



CITY OF POMONA SUCCESSOR AGENCY OVERSIGHT BOARD STAFF REPORT

March 15, 2018

To: Honorable Chair and Members of the Successor Agency Oversight Board

From: Linda Lowry, Executive Director

Submitted By: Kirk Pelser, Deputy Executive Director

Subject: **Adoption of a Resolution Approving the Sale of Property in the 1600 Block of West Mission Boulevard in Pomona, California (APN's 8349-002-900, 8349-002-901, 8349-002-902 & 8349-003-900) to Golden Ticket Mission 71, LLC, for the Purchase Price of \$565,000**

OVERVIEW

Recommendation – That the Pomona Successor Agency Oversight Board, adopt the attached Resolution approving an Agreement of Purchase & Sale and Joint Escrow Instructions (the “PSA”) with Golden Ticket Mission 71, LLC (“Buyer”) for the sale of Successor Agency properties located in the 1600 Block of West Mission Blvd. in Pomona, California (APN's 8349-002-900, 8349-002-901, 8349-002-902 & 8349-003-900) (the “Property”) for the price of \$565,000.

Fiscal Impact – The Successor Agency will receive sale proceeds of \$565,000, less a 5% sale commission and customary closing costs. Dissolution Law requires that all proceeds from the sale of property, not previously 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.

Previous Action(s) –

- On February 26, 2018, the Successor Agency adopted a resolution approving the sale of the Property to Buyer for the purchase price of \$565,000.

Environmental Review – 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 Site will have a significant effect on the environment and, therefore, approval of the Purchase and Sale Agreement is not subject to CEQA.

EXECUTIVE SUMMARY

The Oversight Board will consider a resolution (Attachment No. 1) approving an Agreement of Purchase & Sale and Joint Escrow Instructions (the “PSA”) with Golden Ticket Mission 71, LLC for the sale of Successor Agency property located in the 1600 Block of West Mission Blvd. in Pomona, California (APN’s 8349-002-900, 8349-002-901, 8349-002-902 & 8349-003-900) (the “Property”) for the price of \$565,000. 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 at not less than fair market value, and as expeditiously as practical. The subject properties’ fair market value was determined to be \$544,000 by a January 2017 appraisal report prepared by the firm of Boznanski & Company.

BACKGROUND & DISCUSSION

The Dissolution Law that eliminated all redevelopment agencies in the State requires the sale of all real property assets of the former Redevelopment Agency, following California Department of Finance (“DOF”) approval of the LRPMP. 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 31,097 square feet, is on the list of parcels to be sold by the Successor Agency as part of redevelopment dissolution in California. Based upon available records, it would appear that the former Redevelopment Agency paid approximately \$490,000 for the properties in 2002-2003. Staff had the properties appraised in January 2017. The appraisal’s concluded current value is \$544,000.

The subject parcels have been listed for sale on the City’s web site for close to a year. Several parties have expressed interest, but to date, the current offer is the only one that has been received. The non-contiguous nature of the four parcels makes their purchase a speculative investment.

CONCLUSION

These Property needs to be sold pursuant the State Dissolution Law, and the Property is listed as Sites No. 11 & 12 on the approved LRPMP. Staff is recommending the Successor Agency accept the Buyer’s valid offer of \$565,000 in accordance with State law and the approved Long Range Property Management Plan.

Attachment	No. 1 Resolution Approving the Sale with Exhibit A – Agreement of Purchase & Sale and Joint Escrow Instructions
	No. 2 Photo/Map