OVERSIGHT BOARD FOR SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY
REGULAR MEETING AGENDA

City of Victorville
14343 Civic Drive, Conference Room "D"
Victorville, CA 92392

Thursday, February 25, 2016
1:30 P.M.

CALL TO ORDER

ITEM 1 PUBLIC COMMENT

DISCUSSION AGENDA

ITEM 2 APPROVE MINUTES FROM DECEMBER 17, 2015 AND JANUARY 21, 2016 MEETINGS.

ITEM 3 RESOLUTION NO. OB-VRDA-16-002 OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY APPROVING AMENDMENT 1 TO PROFESSIONAL SERVICES AGREEMENT WITH VARNER & BRANDT FOR OVERSIGHT BOARD LEGAL SERVICES

ITEM 4 RESOLUTION NO. OB-VRDA-16-003 OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY APPROVING A PUCHASE & SALE AGREEMENT BY AND BETWEEN THE SUCCESOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY AND THE CITY OF VICTORVILLE FOR THE AUTO PARK SIGN PROPERTIES

ITEM 5 COMMENTS FROM OVERSIGHT BOARD, LEGAL COUNSEL AND STAFF

ITEM 6 ADJOURNMENT

MINUTES OF THE
REGULAR MEETING OF THE
OVERSIGHT BOARD FOR SUCCESSOR AGENCY
TO THE VICTORVILLE REDEVELOPMENT AGENCY
December 17, 2015

CALL TO ORDER

The regular meeting of the Oversight Board for the Successor Agency to the Victorville Redevelopment Agency was called to order at 1:31 p.m. by Chairman Metzler in Conference Room "D", Victorville City Hall, at 14343 Civic Drive, Victorville, California.

ROLL CALL

PRESENT: Board Members Karen Hardy, Janice Lindsay, Keith Metzler, Mary O'Toole, Alternate Board Member Eric Ray, and Anita Tuckerman

ABSENT: Board Members Debbie Betts and Doug Robertson

Also present was Economic Development Administrator, Sophie Smith; Varner & Brandt, Attorney, Nathan Heyde, and Recording Secretary, Heidi Roche.

1. PUBLIC COMMENT

There was no public comment.

DISCUSSION AGENDA

2. APPROVE MINUTES FROM NOVEMBER 12, 2015 REGULAR MEETING

It was moved by Board Member Lindsay, seconded by Board Member Tuckerman to approve; motion carried unanimously.

3. RESOLUTION NO. OB-VRDA-15-008 OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY AUTHORIZING THE TRANSFER OF GOVERNMENTAL USE PROPERTIES TO THE CITY OF VICTORVILLE PURSUANT TO THE APPROVED LONG RANGE PROPERTY MANAGEMENT PLAN

Ms. Smith reported that the item is the first action taken since the Department of Finance (DOF) approval of the Long Range Property Management Plan. The properties listed as governmental use properties have been approved for transfer by both the City Council and the Successor Agency and approval by the Oversight Board is necessary to complete the transfers.

Mr. Heyde suggested the addition of a deed restriction on the transfer properties to ensure the property is used for governmental or public use or purpose. He spoke to the Oversight Board making a decision as to whether or not to set a time frame for the deed restriction which typically is 20 or 30 years.

Discussion ensued with regards to the long term administration of the restrictions and possible hurdles if there is a change of circumstance making it necessary to re-designate or sell the property.

Ms. O'Toole asked if it would be necessary to submit the deed restriction to the DOF for approval and Mr. Heyde explained that the DOF would not be involved at this point.

It was moved by Board Member O'Toole, seconded by Board Member Lindsay to adopt Resolution No. OB-VRDA-15-008 and to add deed restrictions to ensure the properties are used for governmental use or public purpose; motion carried unanimously.

Further discussion ensued as to adding time frames to the deed restrictions as well as proceeds of the sale of the properties to a non-government entity going to first pay enforceable obligations and then to pay taxing entities.

It was further moved by Board Member Metzler, seconded by Board Member Hardy, to adopt Resolution No. OB-VRDA-15-008 and to add deed restrictions to ensure the properties are used for governmental or public use or purpose and that in the event the properties are sold to a non-government entity, the proceeds will first pay enforceable obligations and then taxing entities, motion failed with Board Members O'Toole, Ray and Tuckerman voting no.

The original motion by Board Member O'Toole was upheld.

4. COMMENTS FROM OVERSIGHT BOARD AND STAFF

Ms. Smith indicated she would have staff send placeholder to the the Board for three possible meetings in January, on January 14th, 21st and 28th, for ROPS discussion.

5. ADJOURNMENT

It was moved by Board Member Tuckerman, seconded by Board Member O'Toole to adjourn the meeting at 2:15 p.m.; motion carried unanimously.

_____

CHAIRMAN OF THE BOARD OF ADMINISTRATORS

ATTEST:

_____

RECORDING SECRETARY

MINUTES OF THE
REGULAR MEETING OF THE
OVERSIGHT BOARD FOR SUCCESSOR AGENCY
TO THE VICTORVILLE REDEVELOPMENT AGENCY
January 21, 2016

CALL TO ORDER

The regular meeting of the Oversight Board for the Successor Agency to the Victorville Redevelopment Agency was called to order at 1:32 p.m. by Chairman Metzler in Conference Room "D", Victorville City Hall, at 14343 Civic Drive, Victorville, California.

ROLL CALL

PRESENT: Board Members Karen Hardy, Janice Lindsay, Keith Metzler, Mary O'Toole and Doug Robertson

ABSENT: Board Members Debbie Betts and Anita Tuckerman

Also present was Economic Development Administrator, Sophie Smith; Varner & Brandt, Attorney, Nathan Heyde, and Recording Secretary, Heidi Roche.

1. PUBLIC COMMENT

There was no public comment.

