



AGENDA

SPECIAL MEETING OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER ADELANTO REDEVELOPMENT AGENCY

**JANUARY 25, 2016
TIME 5:00 P.M.**

**Adelanto Governmental Center
City Council Chambers
11600 Air Expressway, Adelanto**

NOTE: PLEASE TURN **CELL PHONES OFF** OR PLACE THEM **ON VIBRATE** DURING THE OVERSIGHT BOARD MEETING AS A COURTESY TO OTHERS. *Thank you, Administrative Staff*

The Oversight Board packet may be reviewed by the public at the reception counter in City Hall. Any writings or documents pertaining to an open session item, provided to a majority of the Oversight Board Members within 72 hours of a regular meeting, shall be made available for public inspection at the reception counter in City Hall at 11600 Air Expressway, Adelanto, CA 92301, during normal business hours. **Members of the public can view the agenda or download any staff reports in advance by accessing the City website at www.ci.adelanto.ca.us on Thursday the week before the scheduled meeting.**

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk Department, (760) 246-2300 ext. 3001 no later than 72 hours prior to the meeting. (28 CFR 34.102.104 ADA TITLE II)

A. CALL TO ORDER

TIME IN: _____

ROLL CALL BOARD MEMBERS:

- Cynthia M. Herrera, MMC., City of Adelanto Employee Appointee _____
- Allen Christensen, County Board of Supervisors Public Member Appointee _____
- Karen Hardy, Community College District Chancellor Appointee _____
- VACANT, County Superintendent of Education Appointee _____
- VACANT - County Special District Appointee _____
- Charley B. Glasper, City of Adelanto Appointee _____
- VACANT – County Board of Supervisors _____

FLAG SALUTE: _____

**SPECIAL MEETING
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE FORMER ADELANTO REDEVELOPMENT AGENCY
JANUARY 25, 2016**

B. DELETIONS/ADDITIONS TO AGENDA

1. City Manager to announce if there is any addition/removal of items from the agenda.

C. PUBLIC COMMUNICATION

Members of the public wishing to address the Oversight Board Members are required to fill out a speaker card and hand it to the Clerk of the meeting. This is the time and place for members of the public to comment on any matter within the jurisdiction of the Oversight Board. After receiving recognition from the Chair, the speaker will walk to the podium and state their name for the record. There is a time limit of three (3) minutes when giving your presentation.

Members of the audience may address the Oversight Board on non-agenda items; however, in accordance with Government Code Section 54954.2, the Oversight Board may not take action on an item not appearing on the posted agenda.

D. CONSENT CALENDAR

MOTION APPROVING THE CONSENT CALENDAR AS PRESENTED.

1. Approval of Meeting Minutes: September 24, 2015 – Special Meeting
November 24, 2015 – Special Meeting
December 9, 2015 – Special Meeting

**SPECIAL MEETING
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE FORMER ADELANTO REDEVELOPMENT AGENCY
JANUARY 25, 2016**

E. BOARD ACTIONS

1. ADOPT RESOLUTION 16-01 APPROVING A PURCHASE AND SALE AGREEMENT WITH FIRST STEP PLUS LLC.

RECOMMENDED ACTION:

- A. That the Oversight Board: Adopt a resolution (Attachment 1) authorizing execution of a Purchase and Sale Agreement in the total amount of \$376,628 (Attachment 2) with the First Step Plus, LLC for the sale of Agency-owned for the real property consisting of approximately 8 acres under Assessor's Parcel Numbers 3128-221-18, 3128-221-19, 3128-221-19, 3128-221-21, 3128-221-24, and approximately 27.42 acres under Assessor Parcel Numbers 0459-352-10 and 0459-352-12 with Improvements and Tangible Personal Property as outlined in the "Agreement". (Attachment 1).

- B. Authorize the City Manager or his/her designee to execute the Purchase and Sale Agreement with First Step Plus, LLC including making minor non-substantive changes, and to sign all documents and instructions necessary to complete the transaction.

RESOLUTION NO. 16-01

A RESOLUTION OF THE OVERSIGHT BOARD
FOR THE CITY OF ADELANTO, AS SUCCESSOR
AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF ADELANTO APPROVING A
PURCHASE AND SALE AGREEMENT WITH
FIRST STEP PLUS, LLC

M _____ S _____ ACTION _____

**SPECIAL MEETING
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE FORMER ADELANTO REDEVELOPMENT AGENCY
JANUARY 25, 2016**

2. APPROVAL OF RESOLUTION 16-02 BY THE OVERSIGHT BOARD OF THE JULY 1, 2016 TO JUNE 30, 2017 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 16-17)

RECOMMENDED ACTION: Approve Resolution No. 16-02 approving the Successor Agency's Recognized Obligation Payment Schedule for the period of July 1, 2016 to June 30, 2017.

OB RESOLUTION NO. 16-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ADELANTO REDEVELOPMENT AGENCY APPROVING AND ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR THE PERIOD COVERING JULY 1, 2016 TO JUNE 30, 2017

M _____ S _____ ACTION _____

F. BOARD MEMBER AND STAFF COMMENTS

- A. Chair.
B. Members of the Oversight Board.

G. CALENDARING OF FUTURE AGENDA ITEMS

- 1.

H. ADJOURNMENT

The next Regular Meeting of the Oversight Board will be held on a yearly basis from this date. Unless a Special Meeting is called.

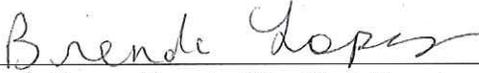
**SPECIAL MEETING
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE FORMER ADELANTO REDEVELOPMENT AGENCY
JANUARY 25, 2016**

TIME OUT: _____

M _____ S _____ ACTION _____

I. DECLARATION OF POSTING

I, BRENDA LOPEZ, DEPUTY CITY CLERK/SECRETARY FOR THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ADELANTO REDEVELOPMENT AGENCY HEREBY CERTIFY THAT A TRUE, ACCURATE COPY OF THE FOREGOING AGENDA WAS POSTED ON JANUARY 22, 2016, SEVENTY TWO (72) HOURS PRIOR TO THE MEETING PER GOVERNMENT CODE 54954.2 IN THE GOVERNMENTAL CENTER'S DISPLAY CASE, 11600 AIR EXPRESSWAY, ADELANTO, CALIFORNIA.



Brenda Lopez Deputy City Clerk/Secretary of the Board, CMC



**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
FORMER ADELANTO REDEVELOPMENT AGENCY**

ADELANTO GOVERNMENTAL CENTER | 11600 AIR EXPRESSWAY | ADELANTO, CALIFORNIA 92301

**NOTICE OF SPECIAL MEETING
OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE FORMER ADELANTO REDEVELOPMENT AGENCY**

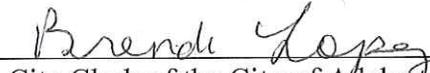
NOTICE IS HEREBY GIVEN that the meeting of the Successor Agency to the Former Adelanto Redevelopment Agency will meet at the following time and place.

TIME

Special Meeting 5:00 p.m.
Monday
January 25, 2016

PLACE

Adelanto Governmental Center
Adelanto Council Chambers
11600 Air Expressway
Adelanto, CA 92301


City Clerk of the City of Adelanto
and of the City Council thereof



**MINUTES OF THE
SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE FORMER ADELANTO REDEVELOPMENT AGENCY**

DECEMBER 9, 2015

A. CALL TO ORDER

The Oversight Board held a Special Meeting on Wednesday, December, 2015, in the Adelanto Council Chambers of the Governmental Center located at 11600 Air Expressway, Adelanto, California.

Board Chair Glasper called the meeting to order at 3:06 p.m.

Assistant City Clerk Lopez called roll.

Present Board Members: Herrera, Christensen, Hardy, and Glasper.

Vacant Board Member positions: County Superintendent of Education Appointee, County Special District Appointee, and County Board of Supervisors Appointee

Flag Salute: Pledge of Allegiance led by Board Chairman Glasper.

