



# CITY OF POMONA SUCCESSOR AGENCY OVERSIGHT BOARD STAFF REPORT

June 21, 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 400 East 4<sup>th</sup> Street in Pomona, California (APN 8335-013-909) to Thalia Corona, for the Purchase Price of \$160,000**

## 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 Thalia Corona, (the “Buyer”) for the sale of Successor Agency property located at 400 East 4<sup>th</sup> Street in Pomona, California (APN 8335-013-909) (the “Property”) for the price of \$160,000.

**Fiscal Impact** –The Successor Agency will receive sale proceeds of \$160,000, less a 10% sales 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 May 21, 2018, the Successor Agency adopted a resolution approving the sale of the Property to Buyer for the purchase price of \$160,000.

**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 (Photo Map/Attachment 2) 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 Thalia Corona for the sale of Successor Agency property located at 400 East 4<sup>th</sup> Street in Pomona, California (APN 8335-013-909) (the “Property”) for the price of \$160,000. 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 property’s fair market value was determined to be \$153,000 by a January 2017 appraisal report prepared by the firm of Boznanski & Company.

## **BACKGROUND & 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 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 7,654 square feet, was purchased by the former RDA in 2001 for the purpose of land assembly. Based upon available records, it appears that the former RDA paid approximately \$100,000 for the property. The Property’s current fair market value was determined to be \$153,000 by a January 2017 appraisal report prepared by the firm of Boznanski & Company. Approval of the sale is contingent upon approval by the Oversight Board.

## **CONCLUSION**

The Property needs to be sold pursuant the Dissolution Law, and the Property is listed as Site No. 10 on the approved LRPMP. Staff is recommending the Successor Agency accept the Buyer’s offer of \$160,000 (subject to a 10% sales commission), which is \$7,000 more than the currently appraised fair market value, in accordance with State Law and the approved LRPMP.

### **Attachments**

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