DISCUSSION AGENDA

2. RESOLUTION NO. OB-VRDA-16-001 RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE PERIOD COMMENCING ON JULY 1, 2016 AND ENDING ON JUNE 30, 2017

Ms. Smith reported that the item before the Board was the first annual ROPS approval due on February 1, 2016 for the reporting period July 1, 2016 through June 30, 2017. She indicated that there would be an opportunity in October to make changes should they arise.

Discussion ensued regarding changes for this reporting period as follows:

- Item Nos. 21, 33 and 47 – SA/Dissolution Matters, Project Legal Costs and Oversight Board expenses for legal and financial advisors

Board Member Hardy inquired about the miscellaneous legal expenses reported on lines 21, 33 and 47. Ms. Smith indicated that these expenses were separated by line item instead of being combined as they are for different projects and agencies.

- Item Nos. 48 and 51 – Unfunded RDA employee liabilities and SA Contract Services

Ms. Smith explained that Item No. 51 is an administrative fee for a study to determine the unfunded pension liabilities for former RDA employees. Board Member O'Toole inquired about the firm that would be conducting the study and if staff had requested quotes from other agencies. Ms. Smith indicated that the agency chosen for this purpose was the same agency used by the Water District upon the merger with the City and that the firm has experience with other Successor Agencies. She further indicated that the amount listed on the ROPS is an estimate that may be larger than the cost of the actual study.

Mr. Metzler explained that the items indicated as retired for this reporting period would not appear on the next cycle and requested action on Resolution No. OB-VRDA-16-001.

It was moved by Board Member Robertson, seconded by Board Member O'Toole to adopt Resolution No. OB-VRDA-16-001; motion carried unanimously.

3. COMMENTS FROM OVERSIGHT BOARD, LEGAL COUNSEL AND STAFF

Ms. Hardy announced that it was the decision of the Victor Valley Community College District to withdraw their opposition to the Successor Agency with regards to Prior Year Pass-Through payments owed pursuant to the 1993 Cooperation Agreement.

As the ROPS was approved, it was determined by staff and the Board that it was unnecessary to have the next scheduled meeting on January 28, 2016 but that both February meetings were necessary to discuss items pertaining to the Long Range Property Management Plan.

4. ADJOURNMENT

It was moved by Board Member Robertson, seconded by Board Member O'Toole to adjourn the meeting at 1:55 p.m.; motion carried unanimously.

_____

CHAIRMAN OF THE BOARD OF ADMINISTRATORS

ATTEST:

_____

RECORDING SECRETARY

AGENDA ITEM #3

OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE
VICTORVILLE REDEVELOPMENT AGENCY
MEETING OF: February 25, 2016

SUBJECT: Resolution OB-VRDA-16-002 Approving Amendment 1 to the Professional Services Agreement with Varner & Brandt, LLP for Legal Services for the Oversight Board for January 1 2016 through June 30, 2016 and adding an additional one-year option for an amount not to exceed $195,000.

RECOMMENDATION: That Your Honorable Board adopts Resolution No. OB-VRDA-16-002.

DISCUSSION: At its meeting of February 26, 2015, the Oversight Board (OB) directed Successor Agency (SA) staff to request funding for OB legal counsel on the ROPS 15-16A, which covered expenditures from July 2015 through December 2015. Subsequently, at its March 12, 2015 meeting, the OB directed the formation of a subcommittee for the selection of Oversight Board Legal Counsel. Chairman Metzler, and Board Members Betts and Lindsay were chosen to comprise the subcommittee. On April 14, 2015, the Department of Finance (DOF) issued its ROPS 15-16A determination, approving $45,000 for OB legal services.

At the meeting of July 23, 2015 Your Honorable Board adopted Resolution OB-VRDA-15-005 entering into a Professional Services Agreement with Varner & Brandt, LLP to assist the Oversight Board by: (1)A review of the Bear Valley Cooperation Agreement issue that had been the subject of discussion at the Oversight Board level for some time, (2)attending the Oversight Board meetings as requested, and (3)assisting with any other matter requested by the Oversight Board.

At the meeting of January 21, 2016 Your Honorable Board directed staff to prepare an amendment to the Professional Services Agreement with Varner & Brandt LLP to extend services for an additional 6-month period with a one-year optional term in the amount of $50,000 per 6-month period, subject to approval of the Recognized Obligation Payment Schedule. The attached provides for those terms.

Staff recommends adoption of Resolution OB-VRDA-16-002 based on the direction previously provided by the OB. Staff remains available for any questions or comments you might have.

Submitted by: Sophie Smith, City of Victorville

Attachments:
OB-VRDA-16-002

RESOLUTION NO. OB-VRDA-16-002

RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY APPROVING AMENDMENT 1 TO PROFESSIONAL SERVICES AGREEMENT WITH VARNER & BRANDT FOR OVERSIGHT BOARD LEGAL SERVICES

WHEREAS, pursuant to Health and Safety Code section 34172, the Victorville Redevelopment Agency is deemed dissolved; and

WHEREAS, pursuant to Resolution No. 12-005, the City Council of the City of Victorville confirmed that the City of Victorville shall serve as the successor agency to the Redevelopment Agency (the "Successor Agency"); and

WHEREAS, pursuant to Health and Safety Code section 34179(a), each Successor Agency shall have an Oversight Board (OB); and

WHEREAS, pursuant to Health and Safety Code section 34179(n), the Oversight Board may direct a successor agency to provide additional legal or financial advice than what was given by agency staff, and

WHEREAS, pursuant to direction given to agency staff by the Oversight Board, a selection process for OB legal counsel was completed by subcommittee in July 2015 and an agreement was awarded to Varner & Brandt LLP at the meeting of July 23, 2015, and

WHEREAS, pursuant to direction given to agency staff by the Oversight Board, an amendment to the Professional Services Agreement with Varner & Brandt LLP has been prepared to continue legal services for the Oversight Board.