B. DELETIONS/ADDITIONS TO AGENDA

Interim City Attorney stated at 2:27 p.m. a potential purchaser of property no. 3 on the Long Range Management Plan submitted a letter of intent to purchase the property of \$300,000.00.

C. PUBLIC COMMUNICATIONS

1. Mary Lynn Coffee: She is the Attorney for Kojima Development. The contract has been executed by the developer. Once they execute it, it will be binding. It requires the deposit 3 days after the contract becomes binding which is \$50,000.00 it will be non-refundable after 30 days. The contract has a purchase price of 375,000.00. She thanked the Board for their consideration.
2. David Fluehart: He spoke about the regards to letter of intent with a binding contract similar to Kojima. He explained using the contract as an internet frenzy. The City would receive a \$1.00 per T-shirt. He has matched Kojima's price. He cautioned that the property would sell quickly after the cultivation bill passed. He would want the contract to go Kojima and would like to be an inner layer to help revenue with the City. He believes they have a better deal.

D. BOARD ACTIONS

1. ADOPT RESOLUTION 15-04 APPROVING OF A PURCHASE AND SALE AGREEMENT WITH KOJIMA DEVELOPMENT COMPANY

RECOMMENDED ACTION:

1. That the Oversight Board: Adopt a resolution (Attachment 1) authorizing execution of a Purchase and Sale Agreement in the amount of \$375,000 (Attachment 2) with the Kojima Development Company, LLC for the sale of Agency-owned for the real property consisting of approximately 47.04 acres under Assessor's Parcel Numbers 3129-261-27, 3129-261-66 and 3129-251-14 with Improvements and Tangible Personal Property as outlined in the "Agreement", along with Joint Escrow Instructions (see Attachment 1).
2. Authorize the City Manager or his/her designee to execute the Purchase and Sale Agreement and Joint Escrow Instructions with Kojima Development Company, LLC, including making minor non-substantive changes, and to sign all documents and instructions necessary to complete the transaction.

RESOLUTION NO. 15-04

A RESOLUTION OF THE OVERSIGHT BOARD
FOR THE CITY OF ADELANTO, AS SUCCESSOR
AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF ADELANTO APPROVING A
PURCHASE AND SALE AGREEMENT WITH
KOJIMA DEVELOPMENT COMPANY, LLC

Interim City Manager recommends that the Board approves the Purchase to the Kojima Development Company as legal counsel.

Board Member Hardy asked what they appraisal was.

Director of Finance stated the State of California allows them to sell the property based on the plan. It is not required to get an appraisal but is not sure if there was one done.

Kojima Attorney Coffee explained the independent broker submitted value proposals. Those independent evaluations estimated the value of the property from \$319,000.00 and \$375,000.00. The Department of Finance approved those evaluations as being a proper value of the property. There was not a formal appraisal done but had independent evaluations being approved.

MOTION: Motion by Board Member Herrera, seconded by Board Member Hardy to approve Resolution No. 15-04 to authorize the City Manager or his/her designee to execute the Purchase and Sale Agreement and Joint Escrow Instructions with Kojima Development Company, LLC, including making minor non-substantive changes, and to sign all documents and instructions necessary to complete the transaction.

Motion carried 4-0. (Board Members in favor: Herrera, Glasper, Hardy, and Christensen) and other (Vacant Board Member positions: County Superintendent of Education Appointee, County Special District Appointee, and County Board of Supervisors Appointee)

2. APPROVE LT NOTE PAYOFF AND TRANSFER OF SEVEN SUCCESSOR AGENCY-OWNED PROPERTIES IDENTIFIED AS APN 0459-681-17 THROUGH 0459-681-23.

RECOMMENDED ACTION:

That the Oversight Board:

1. Adopt a resolution (Attachment 1) authorizing execution of an Agreement for the payoff of LT Note Receivable in the amount of \$118,000 plus accrued interest (Attachment 2) with Raccoon Holdings, LLC, according to the Purchase and Sale Agreement between Edward A. Dunagan and Cheryl A. Dunagan (DDA) (Document to be provided prior to execution) and the lien release of Agency-owned real property consisting of Assessor's Parcel Numbers 0459-681-17, 0459-681-18, 0459-681-19, 0459-681-20, 0459-681-21, 0459-681-22, and 0459-681-23, upon final approval of the asset ownership change with the Department of Finance in accordance with Assembly Bill 1X 26 and 1484.
2. Authorize the City Manager or his/her designee to execute the Agreement between Raccoon Holdings, LLC and the Successor Agency of the Former Adelanto Redevelopment Agency, including making minor non-substantive changes, and to sign all documents and instructions necessary to complete the transaction.

RESOLUTION NO. 15-05

A RESOLUTION OF THE OVERSIGHT BOARD
FOR THE CITY OF ADELANTO, AS SUCCESSOR
AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY OF ADELANTO APPROVING PAYOFF OF
AGENCY NOTE RECEIVABLE AND TRANSFER OF
SECURED PROPERTIES

Oversight Board Minutes
Special Meeting
December 9, 2015

Accounting Supervisor Rose explained the staff report and Resolution explains the disposition of the properties. If there were questions in the staff report and exhibits attached she will answer them.

Board Chair Glasper asked if it was approval of transfer for parcel 0459-681-17 – 23.

Accounting Supervisor Rose explained a note was given to the Successor Agency to the Former Adelanto Redevelopment Agency. There would be no benefit to the community. The only way the money can be used is to pay off the long term debt. She says there is no reason to prolong the process and there is a buyer to pay off the debt.

Board Chair Glasper asked if the person who buys the land would be the only one to benefit from the land.

Accounting Supervisor Rose stated that the current person owning the property does not have the authority to sell the property. The property that is interested is a valid company interested in developing the lots. She recommended they approve the Resolution and negotiate the final agreement.

Board Chair Glasper asked who purchases the land; the Board will give them permission to sell the property.

Board Member Christiansen stated that the note is \$118,000.00 plus the accrued interest.

Accounting Supervisor Rose explained that is how much is owed and would go to the Successor Agency.

Board Member Hardy asked what the land would be used for.

It was explained there was intent of a small industrial park.

MOTION: Motion by Board Member Hardy, seconded by Board Member Christiansen to approve Resolution 15-05 to pay off notes receivable as well as accrued interest with amending upon receipt of payment to execute reconveyance and to DDA to terminate null and void.

Motion carried 4-0. (Board Members in favor: Herrera, Glasper, Hardy, and Christensen) and other (Vacant Board Member positions: County Superintendent of Education Appointee, County Special District Appointee, and County Board of Supervisors Appointee)

E. BOARD MEMBER AND STAFF COMMENTS

Board Member Herrera mentioned that ROPS will be dealt with in the next meeting.

F. CALENDARING OF FUTURE AGENDA ITEMS

1. ROPS

G. ADJOURNMENT

The next Regular Meeting of the Oversight Board will be held on February 25, 2016, at 5:30 p.m. Unless a Special Meeting is called.

With no further business Board Member Hart called for a motion to adjourn at 3:52 p.m.

MOTION: Moved by Vice Chairman Hardy, seconded by Board Member Christiansen to adjourn the meeting at 3:52 p.m.

Charley B. Glasper, Chairman

Cindy Herrera, City Clerk, MMC
& Secretary of the Oversight Board

Clerk of the Meeting: Brenda Lopez
Prepared by: Jordyn Thomas, Intern
Reviewed by: Brenda Lopez, Deputy City Clerk



**MINUTES OF THE
SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE FORMER ADELANTO REDEVELOPMENT AGENCY**

NOVEMBER 24, 2015

A. CALL TO ORDER

The Oversight Board held a Special Meeting on Tuesday, November 24, 2015, in the Adelanto Council Chambers of the Governmental Center located at 11600 Air Expressway, Adelanto, California.

Board Chair Gasper called the meeting to order at 6:06 p.m.

