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# CITY OF POMONA SUCCESSOR AGENCY STAFF REPORT

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August 1, 2022

To: Honorable Chair and Members of the Successor Agency

From: James Makshanoff, Executive Director

Submitted By: Kirk Pelser, Deputy City Manager

**SUBJECT: ADOPTION OF A RESOLUTION DECLARING EXEMPT SURPLUS LAND AND APPROVING THE SALE OF PROPERTY AT 192 E. CENTER STREET AND 353 N. GIBBS STREET IN POMONA, CALIFORNIA (APN'S 8336-026-904 & 905) TO THE CITY OF POMONA, CALIFORNIA, FOR THE PURCHASE PRICE OF \$312,000**

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## RECOMMENDATION:

It is recommended that the Successor Agency to the former Redevelopment Agency ("Successor Agency") adopt the following Resolution No. SA 2022-01 (Attachment No. 1):

**RESOLUTION NO. SA 2022-01 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA, SITTING AS THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF POMONA, CALIFORNIA, (I) DECLARING PURSUANT TO GOVERNMENT CODE SECTION 54221 THAT REAL PROPERTY OWNED BY THE SUCCESSOR AGENCY AT 192 E. CENTER STREET AND 353 N. GIBBS STREET IN POMONA, CALIFORNIA (APN'S 8336-026-904 & 905) IS EXEMPT SURPLUS LAND, (II) APPROVING THE SALE OF SUCH PROPERTY TO THE CITY OF POMONA, FOR THE PURCHASE PRICE \$312,000; AND FINDING THAT NO FURTHER CEQA ANALYSIS IS REQUIRED**

## EXECUTIVE SUMMARY:

The Successor Agency will consider a Resolution (Attachment No. 1) declaring Successor Agency property located at 192 E. Center Street and 353 N. Gibbs Street in Pomona, California (APN's 8336-026-904 & 905) (the "Property") (Attachment No. 2) exempt surplus land under the Surplus

Land Act (the “Act”) and approving the sale of the Property to the City of Pomona for the price of \$312,000. The proposed sale is consistent with the Successor Agency’s approved Long Range Property Management Plan (“LRPMP”), and applicable State Law, which requires the Successor Agency to sell the properties in a manner that maximizes value, and as expeditiously as practical. The Property’s most recent fair market value was determined to be \$312,000 by a January 2018 appraisal report prepared by the firm of Lidgard & Associates.

### **FISCAL IMPACT:**

The Successor Agency will receive sale proceeds of \$312,000, less customary closing costs. The RDA dissolution law requires that all proceeds from the sale of property, to the extent such proceeds are not contractually or legally restricted (e.g purchased with bond proceeds), be forwarded to the Los Angeles County Treasurer and Tax Collector’s Office for distribution to various taxing entities, including the City of Pomona.

### **DISCUSSION:**

The Dissolution Law eliminated all redevelopment agencies (“RDA’s”) in the State, and requires each RDA’s “Successor Agency” to dispose of the real property assets of the RDA in accordance with the LRPMP approved by the oversight board and the California Department of Finance (“DOF”). The DOF approved Pomona’s LRPMP on October 7, 2014, and the Property is among the assets that must be sold.

The subject Property, totaling 15,210 square feet, was purchased by the former RDA as part of a complex acquisition that included the four (4) adjacent parcels to the west. Those four (4) parcels were then deeded to the City’s Housing Authority, and the two (2) subject parcels that comprise the Property were deeded to the former RDA, and are not owned by the Successor Agency. Based upon available records, it appears that the Housing Authority and former RDA paid approximately \$1,350,000 for the aggregate six (6) parcels in 2008.

In 2018, staff facilitated an appraisal which established the Property’s fair market value as \$312,000. Staff believes this appraised price remains accurate to-date.

The City of Pomona (“City”) proposes to purchase the Property for \$312,000, The Resolution would approve the sale and authorize the Executive Director to transact the sale.

The Successor Agency must comply with the Act before disposing of surplus land. Exempt from the Act are certain categories of “exempt surplus land,” as defined in the Act. One such category of exempt surplus land applies to agency-to-agency transfers for the transferee agency’s use. (Government Code section 54221(f)(1)(D).) Before disposal, the Successor Agency must declare

the Property as exempt surplus in a public meeting and make written findings demonstrating how the Property qualifies as exempt surplus land. The agency-to-agency transfer exemption applies here, making the land exempt surplus land, because the Successor Agency would be selling the land to the City for the City’s use for water demonstration project and community garden purposes. The Resolution would make the declarations and findings required by the Act.

**ENVIRONMENTAL ANALYSIS:**

Pursuant to section 15061(b)(3) of the CEQA Guidelines, it can be seen with certainty that there is no possibility that the sale of the subject Property will have a significant effect on the environment and, therefore, approval of the Assignment Agreement, and the previously approved Purchase and Sale Agreements are not subject to CEQA. The proposed transaction concerns merely the disposition of property, and any entitlements, change in use, or similar alternation to the Property will be subject to future discretionary action by the Pomona City Council and/or Planning Commission.

Prepared by:

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Kirk Pelser  
Deputy City Manager

**ATTACHMENTS:**

Attachment No. 1 – Resolution No. SA 2022- 01  
Attachment No. 2 - Map