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Recitals

The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Approval of Professional Services Agreement

In accordance with Health and Safety Code Section 34179(n), and based on the Recitals set forth above, the Oversight Board for the Successor Agency (the "Oversight Board") hereby approves and adopts this resolution approving Amendment 1 to the Professional Services Contract with Varner & Brandt, LLP, attached hereto as Exhibit "A", and incorporated herein by this reference.

Section 3. Implementation

The Oversight Board hereby authorizes and directs the Successor Agency's Executive Director, or his or her designee, to: (1) execute and deliver such documents and instruments and to do such things which may be necessary or proper to effectuate the purposes of this Resolution.

Section 4. CEQA

The Oversight Board, under Title 14 of the California Code of Regulations, Section 15378(b)(4), that this Resolution is exempt from the requirements of the California Environmental Quality Act ("CEQA") in that it is not a "project," but instead consists of the continuation of a governmental funding mechanism for potential future projects and programs, and does not commit funds to any specific project or program.

Section 5. Effective Date

This Resolution shall take effect five days after its adoption.

Section 6. Certification

The Oversight Board Secretary shall certify to the passage and adoption of this Resolution; shall enter the same in the book of original Resolutions of the Oversight Board; and shall make a minute of passage and adoption thereof in the records of the proceedings of the Oversight Board, in the minutes of the meeting at which this Resolution is passed and adopted.

EXHIBIT "A"

AMENDMENT 1 TO PROFESSIONAL SERVICES AGREEMENT

[SEE ATTACHED]

AMENDMENT NUMBER: ONE
TO
GENERAL SERVICES PROVIDER STANDARD AGREEMENT
BY AND BETWEEN
THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY
AND
VARNER & BRANDT, LLP
FOR
LEGAL COUNSEL SERVICES

THIS AMENDMENT (the "Amendment) is made and entered into by and between the Oversight Board to the Successor Agency to the Victorville Redevelopment Agency, located in the County of San Bernardino, State of California, hereinafter referred to as the "Board", and Varner & Brandt, a California Limited Liability Partnership, hereinafter referred to as "Service Provider". Board and Service Provider are sometimes hereinafter referred to individually as a "Party" and collectively referred to as the "Parties".

Recitals

1. **WHEREAS,** the Board has a contract with Consultant to provide **Legal Services,** and;
2. **WHEREAS,** the Board and Service Provider with to extended the term of this Agreement, and;
3. **WHEREAS,** Section 3, Compensation is being amended to a not to exceed amount of $195,000 for the Original Agreement, this Option One and the additional option period contemplated in this Agreement, subject to funding approval on the Recognized Obligation Payment Schedule.
4. **WHEREAS,** Section 6, Term of the Agreement is being amended to extend the Term of the Agreement by exercising one additional six-month Option Period and to include an additional one-year Option Period.

Board and Service Provider are willing to amend the original agreement as stated below.

Agreement Amendment

The contract is being amended to provide the following:

Section 3. COMPENSATION: The Board is hereby amending to a not to exceed amount of $195,000 for the Original Agreement ($45,000), this Option One ($50,000) and the additional option period contemplated ($100,000), subject to funding approval on the Recognized Obligation Payment Schedule.

Section 6. TERM OF AGREEMENT: The Board is hereby extending the Term of the Agreement to June 30, 2016, by exercising one additional six-month Option period. The Board is also adding an additional one-year Option period the renews automatically upon expiration of this option term.

Except as amended herein, the term and conditions of the Original Agreement and all previous amendments, remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused the amendment to the Agreement to be entered as of the day and year written above.

OVERSIGHT BOARD

By:_____
Asst. Executive Director
Successor Agency

Date:_____

SERVICE PROVIDER

By;_____
Varner & Brandt, LLP

Dated:_____

VARNER&BRANDT LLP

CLIENT MEMORANDUM

TO: OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY

FROM: VARNER & BRANDT LLP

SUBJECT: TRANSMITTAL OF FEBRUARY 25, 2016 OVERSIGHT BOARD MEETING AGENDA ITEM #4

DATE: FEBRUARY 22, 2016

The following memorandum provides the members of the Oversight Board ("Oversight Board") for the Successor Agency to the Victorville Redevelopment Agency ("Successor Agency") with pertinent information in order for each Board Member to make an informed decision on the matters before the Oversight Board.

Agenda Item No.: 4

Subject: ***Approval of Disposition of Property; Execution of Purchase and Sale Agreement***. The Successor Agency seeks the approval of the Oversight Board to approve the execution of a Purchase and Sale Agreement ("Agreement") with the City of Victorville (the "City") concerning the Successor Agency's sale and disposition of two (2) parcels of real property located adjacent to the Interstate 15 freeway, consisting of 525 square feet (APN 3106-262-09) and 626 square feet (APN 3106-61-34) (collectively the "Properties" and individually a "Property").

Legislative Authority of the Oversight Board:

1. *California Health and Safety Code Section 34177(e)*: The Successor Agency must dispose of assets and properties of the former redevelopment agency as directed by the Oversight Board; provided, however that the Oversight Board may direct the Successor Agency to transfer ownership of certain assets pursuant to Section 34181(a). The disposition of the assets and properties is to be completed expeditiously and in a manner aimed at maximizing value.

2. *California Health and Safety Code Section 34177(h)*: The Successor Agency must expeditiously wind down the affairs of the former redevelopment agency in accordance with the direction of the Oversight Board.

3. *California Health and Safety Code Section 34181(a)*: The Oversight Board must direct the Successor Agency to dispose of all assets and properties of the former redevelopment agency; provided, however that the Oversight Board may instead direct the Successor Agency to transfer ownership of those assets constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to this construction or use of such an asset. The

Successor Agency must dispose of assets and property expeditiously and in a manner aimed at maximizing value.

4. *California Health and Safety Code Section 34191.3*: The disposition authority of the Successor Agency and the Oversight Board under Sections 34177(e) and 34181(a), respectively, is suspended, except as to transfers for governmental use, until the Department of Finance has approved a long-range property management plan, at which point the long-range property management plan will govern the disposition and use of real property assets of the former redevelopment agency.