Oversight Board Secretary Lopez called roll.

Present Board Members: Herrera, Christensen, Hardy, and Gasper.

Vacant Board Member positions: County Superintendent of Education Appointee, County Special District Appointee, and County Board of Supervisors Appointee

Flag Salute: Flag Salute was not done.

B. DELETIONS/ADDITIONS TO AGENDA

Board Member Herrera stated there were no additions or deletions.

C. PUBLIC COMMUNICATIONS

It was noted that there was no public for public comment this evening.

D. BOARD ACTIONS

1. **ADOPT RESOLUTION 15-03 APPROVING OF THE LONG RANGE MANAGEMENT REPORT.**

RECOMMENDED ACTION: Staff recommends adoption resolution 15-03 approving the Long-Range Management Plan for the Successor Agency to the Former Adelanto Redevelopment Agency Pursuant to Health and Safety Code section 3419.5, this report has been revised from prior one approved in May 2015.

RESOLUTON NO. 15-03

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ADELANTO REDEVELOPMENT AGENCY APPROVING THE LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO THE HEALTH AND SAFETY CODE SECTION 3419.50.

Assistant to Finance Director Martinez stated there are minor revisions. It needed to be approved by the Board before it is sent in. It is Health and Safety Code 34.191.5. Each Successor Agency and Oversight Board needs to approve it. The Long Range Property Management Plan will include:

1. An inventory of all properties in the Community Redevelopment Fund, which was established to serve as the repository of the former redevelopment agency's real properties.
2. Address the use or disposition of all the properties in the Community Redevelopment Property Trust Fund. 1) retention of the property for governmental use pursuant to subdivision (a) of section 34181, 2) the retention of property for future development, 3) sale of property, 4) use of the property to fulfill an enforceable obligation.
3. The plan shall separately identify and list properties in the Trust dedication to governmental use purposes and properties retained for purpose of fulfilling an enforceable obligation.

The sixteen parcels are described in detail in the Long Range Management Plan which is included in the attachment. The Assistant to Finance Director Martinez recommends approving Resolution No. 15-05

Board Member Hardy asked what changes had to be made.

Assistance Finance Director explained they were small revision with regards to the Fiscal Year. This was effecting the transferring of the property and the acquisition date. Also there were two properties with intended use of Governmental use for the Police Department, and the other property was required for Cal Trans. They wanted to broaden the use for the property. It was minor language changes.

MOTION: Motion by Board Member Hardy, seconded by Board Member Christensen to approve Resolution 15-05 as presented.

Motion carried 4-0. (Board Members in favor: Herrera, Glasper, Hardy, and Christensen) and other (Vacant Board Member positions: County Superintendent of Education Appointee, County Special District Appointee, and County Board of Supervisors Appointee)

Mayor Kerr thanked the Board Members for getting together on such short notice.

F. BOARD MEMBER AND STAFF COMMENTS

No Comment

G. CALENDARING OF FUTURE AGENDA ITEMS

There was no further discussion of future agenda items.

H. ADJOURNMENT

The next Regular Meeting of the Oversight Board will be held on February 25, 2015, at 5:30 p.m. Unless a Special Meeting is called.

With no further business Board Member Hart called for a motion to adjourn at 5:14 p.m.

MOTION: Moved by Board Member Christensen, seconded by Herrera to adjourn the meeting at 6:22 p.m.

Charley B. Glasper, Chairman

Cindy Herrera, City Clerk, MMC
& Secretary of the Oversight Board

Clerk of the Meeting: Brenda Lopez
Prepared by: Jordyn Thomas, Intern
Reviewed by: Brenda Lopez, Deputy City Clerk



**MINUTES OF THE
SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE FORMER ADELANTO REDEVELOPMENT AGENCY**

SEPTEMBER 24, 2015

A. CALL TO ORDER

The Oversight Board held a Special Meeting on Tuesday, September 24, 2015, in the Adelanto Council Chambers of the Governmental Center located at 11600 Air Expressway, Adelanto, California.

Board Chair Glasper called the meeting to order at 5:02 p.m.

Oversight Board Secretary Cervantes called roll.

Present Board Members: Herrera, Christensen, Hardy, and Glasper.

Vacant Board Member positions: County Superintendent of Education Appointee, County Special District Appointee, and County Board of Supervisors Appointee

Flag Salute: Flag Salute was not done.

B. DELETIONS/ADDITIONS TO AGENDA

Board Member Herrera stated there were no additions or deletions.

C. PUBLIC COMMUNICATIONS

It was noted that there was no public for public comment this evening.

D. CONSENT CALENDAR

1. Approval of Meeting Minutes: May 5, 2015 – Special Meeting.

MOTION: Motion by Board Member Herrera, seconded by Board Member Christensen to approve the Consent Calendar as presented.

Motion carried 4-0. (Board Members in favor: Herrera, Glasper, Hart, and Christensen) and other (Vacant Board Member positions: County Superintendent of Education Appointee, County Special District Appointee, and County Board of Supervisors Appointee)

E. BOARD ACTIONS

1. ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE(ROPS).

RECOMMENDED ACTION: That the Oversight Board adopt Resolution OB No. 15-02 approving ROPS 15-16B for the period from January 1, 2016 to June 30, 2016, pursuant to the law.

OB RESOLUTION NO. 15-02

A RESOLUTION OF THE OVERSIGHT BOARD OF
THE SUCCESSOR AGENCY TO THE ADELANTO
REDEVELOPMENT AGENCY APPROVING AND
ADOPTING THE RECOGNIZED OBLIGATION
PAYMENT SCHEDULE (ROPS) FOR THE PERIOD
COVERING JANUARY 1 – JUNE 30, 2016

Sr. Mgmt. Analyst Larry Jarvis presented the staff report with corrections.

MOTION: Motion by Vice Chair Hardy, seconded by Board Member Herrera to approve the adoption of Resolution OB No. 15-02 approving ROPS 15-16B for the period from January 1, 2016 to June 30, 2016, pursuant to the law.

Motion carried 4-0. (Board Members in favor: Hardy, Glasper, Herrera, and Christensen) and other (Vacant Board Member positions: County Superintendent of Education Appointee, County Special District Appointee, and County Board of Supervisors Appointee)

F. BOARD MEMBER AND STAFF COMMENTS

Chairman Glasper stated that in the last meeting he thought this was being turned over to the City.

Board Member Herrera stated that she appreciates the members coming to the meeting.

Vice Chair Hardy stated that it was passed by legislation to extend the Oversight Board until 2018.

Board Member Christensen made a comment that it is important to fill the vacant positions now that the Oversight Board has been extended.

G. CALENDARING OF FUTURE AGENDA ITEMS

There was no further discussion of future agenda items.

H. ADJOURNMENT

The next Regular Meeting of the Oversight Board will be held on February 25, 2015, at 5:30 p.m. Unless a Special Meeting is called.

With no further business Board Member Hart called for a motion to adjourn at 5:14 p.m.

MOTION: Moved by Board Member Christensen, seconded by Herrera to adjourn the meeting at 6:09 p.m.

