



CITY OF POMONA COUNCIL REPORT

September 9, 2019

To: Honorable Mayor and Members of the City Council

From: Linda C. Lowry, City Manager

Submitted By: Kirk Pelsner, Deputy City Manager

SUBJECT: CONSIDERATION OF A RESOLUTION OF THE CITY OF POMONA, CALIFORNIA, SETTING A PUBLIC HEARING TO CONSIDER THE CONVEYANCE OF THAT CERTAIN REAL PROPERTY COMMONLY KNOWN AS VETERAN'S PARK (ASSESSORS PARCEL NO'S. 8707-019-903, 906 & 909) TO SEVENTH STREET DEVELOPMENT, INC PURSUANT TO GOVERNMENT CODE SECTION 37420 ET SEQ

RECOMMENDATION:

It is recommended that the City Council adopt the following resolution (Attachment 1):

RESOLUTION NO. 2019-146 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA SETTING A PUBLIC HEARING TO CONSIDER THE CONVEYANCE OF THAT CERTAIN REAL PROPERTY COMMONLY KNOWN AS VETERAN'S PARK (ASSESSORS PARCEL NO'S. 8707-019-903, 906 & 909) TO SEVENTH STREET DEVELOPMENT, INC PURSUANT TO GOVERNMENT CODE SECTION 37420 ET SEQ

EXECUTIVE SUMMARY:

The City is the fee owner of approximately 13.95 acres (approximately 11.38 net acres) of real property comprised of APN 8707-019-903, 906 & 909 in the City of Pomona commonly known as Veteran's Park (the "Site") plus certain vehicular easement rights over the adjacent parcel identified as APN 8707-019-018 & 019 and 8707-019-902 (the "Easement"). In order to provide for future development of the Property, the City entered into an exclusive negotiating agreement on September 26, 2019, in order to negotiate for the sale of the Property. The City intends to sell the Property to Seventh Street Development, Inc.

PUBLIC HEARING NOTICE:

A public hearing is required for this action. California Government Code Section 37422 provides that the resolution shall fix a time for hearing protests to the property conveyance, provide for publication of notice of the hearing, fix the time when the City will take final action regarding the property conveyance and contain an accurate description of the property to be conveyed.

FISCAL IMPACT:

If the City ultimately proceeds with the anticipated sale of the Property, it will receive \$11,650,000. A full analysis will be required to determine if restrictions may exist on the use of any portion of the proceeds.

BACKGROUND & DISCUSSION:

The City and Seventh Street Development, Inc. entered into an Exclusive Negotiating Agreement (the “ENA”), pursuant to which the Parties agreed to negotiate a purchase and sale agreement for the purchase and development of the Property with up to four light industrial/manufacturing buildings with ancillary offices totaling approximately 210,000 square feet.

The City intends to sell the Property to Seventh Street Development, Inc. for \$11,650,000. The Purchase and Sale Agreement (PSA) sets forth the basic terms of the purchase price, deposits, escrow process, conditions to closing, description of the project, grant deed, and schedule of performance for development of the property.

In accordance with California Government Code Section 37420 et seq., the City must hold a public hearing to accept any written protests received from interested parties and, if no protests are received, or if the City Council votes to overrule a protest by a 4/5 majority, the City Council may adopt a resolution finding that the public interest and convenience require the sale of the property and proceed with the sale. California Government Code Section 37421 provides that when the City finds that the public interest and convenience require the conveyance of City property, the City may adopt a resolution stating such finding and intention to convey the property. Additionally, California Government Code Section 37422 provides that such resolution shall fix a time for hearing protests to the property conveyance, provide for publication of notice of the hearing, fix the time when the City will take final action regarding the property conveyance and contain an accurate description of the property to be conveyed.

To comply with these provisions, staff recommends adoption of the attached resolution making the findings and setting the hearing for October 7, 2019 at 7:00 pm.

Environmental Review

CEQA applies when a public agency proposes to “approve” a project. (Pub. Resources Code, § 21080(a).) The term “approval” refers to a public agency decision that “commits the agency to a definite course of action in regard to a project.” (State CEQA Guidelines, § 15352(a).) The development of the Property shall be subject to, and processed in accordance with the California Environmental Quality Act, at California Public Resources Code Section 21000 et seq. and regulations promulgated pursuant thereto (“CEQA”), in accordance with California law. Close of Escrow is explicitly conditioned upon compliance with CEQA.

ATTACHMENTS:

1. Resolution No. 2019-146 with Exhibit A. Purchase and Sale Agreement between the City of Pomona and Seventh Street Development, Inc.