Discussion: The Successor Agency must dispose of assets and properties of the former redevelopment agency in accordance with the direction of the Oversight Board. (HSC Sections 34177(e), 34181(a)) Despite the Oversight Board's directive authority, Section 34191.3 suspended the power to direct the disposition of assets and properties of the former redevelopment agency, except for the transfer of governmental use assets, until the Department of Finance approved the Successor Agency's LRPMP. On October 28, 2015, the Department of Finance approved the Successor Agency's LRPMP, making the Oversight Board's directive authority under Section 34177(e) and Section 34181(a) operative. The Properties are both identified as "For Sale" properties under Item No. 2 of the approved LRPMP. Any disposition of property, whether governmental purpose or otherwise, must be done expeditiously and in a manner aimed at maximizing value. (HSC Sections 34177(e), 34181(a)) A detailed history of the Properties is provided under the LRPMP.

The Properties consist of 525 square feet and 626 square feet and are both improved with a freeway sign located thereon. The signs consist of an electronic billboard pylon sign and a standard pylon sign. The signs promote and advertise the dealerships located within the Auto Park at Valley Center. Depictions of the signs are contained in the LRPMP.

Based on the signs' close proximity to Interstate 15, the former redevelopment agency was required to secure two permits from the California Department of Transportation ("CalTrans") prior to the construction (and operation) of the signs. The two signs are subject to the California Outdoor Advertising Act (Business and Professions Code section 5200 et seq.) (the "Act"), which restricts who may own the signs and the method and manner in which advertising may be conducted. These restrictions potentially limit the pool of viable purchasers of the Properties. Based on the existing permits, if a potential purchaser is unable to satisfy the restrictions of the permits and the Act, the signs would need to be removed from the Properties.

The Successor Agency's operation of the signs is also subject to a Second Amended and Restated Agreement Forming Auto Park at Valley Center Association ("Association Agreement"), which obligates the net revenue generated from the signs to be paid to the Association. If the Properties are acquired by the City, it is unclear whether the Association Agreement would be assigned to the City and whether the City would be obligated to join the Association. The Oversight Board may consider requesting additional information on this topic from the Successor Agency.

The Successor Agency engaged the services of Smothers Appraisal ("Appraiser") to determine the value of the Properties. The Appraiser conducted an appraisal on December 10, 2015 and a subsequent report was prepared. Based on the cost approach valuation method, the fair market value of the Properties, improved with the signs, was established as $300,000. The land value was determined to be $8,400 and the improvement value was established as $291,600. According to the Appraiser, the small size of the Properties (i.e., 525 square feet and 626 square feet) prevents the Properties from being marketed for independent development. The Appraiser

estimates that the highest and best use of the Properties, as improved, is for continuation of the existing use until the end of the signs' economic life.

The City has submitted an offer to purchase the Properties for $8,400, which represents the appraised land value. This offer is based on the City's position that the taxpayers originally paid for the construction of the signs and utilizing taxpayer funds to pay for the signs a second time places an undue burden upon the public. In addition, the signs are subject to continuing operating and maintenance costs which will be borne by the City. Business and Professions Code section 5273 (as amended by SB 684) provides that notwithstanding the dissolution of redevelopment agencies, the original basis for which the two permits were issued (i.e., advertising for businesses and activities within the boundary limits of an individual redevelopment project area) may remain in place, provided the City ensures compliance with the Act. Therefore, the continued operation of the signs, consistent with former redevelopment agency's original intent, may continue with the City.

We have reviewed the terms of the proposed Agreement between the Successor Agency and the City. The sale of the Properties is made on an "AS IS" basis, with a closing date on or prior to March 1, 2016. The Agreement includes a provision confirming that the City reviewed and inspected the Properties. The proposed Agreement does not, however, contain language addressing liability or limitation of claims. Therefore, the Oversight Board may want to consider requesting a revision to the proposed Agreement to include a full release of claims and indemnity for the Successor Agency and the Oversight Board.

END OF MEMO

RESOLUTION NO. OB-VRDA-16-003

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY, APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT FOR THE SALE AND DISPOSITION OF TWO PARCELS OF REAL PROPERTY LOCATED WITHIN THE VICTORVILLE AUTO MALL

WHEREAS, the Successor Agency to the Victorville Redevelopment Agency was formed in accordance with California Health and Safety Code Section 34173 ("Successor Agency"); and

WHEREAS, the Oversight Board ("Oversight Board") of the Successor Agency was established pursuant to California Health and Safety Code Section 34179; and

WHEREAS, the Successor Agency must dispose of assets and properties of the former redevelopment agency as directed by the Oversight Board pursuant to California Health and Safety Code Section 34177(e); and

WHEREAS, the Oversight Board must direct the Successor Agency to dispose of all assets and properties of the former redevelopment agency pursuant to California Health and Safety Code Section 34181(a); and

WHEREAS, the Successor Agency is not permitted to dispose of any real property assets of the former redevelopment agency, except governmental use assets, until the Department of Finance ("DOF") approves the Successor Agency's long-range property management plan ("LRPMP") pursuant to California Health and Safety Code Section 34191.3; and

WHEREAS, on October 28, 2015, the DOF issued an approval notice approving the Successor Agency's LRPMP ("Determination Letter"); and

WHEREAS, upon receiving DOF approval of the LRPMP, the LRPMP shall govern and supersede all other provisions relating to the disposition and use of real property assets of the former redevelopment agency pursuant to California Health and Safety Code Section 34191.3; and

WHEREAS, the Successor Agency desires to sell two parcels of real property to the City of Victorville ("City") located within the Valley Center Auto Park, identified as APN 3106-262-09 consisting of 525 square feet and APN 3106-61-34 consisting of 626 square feet, and identified as Item No. 2 in the LRPMP as "for sale" properties (the "Property"); and