Charley B. Glasper, Chairman

Cindy Herrera, City Clerk, MMC
& Secretary of the Oversight Board

Clerk of the Meeting: Virginia Cervantes
Prepared by: Jordyn Thomas, Intern
Reviewed by: Brenda Lopez, Deputy City Clerk



OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER ADELANTO REDEVELOPMENT AGENCY

ADELANTO GOVERNMENTAL CENTER | 11600 AIR EXPRESSWAY | ADELANTO, CALIFORNIA 92301

STAFF REPORT

DATE: January 25, 2016

TO: Members of the Oversight Board

FROM: Penny Rose, Accounting Supervisor

SUBJECT: LETTER OF ENGAGEMENT/OFFER WITH FIRST STEP PLUS, LLC (the "Purchaser") FOR THE DISPOSITION OF SUCCESSOR AGENCY-OWNED PROPERTY IDENTIFIED AS APN 3128-221-18, 3128-221-19 AND 3128-221-21, 3128-221-22, 0459-352-12, 0459-352-10 (the "Subject Property")

STAFF RECOMMENDATION:

1. That the Oversight Board: Adopt a resolution (Attachment 1) authorizing the purchase and sale of the Subject Property in the amount of \$376,628 (Attachment 2) with First Step Plus, LLC, a California limited liability company, for the sale of Successor Agency-owned for the real property consisting of approximately 8 acres under Assessor Parcel Numbers 3128-221-18, 3128-221-19 AND 3128-221-21, 3128-221-22, 3128-221-24, and approximately 27.42 acres under Assessor Parcel Numbers 0459-352-12, 0459-352-10 (Asset Numbers 2 and 4 , respectively, set forth in the Long Range Property Management Plan, adopted by the Successor Agency in November 2015).
2. Authorize the City Manager or his/her designee to execute a Purchase and Sale Agreement, to be drafted by the Office of the City Attorney, consistent with the material terms and conditions of the Letter of Engagement/Offer with First Step Plus, LLC.

BACKGROUND:

The issue for Oversight Board consideration is whether to adopt a resolution authorizing the Successor Agency to enter into a purchase and sale agreement consistent with the material terms of the Letter of Engagement/Offer with First Step Plus, LLC, attached hereto, for the disposition of Successor Agency-owned property identified as Assessor Parcel Numbers 3128-221-18, 3128-221-19, 3128-221-21, 3128-221-22, 3128-221-24, 0459-352-12, 0459-352-10, in accordance with the Successor Agency's Long Range Property Management Plan.

Pursuant to the dissolution process of Assembly Bills x1 26 and 1484, the Successor Agency completed its Long Range Property Management Plan (Plan) which governs the disposition and use of real property assets of the former Redevelopment Agency of the City of Adelanto. In the Plan, the Successor Agency recommended the sale of real property known as (Asset #2 and Asset #4: Manufacturing/Industrial – Vacant Land) APN 3128-221-18, 3128-221-19 AND 3128-221-21, 3128-221-22, 3128-221-24, 0459-352-12, 0459-352-10.

Resolution 16-01 (A Resolution of the Oversight Board of the Successor Agency to the Adelanto Redevelopment Agency Approving the Long-Range Property Management Plan Pursuant to Health and Safety Code Section 34191.50) was adopted November 23, 2015.

The Agency received a Finding of Completion from California Department of Finance and approval of a LRPMP (Long-Ranch Property Management Plan)

The appraisal for the purchase price shall be prepared by an independent appraiser selected by and at the cost of the Purchaser. The purchase price shall be \$376,628, or the value established by the independent appraisal, *whichever is greater*. All proceeds for this sale will go directly to the Department of Finance, State of California, not the Successor Agency or the City.

FISCAL IMPACT:

None

ATTACHMENTS:

1. Resolution 16-01
2. Exhibit A – Legal Descriptions and Maps of Properties
3. Letter of Engagement/Offer
4. Purchase and Sale Agreement (to be submitted Monday)

RESOLUTION NO. 16-01

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE CITY OF ADELANTO, AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF ADELANTO APPROVING A PURCHASE AND SALE AGREEMENT WITH FIRST STEP PLUS, LLC

WHEREAS, on January 11, 2012, the City Council adopted Resolution No. 12-02 authorizing the City of Adelanto to become Successor Agency to the Former Adelanto Redevelopment Agency (“Successor Agency”) pursuant to ABx1 26; and

WHEREAS, subsequent legislation entitled “Assembly Bill 1484.” Signed into law on June 27, 2012, makes substantive amendments to ABx1 26 and specifically includes a requirement, set forth at Health & Safety Code section 34179(e), that all actions by the oversight board be adopted by resolution; and

WHEREAS, pursuant to the Long-Range Property Management Plan (the “LRPMP”), which was approved by the Department of Finance, State of California (“DOF”), on November 24, 2015, the Successor Agency set forth its intention to sell the improved land consisting of 8 acres under Assessor Parcel Numbers: 3128-221-18, 3128-221-19, 3128-221-21, 3128-221-22, 3129-221-24, and 27.42 acres under Assessor Parcel Numbers: 0459-352-10 and 0459-352-12 (Asset Numbers 2 and 4 respectively, set forth in the LRPMP), located in the City of Adelanto, County of San Bernardino, State of California, described in **Exhibit A**, attached hereto, with all rights and appurtenance pertaining thereto (the “Property”); and

WHEREAS, pursuant to the terms and conditions of that certain Purchase and Sale Agreement (“Agreement”), attached hereto as **Exhibit B**, the Successor Agency desires to sell the Property to First Step Plus, LLC, a California limited liability company; and

WHEREAS, pursuant to the terms and conditions of the Agreement, First Step Plus, LLC, desires to purchase the Property from the Successor Agency at fair market value, as established in the LRPMP, subject to independent appraisal; purchase price to be \$376,628 or value of independent appraisal, *whichever is greater*.

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

1. SECTION 1: Pursuant to Health & Safety Code section 34181 (e), the Oversight Board for the City of Adelanto as the Successor Agency to the Redevelopment Agency of the City of Adelanto does hereby: approve the Purchase and Sale Agreement between the Successor Agency and First Step Plus, LLC; and

2. SECTION 2: The Oversight Board hereby directs the Successor Agency to transmit this resolution to the Department of Finance, State of California.

PASSED, APPROVED AND ADOPTED this 25th day of January, 2016.

Charley B. Glasper
Chair, Oversight Board

Brenda Lopez, Deputy City Clerk, CMC

I, Brenda Lopez, Deputy City Clerk of the Oversight Board do hereby certify that the foregoing Resolution No. 16-01 was duly and regularly adopted at a Special Meeting of the Oversight Board on this 25th day of January, 2016, be the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS THEREOF, I hereunto set my hand and affix the official seal of the City of Adelanto, California, on the 25th day of January, 2016.

Brenda Lopez, Deputy City Clerk, CMC

EXHIBIT "A"
LEGAL DESCRIPTION

THE NORTH HALF OF THE SOUTH EAST QUARTER OF THE NORTH EAST QUARTER OF SECTION 33 TOWNSHIPS 6 NORTH RANGES 5 WEST EXCLUDING THE EXISTING STREET DEDICATIONS PER DOCUMENTS #1986-0209401 RECORDED 07/25/1986, #1985-0174067 RECORDED 07/19/1985, AND #2005-0948565 RECORDED 12/14/2005

Assessor's parcel number: 0459-352-12
Section 33, Township 6 North, Range 5 West
Date Exhibit prepared: 01/21/2015

