



CITY OF POMONA SUCCESSOR AGENCY OVERSIGHT BOARD STAFF REPORT

April 26, 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 at 192 E. Center Street and 353 N. Gibbs Street in Pomona, California (APN's 8336-026-904 & 905) to Triad Ventures, Inc., for the Purchase Price of \$312,000**

OVERVIEW

Recommendation – That the Pomona Successor Agency Oversight Board consider the attached resolution approving an Agreement of Purchase & Sale and Joint Escrow Instructions (the “PSA”) with Triad Ventures, Inc. (the “Developer”) for the sale of Successor Agency properties located at 192 E. Center Street and 353 N. Gibbs Street in Pomona, California (APN's 8336-026-904 & 905) (the “Property”) for the price of \$312,000.

Fiscal Impact –The Successor Agency will receive sale proceeds of \$312,000, less 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 March 19, 2018, the Successor Agency adopted a resolution approving the sale of the Property to Developer for the purchase price of \$312,000.

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 Successor Agency Oversight Board will consider a resolution (Attachment No. 1) approving an Agreement of Purchase & Sale and Joint Escrow Instructions (the “PSA”) with Triad Ventures Inc. for the sale of 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”) 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 subject properties’ fair market value was determined to be \$312,000 by a January 2018 appraisal report prepared by the firm of Lidgard & Associates.

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 15,210 square feet, is on the list of parcels to be sold by the Successor Agency as part of redevelopment dissolution in California. The former RDA purchased the property as part of a complex acquisition that included the adjacent parcels to the west. The adjacent four parcels were deeded to the Housing Authority and the two subject parcels were deeded to the former RDA. Based upon available records, it would appear that the former Housing Authority and Redevelopment Agency paid approximately \$1,350,000 for the six parcels in 2008. Staff had the two Successor Agency properties appraised in January 2018. The appraisal’s concluded current value is \$312,000.

The Developer proposes to acquire the Successor Agency property, as well as other adjacent properties in the block, with the intent to build a new for-sale townhome residential project with approximately 35 units. Their offer, and close of escrow within 18 months, is contingent upon their successful entitlement of the above described project.

CONCLUSION

These Property needs to be sold pursuant the State Dissolution Law, and the Property is listed as Site No. 13 on the approved LRPMP. Staff is recommending the Successor Agency Oversight Board accept the Developer’s valid offer of \$312,000 in accordance with State law and the approved Long Range Property Management Plan.

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