WHEREAS, the improvements located on the Property are subject to certain use restrictions, which affect the marketability of the Property. Successor Agency intends to sell the Property to the City for a purchase price of $8,400.00, which represents an amount equal to or greater than the current fair market value of the land value of Property, as determined by an appraisal performed by James Smothers, MAI, ASA, SRA, SR/WA, and

WHEREAS, the sale of the Property by Successor Agency to the City is intended to be made in accordance with the terms of a purchase and sale agreement (the "Purchase Agreement"), a copy of which has been made available to the Oversight Board for inspection and is attached hereto as Exhibit A; and

WHEREAS, the Oversight Board has determined that the approval of the sale and disposition of the Property pursuant to the Purchase Agreement is consistent with the terms of the approved LRPMP under Health and Safety Code Section 34181(a) and 34191.3, and is consistent with the obligation of the Successor Agency to wind down the affairs of the former redevelopment agency in accordance with California Health and Safety Code Section 34177(h); and

WHEREAS, California Health and Safety Code Section 34179(e) requires the Oversight Board to adopt resolutions for any action taken by the Oversight Board.

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

Section 1. **Approval of Purchase Agreement; Disposition of the Property**. The Oversight Board hereby approves the sale and disposition of the Property in accordance with the terms of the approved LRPMP and the Purchase Agreement.

Section 2. **Authorization of Successor Agency**. Upon approval of this resolution ("Resolution") by the California Department of Finance, the Oversight Board authorizes and directs the Executive Director and/or Assistant Secretary of the Successor Agency, jointly and severally, to execute and deliver the Purchase Agreement, in substantially the form made available to the Oversight Board for inspection, and any and all other documents which they may deem necessary or advisable in order to effectuate the approval of the Resolution.

Section 3. **Delivery to the California Department of Finance**. The Oversight Board hereby authorizes and directs the Secretary of the Oversight Board to electronically deliver a copy of this Resolution to the California Department of Finance in accordance with California Health and Safety Code Section 34179(h).

Section 4. **Other Actions**. The Oversight Board hereby authorizes and directs the Chairman, Vice Chairman and/or Secretary of the Oversight Board, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

Section 5. **CEQA**. The Oversight Board, under Title 14 of the California Code of Regulations, Section 15378(b)(4), that this Resolution is exempt from the requirements of the California Environmental Quality Act ("CEQA") in that it is not a "project," but instead consists of the continuation of a governmental funding mechanism for potential future projects and programs, and does not commit funds to any specific project or program.

Section 6. **Effect**. This Resolution shall take effect in accordance with California Health and Safety Code Section 34179(h).

Section 7. **Certification**. The Oversight Board Secretary shall certify to the passage and adoption of this Resolution; shall enter the same in the book of original Resolutions of the Oversight Board; and shall make a minute of passage and adoption thereof in the records of the proceedings of the Oversight Board, in the minutes of the meeting at which this Resolution is passed and adopted.

RESOLUTION NO. OB-VRDA-16-003

ATTACHMENT A

PURCHASE AGREEMENT

[ATTACHED BEHIND THIS PAGE]

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is made and entered into as of the _____ day of _____, 2016, by and between THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY (the "Seller") and the CITY OF VICTORVILLE, a public body corporate and politic, organized and existing under the laws of the State of California (the "City").

RECITALS

1. Seller is the owner of two parcels of real property along with improvements thereon (the "Property") consisting of a total of 1,327 square feet located in the City of Victorville, California, as more fully described in Exhibit "A" hereto and incorporated herein by this reference.

2. The City has offered to purchase Property from the Seller at a specified purchase price and has not been induced or influenced in any way before commencing negotiations.

3. The Property is currently improved with two separate advertising signs, including an electronic message board, the value of which has been depreciated over the years.

4. The City desires to acquire said Property in order to facilitate the continued use of the Property in connection with the advertising needs of certain businesses within the City and the continued need for certain public service announcements.

5. The transaction contemplated hereby is consistent with the Long Ranch Property Management Plan which has been approved by the State Department of Finance and the parties hereto are duly authorized to enter into this Agreement.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the preceding recitals and the mutual promises and covenants hereinafter contained, the parties agree as follows:

Section 1. Acquisition; Acquisition Price. Subject to the provisions of Section 2 hereof, the City agrees to acquire from Seller the Property described in Exhibit "A" hereto. The price to be paid by the City for the acquisition of the Property shall be equal to its fair market value of the land which has been determined by an independent appraisal to be a total amount of Eight Thousand Four Hundred Dollars ($8,400.00) (the "Purchase Price").

Section 2. Payment of Purchase Price/Transfer by Grant Deed. The Purchase Price shall be paid in full by the City. Seller shall transfer ownership of the Property being acquired by the City by grant deed, a copy of which is attached hereto as Exhibit "B" and incorporated herein by this reference. The Property shall be purchased by the City prior to March 1, 2016, provided, however, that Seller and City have received all necessary approvals from any governmental entities that may have jurisdiction over the sale.

Section 3. Marketable Title. As a condition to the payment of such Purchase Price, Seller shall convey good and marketable title free of any title defects, liens, encumbrances, conditions, covenants, restrictions and other adverse interests or known to Seller.

Section 4. Inspection. The City has inspected and evaluated the Property to ensure that it has been properly maintained. Any costs incurred by the City in inspecting and approving the Property shall be paid by the City.

Section 5. Property As-Is. Seller makes no representation, warranty, agreement, statement, guarantee or promise, other than those contained in this Agreement, and the City acknowledges that Seller has made no such representation, agreement, statement, warranty, guarantee, or promise regarding the Property or the zoning, construction, physical condition or other status of the Property, except as herein contained. The Property is being transferred to and accepted by the City in its existing condition AS-IS AND WITH ALL FAULTS.