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION

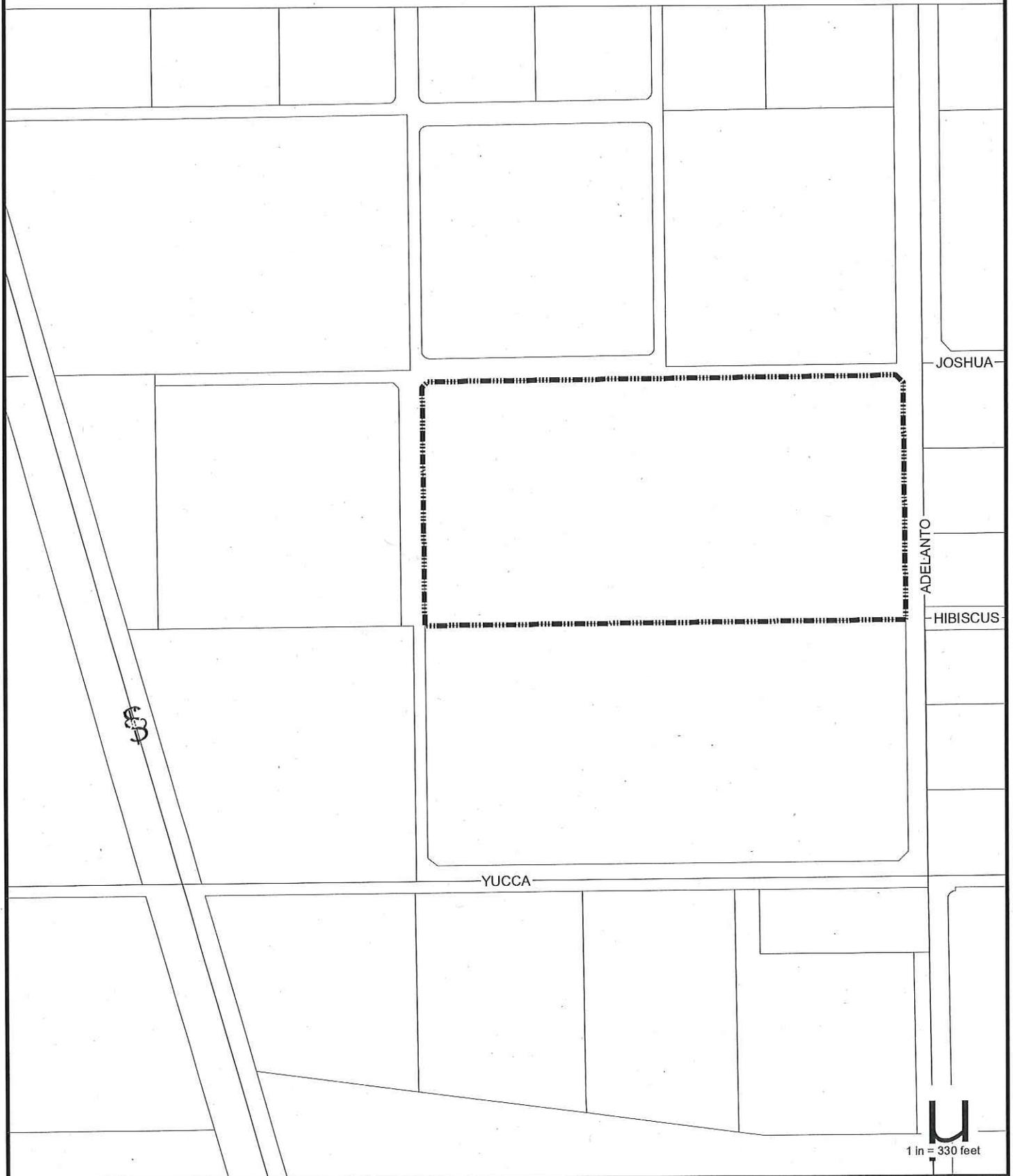


EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION

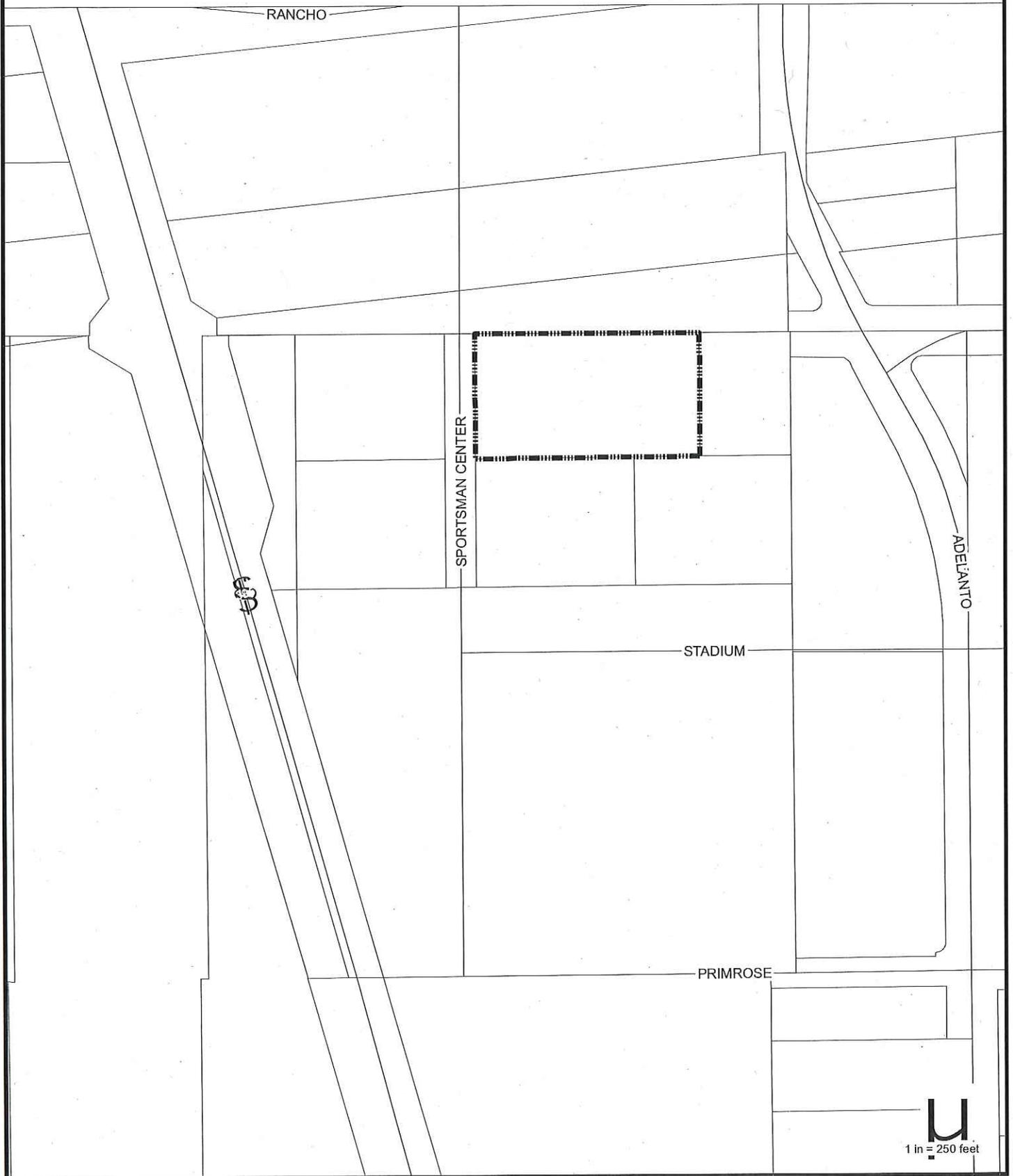


EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 3 OF PARCEL MAP BOOK 186 PAGE 51 OF PARCEL MAPS

Assessor's parcel number: 3128-221-19
Section 4, Township 5 North, Range 5 West
Date Exhibit prepared: 01/21/2015

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION



1 in = 250 feet

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 5 OF PARCEL MAP BOOK 186 PAGE 51 OF PARCEL MAPS

Assessor's parcel number: 3128-221-21
Section 4, Township 5 North, Range 5 West
Date Exhibit prepared: 01/21/2015

