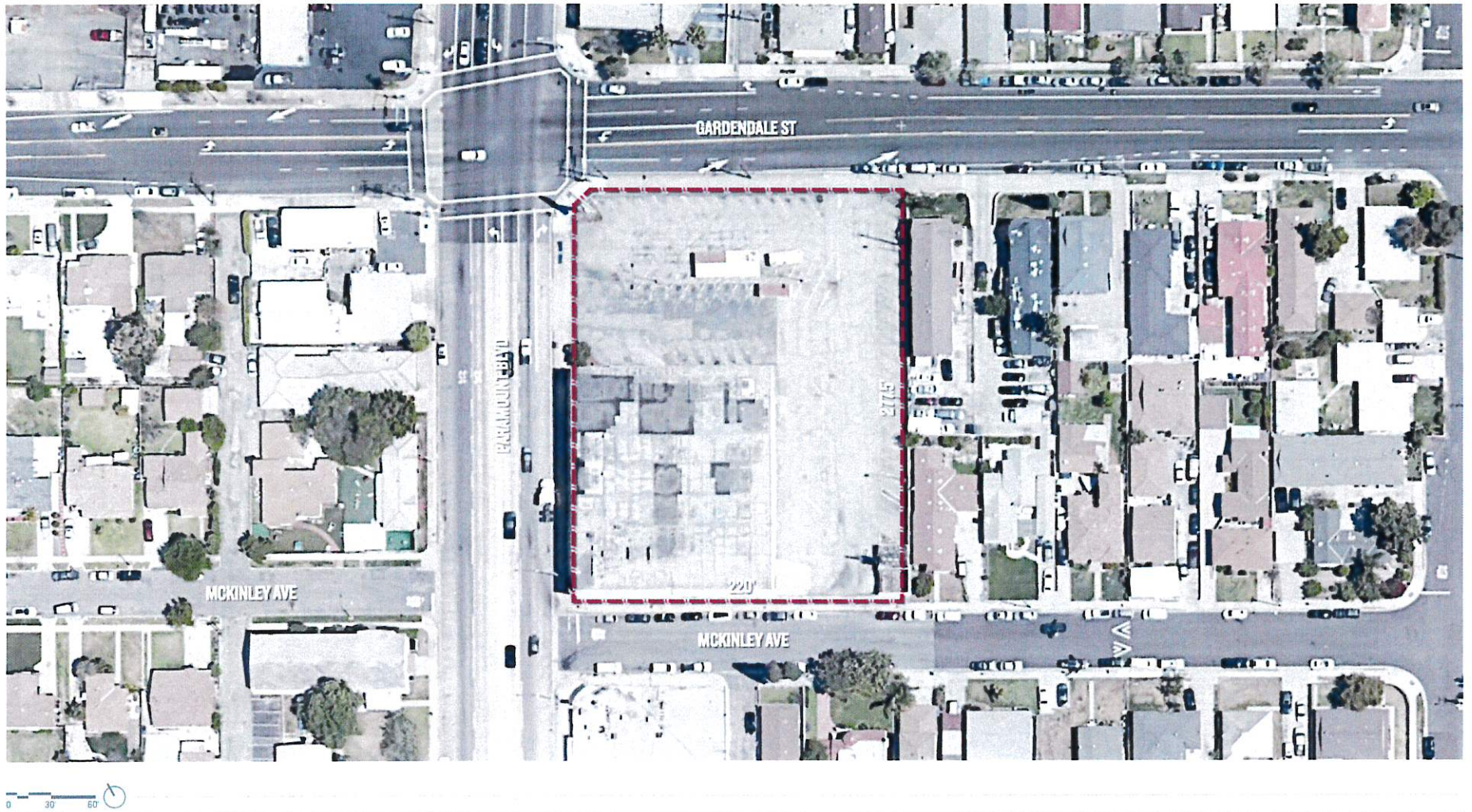
***If you have any questions, please contact Alex Lawrence at [alawrence@webrsg.com](mailto:alawrence@webrsg.com) or (714)316-2104.***