Section 6. Maintenance. Prior to the transfer of ownership of the Property by Seller to the City, as provided herein, Seller shall be responsible for the maintenance of the Property and shall maintain and transfer same to the City in as good condition as it was at the time of execution of this Agreement.

Section 7. Grant Deed. The Seller shall, at its sole cost, cause the preparation of the necessary legal descriptions and the Grant Deed for the Property.

Section 8. Insurance. Seller shall be responsible for maintaining fire and casualty insurance on Property until transfer of title.

Section 9. Assumption of Risk. Seller agrees to assume all risk of loss until transfer of title, except to the extent any liability or loss is directly caused by actions of the City.

Section 10. Brokers. Both parties represent and warrant that they have not retained a broker and are not represented by a broker in connection with this Agreement.

Section 11. Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties to this Agreement and their successors and assigns, except as otherwise provided in this Agreement.

Section 12. Governing Law. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the laws of the State of California.

Section 13. Headings. The headings set forth in this Agreement are inserted for convenience only. They do not constitute part of this Agreement and shall not be used in its construction.

Section 14. General. This Agreement contains the entire agreement between the parties with respect to the matters herein provided, and may only be amended by a subsequent written agreement executed by all parties. This Agreement may be executed in counterparts, each of which shall be deemed an original, but which together shall constitute a single agreement.

[END OF THIS PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

"SELLER"

SUCCESSOR AGENCY FOR THE
VICTORVILLE REDEVELOPMENT AGENCY,
a _____

By:_____
_____

ATTEST:

By:_____
Agency Secretary

APPROVED AS TO FORM:

By:_____
Agency Risk Manager

APPROVED AS TO FORM:

_____
Green de Bortnowsky, LLP
Agency Counsel

"CITY"

CITY OF VICTORVILLE

By:_____

ATTEST:

By:_____
City Clerk

APPROVED AS TO FORM:

By:_____
City Risk Manager

APPROVED AS TO FORM:

_____
Green de Bortnowsky, LLP
City Attorney
VICT\0034\DOC\019.DOC
1\27\16 1030 law

EXHIBIT "A"

PARCEL A OF PARCEL MAP 15221, IN THE CITY OF VICTORVILLE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 187 OF PARCEL MAPS, PAGES 29 TO 31, INCLUSIVE, RECORDS OF SAID COUNTY
(APN 3106-262-09)

and

PARCEL A OF PARCEL MAP 16292, IN THE CITY OF VICTORVILLE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 206 OF PARCEL MAPS, PAGES 71 TO 73, INCLUSIVE, RECORDS OF SAID COUNTY
(APN 3106-261-34)

EXHIBIT "B"

GRANT DEED

Recording Requested by:

CITY OF VICTORVILLE

After Recordation, Mail to:

City Clerk's Office
City of Victorville
P.O. Box 5001
Victorville, CA 92393

GRANT DEED

For valuable consideration, the receipt of which is hereby acknowledged,

THE SUCCESSOR AGENCY on behalf of the VICTORVILLE REDEVELOPMENT AGENCY (the "Grantor"), hereby grants to THE CITY OF VICTORVILLE, a public body, corporate and politic, (the "Grantee"), the real property (the "Property") legally described in the document attached hereto, labeled Exhibit A, and incorporated herein by this reference.

1. The Property is conveyed subject to the Purchase and Sale Agreement entered into between the Grantor and the Grantee, dated _____, 2016, (herein referred to as the "Agreement").

2. The Grantee covenants by and for itself, its successors in interest and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Property.

All deeds, leases or contracts made relative to the Property, shall contain the following nondiscrimination clauses:

(a) In deeds: "The grantee herein covenants by and for itself, its successors in interest and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee, himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

(b) In leases: "The lessee herein covenants by and for itself, its successors in interest and assigns, and all persons claiming under or through him, and this lease is made and accepted upon and subject to the following conditions:

> That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of tenants, lessees, subtenants, sublessees or vendees in the land herein leased."

(c) In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land."

3. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other financing or security instrument permitted by the Agreement; provided, however, that any successor of Grantee to the Property shall be bound by such remaining covenants, conditions, restrictions, limitations and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

4. The covenants contained in this Grant Deed shall be binding for the benefit of the Grantor and its successors and assigns, and such covenants shall run in favor of the Grantor for the entire period during which such covenants shall be in full force and effect, without regard to whether the Grantor is or remains an owner of any land or interest herein to which such covenants relate. The grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach as provided in the Agreement or by law. The covenants contained in this Grant Deed shall be for the benefit of and shall be enforceable only by the Grantor, its successors and its assigns.

[END OF THIS PAGE]

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized, this ____ day of _____, 2016.

"GRANTOR"

SUCCESSOR AGENCY FOR THE
VICTORVILLE REDEVELOPMENT AGENCY,
a _____

By:_____

_____

ATTEST:

By:_____
Agency Secretary

APPROVED AS TO FORM:

By:_____
Agency Risk Manager

APPROVED AS TO FORM:

_____
Green de Bortnowsky, LLP
Agency Counsel

"GRANTEE"
CITY OF VICTORVILLE

By:_____

ATTEST:

By:_____
City Clerk

APPROVED AS TO FORM:

By:_____
City Risk Manager

APPROVED AS TO FORM:

_____
Green de Bortnowsky, LLP
City Attorney

CITY OF
VICTORVILLE

(760) 955-5000
E-mail: vville@victorvilleca.gov

14343 Civic Drive
P.O. Box 5001
Victorville, CA 92393-5001

AGENDA ITEM

WRITTEN COMMUNICATIONS

SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELPMENT AGENCY
BOARD OF DIRECTORS
AND CITY COUNCIL OF THE CITY OF VICTORVILLE
MEETING OF: February 2, 2016