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION

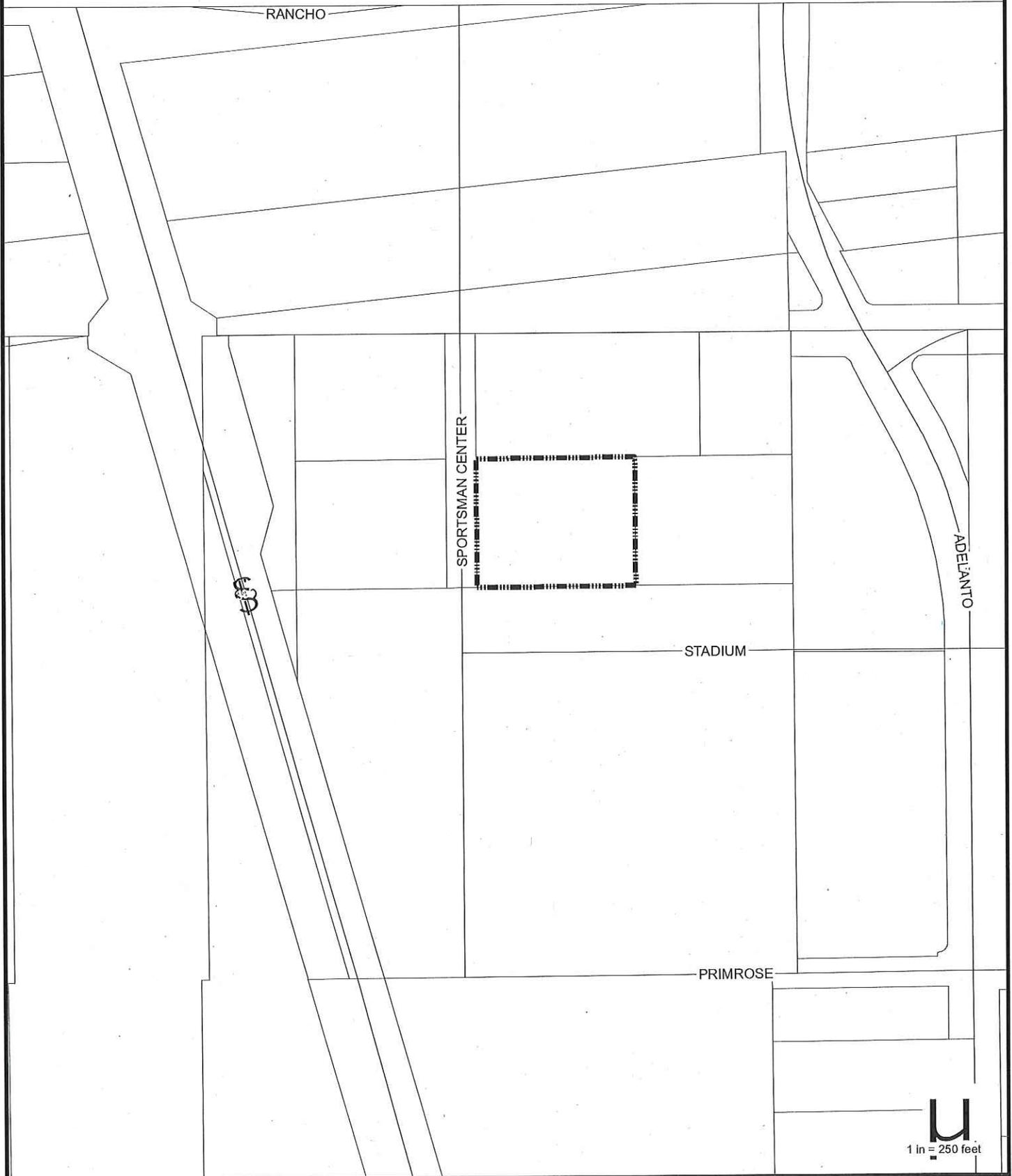


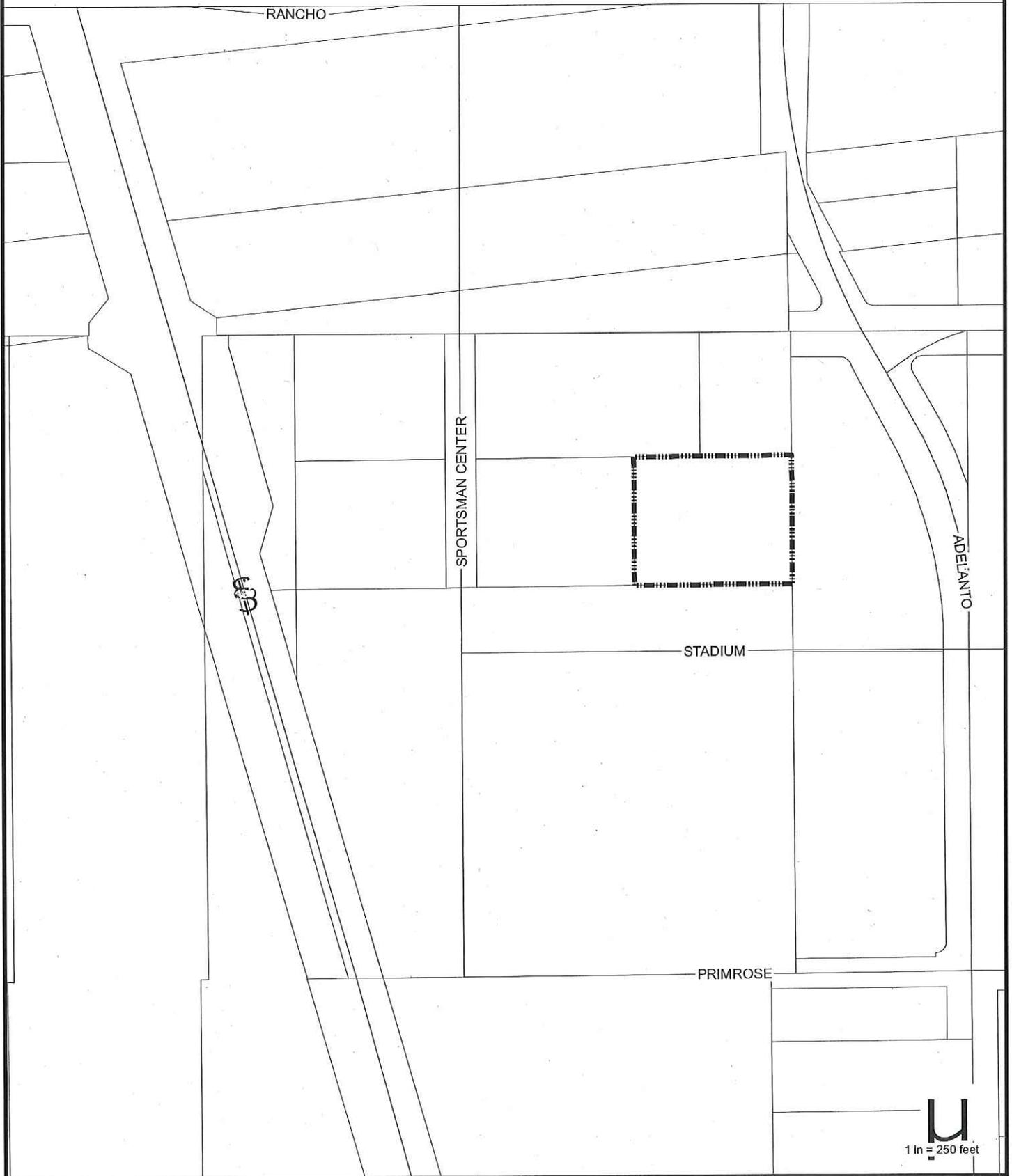
EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 6 OF PARCEL MAP BOOK 186 PAGE 51 OF PARCEL MAPS

Assessor's parcel number: 3128-221-21
Section 4, Township 5 North, Range 5 West
Date Exhibit prepared: 01/21/2015

