

RESOLUTION NO. OB. 2017-

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF POMONA, CALIFORNIA, APPROVING THE SECOND AMENDMENT TO THE AGREEMENT OF PURCHASE AND SALE FOR THE SALE OF THE FORMER POMONA AUTO CENTER LOT 8 (APNS 8344-024-935 AND 8344-024-938) WITH LVD RIO RANCHO III, LLC FOR THE PURCHASE PRICE OF \$12,220,000

WHEREAS, the former Pomona Redevelopment Agency (“Agency”) was a community redevelopment agency organized and existing under the California Redevelopment Law;

WHEREAS, the Agency was dissolved effective February 1, 2012, by way of Assembly Bill 1x26 (as subsequently amended from time to time, the “Dissolution Act”) and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231;

WHEREAS, the Dissolution Act created a “successor agency” for each dissolved redevelopment agency, and charged such agencies with completing various tasks and obligations geared towards “winding down” the affairs of their respective redevelopment agency;

WHEREAS, the Dissolution Act created an “oversight board” for each successor agency, and charged such boards with overseeing, reviewing, and approving enumerated successor agency actions;

WHEREAS, upon dissolution of the Agency, all real property assets of the former Agency were transferred to the Successor Agency for management and disposition in accordance with the Dissolution Act;

WHEREAS, the Successor Agency is required to prepare a Long Range Property Management Plan (“LRPMP”) to address the disposition and use of all real property assets of the former Agency, and to submit an Oversight Board-approved LRPMP to the Department of Finance (Health & Safety Code § 34191.4.);

WHEREAS, the Pomona Oversight Board (“Oversight Board”) has heretofore approved the Successor Agency’s LRPMP, and Finance subsequently approved the Successor Agency’s LRPMP on October 7, 2014;

WHEREAS, the Successor Agency owns that certain real property commonly known as Lot 8 of the Former Pomona Auto Center, located in the City of Pomona, California, and specifically identified as Los Angeles County Assessor’s Parcel Nos. 8344-024-935 and 8344-024-938 (the “Property”), and such Property is identified for sale to and development by a private party in the LRPMP;

WHEREAS, the Successor Agency solicited proposals from multiple developers in order to engage development negotiations for the Property and obtain proposals that would maximize both the sale price and the continued value thereof;

WHEREAS, the Successor Agency determined the proposal received from Rio Rancho to purchase the Property for \$12,220,000 is consistent with the fair market value thereof, and Rio Rancho's proposal to subsequently develop the Property with single family homes (subject to independent discretionary environmental review and entitlement approvals by the Pomona City Council) will complement the adjacent retail uses and is consistent with the long term planning objectives of the former Agency;

WHEREAS, on August 1, 2016, the Successor Agency adopted Resolution No. SA 2016-4 approving an Agreement of Purchase and Sale with Rio Rancho III, LLC ("Rio Rancho") for the sale of the Successor Agency property to Rio Rancho on the terms and conditions set forth in the Agreement of Purchase and Sale, subject to approval by the Oversight Board.

WHEREAS, the Oversight Board approved the Agreement of Purchase and Sale with Rio Rancho on September 15, 2016 by Resolution No. SA 2016 - 6;

WHEREAS, Rio Rancho is a subsidiary of Lewis Land Developers, LLC, which has successfully developed the adjoining acreage of the Former Pomona Auto Center into multiple retail centers;

WHEREAS, the Agreement of Purchase and Sale was subsequently assigned to LVD Rio Rancho III, LLC, a subsidiary of Rio Rancho, as allowed by the Agreement of Purchase and Sale;

WHEREAS, on October 17, 2016 the Successor Agency approved a First Amendment to the Agreement Purchase and Sale extending the Close of Escrow date due to the time needed for processing CEQA documents.

WHEREAS, due to an omission of a \$450,000 assessment in the preliminary title report contained in the RFP distributed by the Successor Agency, the Successor Agency finds that it is fair and reasonable for the assessment to be paid from gross proceeds of sale due to the Successor Agency.

WHEREAS, on March 20, 2017, the Successor Agency approved a Second Amendment to the Agreement of Purchase and Sale allowing for the payoff the \$450,000 assessment from gross proceeds of sale due to the Successor Agency.

WHEREAS, the Second Amendment to the Agreement of Purchase and Sale for the sale of the Property is exempt from the California Environmental Quality Act pursuant to section 15061(b)(3) of the CEQA Guidelines, as it can be seen with certainty that the Second Amendment to the Agreement of Purchase and Sale for transfer of the subject Property will not have a significant effect on the environment.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board to the Successor Agency of the former Redevelopment Agency of the City of Pomona as follows:

SECTION 1. That, based upon staff reports, presentations, public testimony, and other matters presented during consideration of this matter, the Oversight Board finds and declares the foregoing recitals to be true and correct, and are expressly incorporated as a material part of this Resolution.

SECTION 2. That pursuant to Health & Safety Code Sections 34177, 34181 and 34191.5, the Oversight Board hereby approves the Second Amendment to the Agreement of Purchase and Sale for the Property with LVD Rio Rancho III, LLC, in substantially the form as attached hereto as Exhibit A, and directs and authorizes the officers and staff of the Oversight Board and the Successor Agency, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution.

SECTION 3. The Clerk of the Oversight Board shall attest and certify to the passage and adoption of this resolution and it shall become effective five (5) business days after its adoption, unless review is requested by the DOF; provided that the Oversight Board recognizes that this Resolution constitutes an action to implement the disposition of property pursuant to an approved long range property management plan, and pursuant to Health & Safety Code Section 34191.5(f), such actions are not subject to review by DOF.

APPROVED AND ADOPTED THIS 20TH DAY OF APRIL 2017.

ATTEST:

**OVERSIGHT BOARD TO THE
SUCCESSOR AGENCY OF THE
REDEVELOPMENT AGENCY OF THE
CITY OF POMONA**

Eva M. Buice, MMC, Oversight Board Clerk

Tim Sandoval, Chair

APPROVED AS TO FORM:

Oversight Board Counsel

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF POMONA

I, EVA M. BUICE, MMC, CLERK of the POMONA SUCCESSOR AGENCY OVERSIGHT BOARD do hereby certify that the foregoing Resolution was adopted at a regular meeting of the Successor Agency Oversight Board held on the 20th day of April 2017 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Pomona, California, this _____ day of April 2017.

Eva M. Buice, MMC, Clerk of the
Pomona Successor Agency Oversight Board