SUBMITTED BY: SOPHIE L. SMITH
ECONOMIC DEVELOPMENT DIVISION HEAD

DATE: 01/27/2016

ATTACHMENT: RESOLUTION NO. 16-006 AND R-SA-16-002

SUBJECT: PURCHASE AND SALE AGREEMENT– AUTO PARK SIGN PROPERTIES

RECOMMENDATION: That Your Honorable Board of Directors and City Council adopt Resolution No. R-SA-16-002 and 16-006 respectively, approving the Purchase and Sale Agreement by and between the Successor Agency on Behalf of the Victorville Redevelopment Agency and the City of Victorville, and approve an additional appropriation from the General Fund in the amount of $10,400

FISCAL IMPACT: Sale proceeds to the Successor Agency of approximately $8,400/General Fund Expenditure of $10,400

PROJECT BUDGET:	$	-
PROJECT COST:	- $	10,400.00
PROJECT BALANCE:	$	(10,400.00)

BUDGET ACCT NO: 1000010-52160

— Finance Use Only —
Additional Expense:
___ No
✓ Yes / Amount 10,400

Additional Revenue:
✓ No
___ Yes / Amount

CFO Review

DISCUSSION:

The Victorville Redevelopment Agency (RDA) previously purchased two parcels of land totaling 1,327 square feet for the purpose of causing the construction thereon of two 65' high pylon sings (one includes an electronic message board) to benefit businesses in the former Hook Redevelopment Project Area and to provide a venue for public service announcements. The parcels are located on each side of the I-15 Freeway and are more fully described in the attached Purchase and Sale Agreement.

As a result of AB 1x 26 (the "Redevelopment Dissolution Bill"), the Successor Agency to the Victorville Redevelopment Agency is required to liquidate the assets of the former Redevelopment Agency. Accordingly, the parcels have been listed on the Agency's Long Range Property Management Plan and the State Department of Finance has agreed to the sale of the Property to the City at its fair market value. The Successor Agency has obtained an appraisal of the sign, and the City has reviewed such appraisal.

Based on prior Closed Session negotiations and direction, the City has offered to purchase the signs from the Successor Agency for the current appraised land value of $8,400. Although the appraisal placed a value upon the sign improvements of $291,600, the City cannot justify the payment for such improvements since the taxpayers previously funded the original construction costs of the signs, and it would place an undue burden upon the public to pay for such improvements a second time. Additional factors considered by the parties when coming to terms for this transaction include the recognition given the appraiser that the City is believed to be the only viable buyer based on the type of permit issued by Caltrans to operate said signs. The parties also recognize that the signs present ongoing liabilities in the form of operating and depreciations costs that the City will be required to determine how to recover. Accordingly, the parties have determined the most reasonable approach to transferring ownership of the signs is to sell for actual land value.

The acquisition costs associated with the sign include the $8,400 purchase price, in addition to a $2,000 budget for a Phase I Environmental Report to be conducted prior to the transfer of the property to the City. Finally, the parties acknowledge that the Purchase and Sale Agreement and transaction must first be approved by the Victorville Oversight Board in accordance with the Dissolution Bill before it can be consummated.

Staff remains available for any questions or comments you might have.

Attachments: City Council Resolution No. 16-002
Resolution No. R-SA-16-006
Purchase and Sale Agreement

RESOLUTION NO. R-SA-16-002

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VICTORVILLE SITTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY APPROVING THE PURCHASE AND SALE AGREEMENT BY AND BETWEEN THE SUCCESSOR AGENCY ON BEHALF OF THE VICTORVILLE REDEVELOPMENT AGENCY AND THE CITY OF VICTORVILLE

WHEREAS, the Victorville Redevelopment Agency has previously been duly created and activated pursuant to the provisions of the California Community Redevelopment Law, Health and Safety Code sections 33000, *et seq.* (the "Community Redevelopment Law") by a duly adopted Ordinance of the City of Victorville, California (the "City"); and

WHEREAS, pursuant to AB 1x 26 (the "Dissolution Bill"), the Agency has been dissolved and all of its ongoing obligations have been assumed by the Successor Agency acting on behalf of the Victorville Redevelopment Agency (the "Agency"); and

WHEREAS, the Agency owns certain real property comprised of two parcels which are located within the City and together consisting of approximately 1,327 square feet (the "Subject Property"); and

WHEREAS, the Agency seeks to acquire the Subject Property and intends to provide for its continued use as a site for advertising signs with a message board which will be of benefit to businesses and residents of the City; and

WHEREAS, the City deems it desirable to enter into a Purchase and Sale Agreement (the "Agreement") with the City in the form attached hereto as Exhibit "A" and incorporated herein by this reference; and

WHEREAS, pursuant to the Dissolution Bill, this purchase and sale transaction is consistent with the Agency's Long Range Property Management Plan, which has been previously approved by the Department of Finance, but must be approved by the Victorville Oversight Board before it can be consummated; and

WHEREAS, the Agency Board and the City Council have evaluated the Agreement and all evidence and testimony for and against the approval of the Agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF VICTORVILLE SITTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The foregoing Recitals are true and correct and are incorporated herein by this reference.

Section 2. In accordance with the Recitals set forth above, the City Council of the City of Victorville sitting as the Governing Board of the Successor Agency (the "Successor Agency Governing Board") hereby finds and determines the following:

A. The disposition of the Subject Property to the City, pursuant to the Agreement, will be of benefit to the Agency and the City.

B. The disposition of the Subject Property pursuant to the Agreement is consistent with the provisions of the Dissolution Bill as well as the Long Range Property Management Plan, and will allow for the liquidation of assets by the Agency.

C. The Purchase Price of the Subject Property as set forth in the Agreement is not less than the fair market value of the Subject Property.

Section 3. The Successor Agency Secretary shall certify to the passage and adoption of this Resolution; shall enter the same in the book of original Resolutions of the Successor Agency to the Victorville Redevelopment Agency; and shall make a minute of passage and adoption thereof in the records of the proceedings of the Successor Agency, in the minutes of the meeting at which this **Resolution** is passed and adopted.