**Attachment 1: Property Summary Sheet**

South Gate Housing Authority Notice of Availability of Surplus Land (September 2021) Property Summary Sheet	
Address	13050 Paramount Boulevard, South Gate, CA 90280
County	County of Los Angeles
APNs	6264-004-900
Lot Size	+/- 1.32 acres; 57,305 sq. ft.
Improvements	Single Story Vacant Building (Former Supermarket)
Building Size	~18,090
Zoning	Hollydale Specific Plan Hollydale Mixed Use-2 (HMu2)
General Plan Designation	Neighborhood Low; Paramount Corridor
Density	Min: N/A Maximum: 30 du/acre Maximum with Density Bonus: 54 du/acre <sup>1</sup>
Existing Use	Vacant supermarket
Legal Description	See Attachment 3
Due Diligence	A Phase I Environmental Site Assessment was conducted at the Property in March 2020 by Ninyo & Moore. Because there is a drycleaner adjacent to the Property, Ninyo & Moore could not rule out the potential presence of vapor contaminants beneath the Property. The Assessment did not reveal any other evidence of recognized environmental conditions (RECs).
Minimum Asking Price	The Housing Authority would expect fair market value for the Property, or a commensurate number of affordable housing units if any assistance is being sought such as a reduction in the land price. The Housing Authority requests that interested parties provide justification for the offered purchase price.
Value and Date of Most Recent Appraisal	\$3,130,000 for land only; March 2, 2020, subject to reappraisal.

1. Density bonus will be granted based on proposed affordability and use.

**Attachment 2: Property Map**





### **Attachment 3: Legal Description**

#### **13050 Paramount Blvd. Property**

The Land referred to herein below is situated in the City of South Gate, County of Los Angeles, State of California, and is described as follows:

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For conveyancing purposes only: APN 6264-004-900



## MINUTES FOR THE SPECIAL MEETING OF THE HOUSING AUTHORITY OF THE CITY OF SOUTH GATE

**TUESDAY, JULY 27, 2021**

**CALL TO ORDER** The meeting of the South Gate Housing Authority was called to order by Chairperson Al Rios at 5:30 p.m.

**ROLL CALL** Carmen Avalos, City Clerk

**PRESENT** Chairperson Al Rios, Vice Chairperson Maria del Pilar Avalos, Authority Member Maria Davila, Authority Member Denise Diaz and Authority Member Gil Hurtado; Interim Executive Director Chris Jeffers, Authority Counsel Raul F. Salinas, Interim Director of the Housing Authority Grace Martin, Interim Treasurer/Chief Financial Officer Kingsley Okereke

**1**  
**DEVELOPMENT** The South Gate Housing Authority unanimously adopted Resolution No. 2021-02-HA entitled - A Resolution of the Housing Authority of the City of South Gate declaring 9001-19 Long Beach Boulevard, South Gate, California as surplus property by motion of Authority Member Davila and Authority Member Hurtado.

Grace Martin, Interim Director of the Housing Authority provided a presentation.

**ROLL CALL:** Chairperson Rios, yes; Vice Chairperson Avalos, yes, Authority Member Davila, yes; Authority Member Diaz, yes; Authority Member Hurtado, yes.

**2**  
**MINUTES** The South Gate Public Housing Authority unanimously approved A and B by motion of Authority Member Davila and seconded by Authority Member Diaz:

a. The regular meeting minutes of May 25, 2021; and

b. The special meeting minutes of July 13, 2021.

**ROLL CALL:** Authority Member Diaz, yes; Authority Member Davila, yes; Authority Member Hurtado, yes; Vice Chairperson Avalos, yes; Chairperson Rios, yes.

**3**  
**COMMENTS FROM  
THE AUDIENCE** None

COMMENTS FROM THE  
AUTHORITY MEMBERS

None

ADJOURNMENT

Authority Member Davila unanimously adjourned the meeting at 5:38 p.m. and seconded by Council Member Hurtado.

**PASSED** and **APPROVED** this 14<sup>th</sup> day of September 2021.

ATTEST:

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Al Rios, Chairperson

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Carmen Avalos, Recording Secretary