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION



1 in = 250 feet

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION

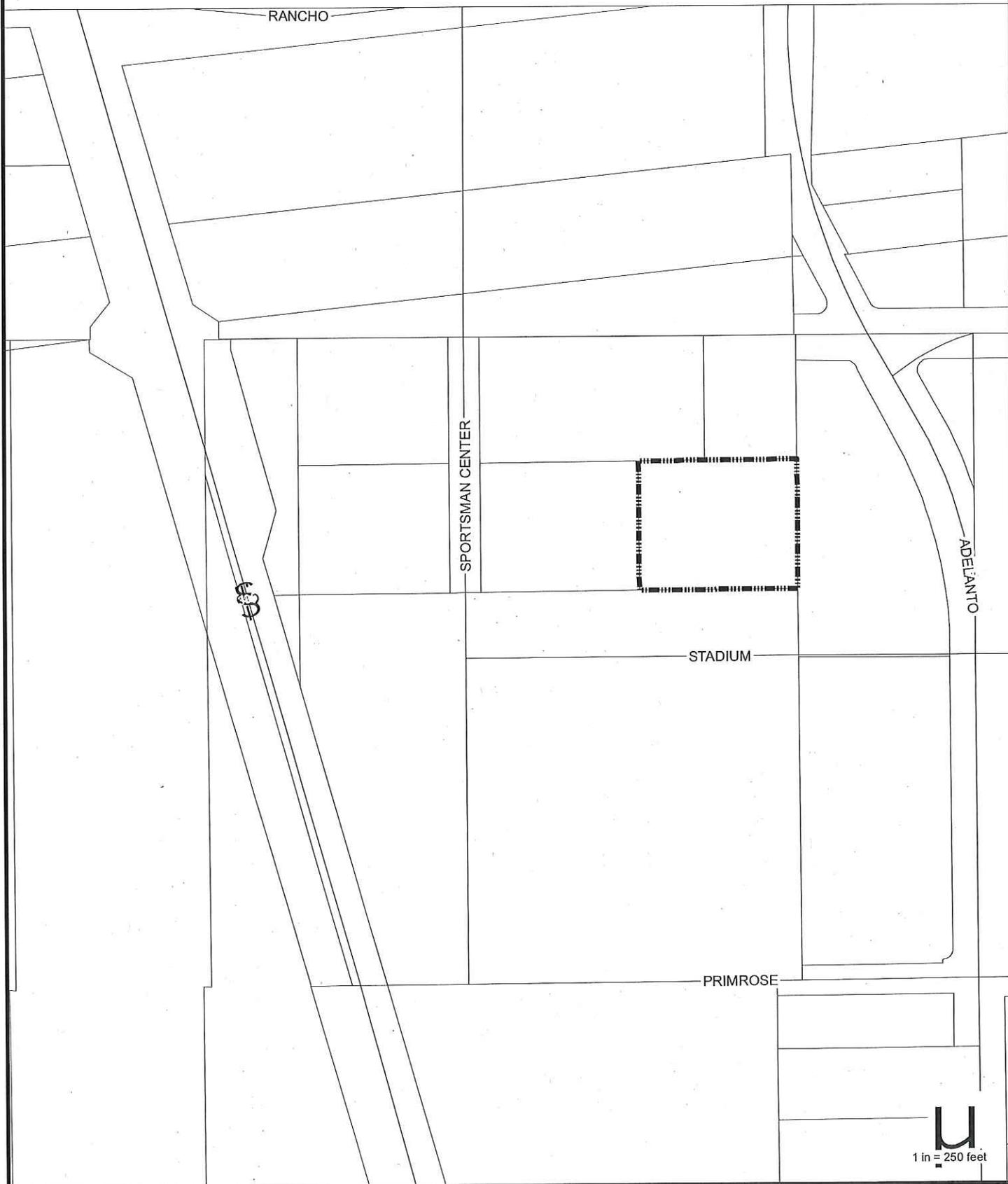


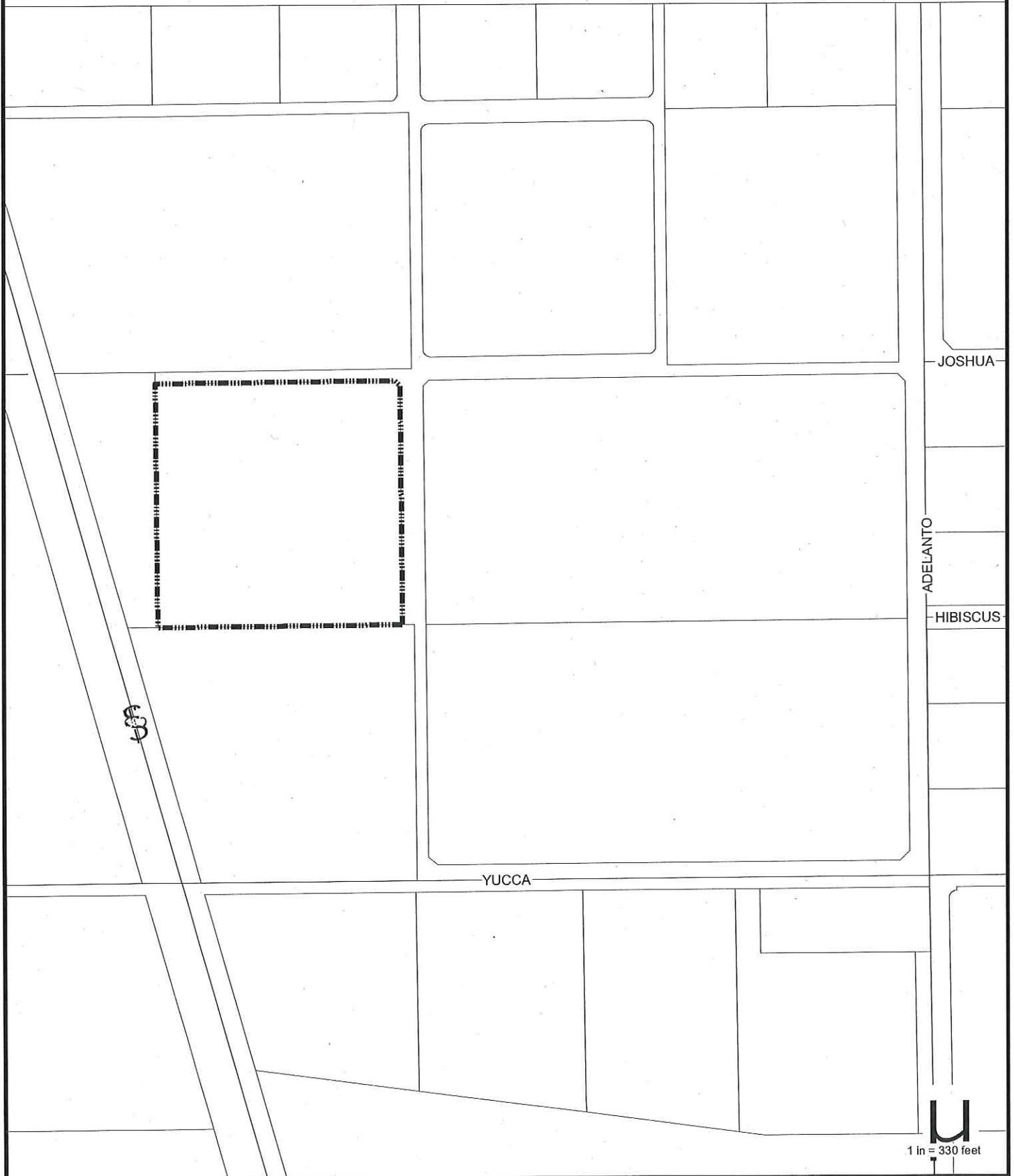
EXHIBIT "A"
LEGAL DESCRIPTION

THE NORTH EAST QUARTER OF THE SOUTH WEST QUARTER OF THE NORTH EAST QUARTER OF SECTION 33 TOWNSHIPS 6 NORTH RANGES 5 WEST EXCLUDING THE EXISTING STREET DEDICATIONS PER DOCUMENT #2005-0948565 RECORDED 12/14/2005

Assessor's parcel number: 0459-352-10
Section 33, Township 6 North, Range 5 West
Date Exhibit prepared: 01/21/2015

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION



ATTACHMENT 3

LETTER OF ENGAGEMENT / OFFER INTENT TO DEVELOP COMMERCIAL CENTER IN CITY OF ADELANTO

From: First Step Plus, LLC.
195 S. Heath Terrace
Anaheim Hills, CA 92807

To: Honorable Mayor Kerr
City of Adelanto
11600 Air Expressway
Adelanto, CA 92301

Re: Scope of Development

Dear Mr. Mayor

First Step Plus, LLC intends to develop a commercial center on the six (6) vacant parcels of land located north of Maverick Stadium and the Adelanto Road. These parcels are owned by the successor agency to the former City of Adelanto Redevelopment Agency. The intended commercial development will include: hotel and so-called "mixed-use" developments that may include condominiums and retail establishments.

Subject to the execution of a definitive and mutually acceptable agreement of purchase and sale ("Purchase Agreement"), within one hundred twenty (120) days after execution of the Purchase Agreement we offer to execute the purchase the subject properties in accordance with the following terms and conditions:

1. **Seller:** SUCCESSOR AGENCY TO THE FORMER CITY OF ADELANTO REDEVELOPMENT AGENCY.

2. **Buyer:** FIRST STEP PLUS LLC.

Buyer may assign his interest to any corporation, partnership, or limited liability company in which he is the controlling party or to any other third party without Seller's approval.

3. **Subject Property:** The property, which is the subject of this offer ("Subject Property"), is identified as Vacant Parcels Of Lands (APN No. 312822118, 312822119, 312822121, 312822122, 312822124, 045935212, 045935210) together with the real property. Buyer is also purchasing all of Seller's rights, title and interest in all of the improvements, leases, maps, reports, plans, and other such material is having to do with the Subject Property including all land use entitlements, governmental permits and allocations, and other such governmental and agency approvals as may exist concerning the property.

4. **Purchase Price:** Three Hundred Seventy Six Thousand Six Hundred Twenty Eight Dollars (\$376,628.00).

5. Terms of closing Escrow:

- a. Buyer to sign agreement with nationally recognized hotel chain that is willing to establish location in the subject properties in Adelanto.
- b. Buyer to sign agreement with at least two nationally recognized fast-food chains or quick-service industry as part of the mixed-use development

6. Opening of Escrow:

Escrow shall be opened at Chicago Title Company within three (3) business days from execution of the Purchase agreement. The Purchase Agreement and Mutual Escrow Instructions shall be mutually prepared and executed by Buyer and Seller within three (3) days of execution by both parties.

7. Initial Deposit:

Concurrently with the opening of escrow, Buyer shall place therein the sum of Six Thousand Dollars (\$6000.00) as a refundable deposit toward and applicable to the Purchase Price ("the Initial Deposit"). Escrow Holder shall deposit such sum in an interest-bearing, federally insured account with interest accruing for the benefit of Buyer.

8. Feasibility Period:

Buyer shall have one hundred twenty (120) days to perform all feasibility and due diligence for subject property. Seller shall fully cooperate with Buyer in providing any and all information available regarding the development potential of the property. Buyer may cancel this Purchase Agreement at any time prior to the end of the Feasibility Period for any reason, or no reason at all upon written notification to Seller and Escrow Holder of the termination. Upon notice of termination, Escrow Holder shall be instructed to immediately release the Initial Deposit made by Buyer and return to Buyer within five (5) business days of termination.

9. Buyer's Condition Precedent to Closing:

Following the expiration of the Feasibility Period, Buyer's obligation to close escrow shall be subject only to the following conditions:

- a. Title Company shall be in position to issue a policy of title insurance to Buyer in the full amount of the Purchase Price showing good and marketable title vested in Buyer subject only to such exceptions to title as have been approved by Buyer during the Feasibility Period.
- b. The non-existence of any development, building, construction, flood, or moratoria affecting the Subject Property.
- c. Seller to provide Buyer title to property free and clear of liens except for non-delinquent bonds and taxes.

10. Other Provisions:

- a. The Purchase Agreement may contain other provisions such as, but not limited to, a liquidated damages clause, attorney's fees, notices, mutual indemnifications, broker's commission, and the like.
- b. Any and all documentation provided by Seller to Buyer shall be returned to Seller upon cancellation of this transaction.

11. Expiration of Offer: This Letter of Engagement shall constitute an open offer.

If the above outline of terms and conditions are acceptable, please indicate by signing below. All parties to these transactions intend that the Purchase Agreement supersede this proposal. In the meantime, all parties agree to proceed in accordance with terms and conditions outlined in this Letter of Engagement.

Seller:

City Of Adelanto Successor Agency

11600 Air Expressway

Adelanto CA 92301

Telephone: () _____

By _____

Date: _____

Buyer:

First Step Plus LLC

195 S. Heath Terrace

Anaheim Hills CA 92807

Telephone: (714) 348-2185



By: Manooch Khanbeigi Member

Date: 01/21/2016

ATTACHMENT 4

**PURCHASE AND SALE AGREEMENT
BEING FINALIZED**



OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER ADELANTO REDEVELOPMENT AGENCY

ADELANTO GOVERNMENTAL CENTER | 11600 AIR EXPRESSWAY | ADELANTO, CALIFORNIA 92301

DATE: January 25, 2016

TO: Members of the Oversight Board

FROM: Penny Rose, Accounting Supervisor

SUBJECT: ADOPTION OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULES (ROPS)

STAFF RECOMMENDATION:

That the Oversight Board adopt Resolution OB 16-02 approving the ROPS 16-17 for the period from July 1, 2016 to June 30, 2017, pursuant to HSC section 34177 (o) (1).

BACKGROUND:

Successor Agencies are now required to adopt a ROPS for administration of the ongoing affairs of the former Redevelopment Agency on an annual basis. Each ROPS is to be approved by the Oversight Board and certified by the County Auditor Controller.

The ROPS document outlines the obligations of the former Redevelopment Agency in relation to payments, legal, etc. This is the document the Auditor Controller will use to disburse funds every six months.

FISCAL IMPACT:

The ROPS outlines disbursements that the former Redevelopment Agency and newly established Successor Agency must make to bond holders, other obligations, etc.

ATTACHMENTS:

Resolution No. OB 16-02
Exhibit A – ROPS (to be provided by Monday)

OVERSIGHT BOARD RESOLUTION NO. 16-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ADELANTO REDEVELOPMENT AGENCY APPROVING AND ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR THE PERIOD COVERING JULY 1, 2016 – JUNE 30, 2017

WHEREAS, the Oversight Board of the Successor Agency to the Adelanto Redevelopment Agency (the "Oversight Board") has been appointed pursuant to the provisions of Health & Safety Code Section 34179; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(2)(B), the Recognized Obligation Payment Schedule (ROPS) prepared by the Successor Agency is to be submitted to the Oversight Board for their approval.

NOW, THEREFORE, BE IT RESOLVED, by the Oversight Board as follows:

SECTION 1. The above recitals are true and correct and incorporated by reference herein.

SECTION 2. The Recognized Obligation Payment Schedule (ROPS), a copy of which is attached hereto and incorporated herein as Exhibit "A", is hereby approved, subject to any deletions and/or modifications approved by the Oversight Board at the meeting on the date of the adoption of this Resolution.

SECTION 3. Subsequent to the approval of this Resolution by the Oversight Board, the ROPS, as approved by the Oversight Board, shall be transmitted by Successor Agency staff to the County Auditor-Controller, State Controller and State Department of Finance, and posted on the Successor Agency's Internet website.

PASSED, APPROVED AND ADOPTED by the Oversight Board at the meeting held on the 25th day of January, 2016.

CHARLEY B. GLASPER CHAIRMAN,
OVERSIGHT BOARD

ATTEST:

CYNTHIA M. HERRERA, SECRETARY
OVERSIGHT BOARD

I, Cindy M. Herrera, Secretary to the Oversight Board, hereby certify that the foregoing resolution was duly adopted at a meeting of the Oversight Board, held on the 25th day of January, 2016.

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS THEREOF, I hereunto set my hand affix the official seal of the City of Adelanto, on the 25th day of January, 2016.

CYNTHIA M. HERRERA, SECRETARY
OVERSIGHT BOARD