EXHIBIT "A"

PURCHASE AND SALE AGREEMENT

CITY COUNCIL RESOLUTION NO. 16-006

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VICTORVILLE APPROVING THE PURCHASE AND SALE AGREEMENT BY AND BETWEEN THE SUCCESSOR AGENCY ON BEHALF OF THE VICTORVILLE REDEVELOPMENT AGENCY AND THE CITY OF VICTORVILLE

WHEREAS, the Victorville Redevelopment Agency has previously been duly created and activated pursuant to the provisions of the California Community Redevelopment Law, Health and Safety Code sections 33000, *et seq*. (the "Community Redevelopment Law") by a duly adopted Ordinance of the City of Victorville, California (the "City"); and

WHEREAS, pursuant to AB 1x 26 (the "Dissolution Bill"), the Agency has been dissolved and all of its ongoing obligations have been assumed by the Successor Agency acting on behalf of the Victorville Redevelopment Agency (the "Agency"); and

WHEREAS, the Agency owns certain real property comprised of two parcels which are located within the City and together consisting of approximately 1,327 square feet (the "Subject Property"); and

WHEREAS, the Agency seeks to acquire the Subject Property and intends to provide for its continued use as a site for advertising signs with a message board which will be of benefit to businesses and residents of the City; and

WHEREAS, the City deems it desirable to enter into a Purchase and Sale Agreement (the "Agreement") with the City in the form attached hereto as Exhibit "A" and incorporated herein by this reference; and

WHEREAS, pursuant to the Dissolution Bill, this purchase and sale transaction is consistent with the Agency's Long Range Property Management Plan, which has been previously approved by the Department of Finance, but must be approved by the Victorville Oversight Board before it can be consummated; and

WHEREAS, the Agency Board and the City Council have evaluated the Agreement and all evidence and testimony for and against the approval of the Agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF VICTORVILLE DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The foregoing Recitals are true and correct and are incorporated herein by this reference.

Section 2. The City Council finds and determines the following:

A. The disposition of the Subject Property to the City, pursuant to the Agreement, will be of benefit to the Agency and the City.

B. The disposition of the Subject Property pursuant to the Agreement is consistent with the provisions of the Dissolution Bill as well as the Long Range Property Management Plan, and will allow for the liquidation of assets by the Agency.

C. The Purchase Price of the Subject Property as set forth in the Agreement is not less than the fair market value of the Subject Property.

Section 3. The City Council hereby approves the Agreement.

Section 4. This Resolution shall take effect upon its adoption.

EXHIBIT "A"

PURCHASE AND SALE AGREEMENT

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is made and entered into as of the _____ day of _____, 2016, by and between THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY (the "Seller") and the CITY OF VICTORVILLE, a public body corporate and politic, organized and existing under the laws of the State of California (the "City").

RECITALS

1. Seller is the owner of two parcels of real property along with improvements thereon (the "Property") consisting of a total of 1,327 square feet located in the City of Victorville, California, as more fully described in Exhibit "A" hereto and incorporated herein by this reference.

2. The City has offered to purchase Property from the Seller at a specified purchase price and has not been induced or influenced in any way before commencing negotiations.

3. The Property is currently improved with two separate advertising signs, including an electronic message board, the value of which has been depreciated over the years.

4. The City desires to acquire said Property in order to facilitate the continued use of the Property in connection with the advertising needs of certain businesses within the City and the continued need for certain public service announcements.

5. The transaction contemplated hereby is consistent with the Long Ranch Property Management Plan which has been approved by the State Department of Finance and the parties hereto are duly authorized to enter into this Agreement.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the preceding recitals and the mutual promises and covenants hereinafter contained, the parties agree as follows:

Section 1. Acquisition; Acquisition Price. Subject to the provisions of Section 2 hereof, the City agrees to acquire from Seller the Property described in Exhibit "A" hereto. The price to be paid by the City for the acquisition of the Property shall be equal to its fair market value of the land which has been determined by an independent appraisal to be a total amount of Eight Thousand Four Hundred Dollars ($8,400.00) (the "Purchase Price").

Section 2. Payment of Purchase Price/Transfer by Grant Deed. The Purchase Price shall be paid in full by the City. Seller shall transfer ownership of the Property being acquired by the City by grant deed, a copy of which is attached hereto as Exhibit "B" and incorporated herein by this reference. The Property shall be purchased by the City prior to March 1, 2016, provided, however, that Seller and City have received all necessary approvals from any governmental entities that may have jurisdiction over the sale.

Section 3. Marketable Title. As a condition to the payment of such Purchase Price, Seller shall convey good and marketable title free of any title defects, liens, encumbrances, conditions, covenants, restrictions and other adverse interests or known to Seller.

Section 4. Inspection. The City has inspected and evaluated the Property to ensure that it has been properly maintained. Any costs incurred by the City in inspecting and approving the Property shall be paid by the City.

Section 5. Property As-Is. Seller makes no representation, warranty, agreement, statement, guarantee or promise, other than those contained in this Agreement, and the City acknowledges that Seller has made no such representation, agreement, statement, warranty, guarantee, or promise regarding the Property or the zoning, construction, physical condition or other status of the Property, except as herein contained. The Property is being transferred to and accepted by the City in its existing condition AS-IS AND WITH ALL FAULTS.

Section 6. Maintenance. Prior to the transfer of ownership of the Property by Seller to the City, as provided herein, Seller shall be responsible for the maintenance of the Property and shall maintain and transfer same to the City in as good condition as it was at the time of execution of this Agreement.

Section 7. Grant Deed. The Seller shall, at its sole cost, cause the preparation of the necessary legal descriptions and the Grant Deed for the Property.

Section 8. Insurance. Seller shall be responsible for maintaining fire and casualty insurance on Property until transfer of title.

Section 9. Assumption of Risk. Seller agrees to assume all risk of loss until transfer of title, except to the extent any liability or loss is directly caused by actions of the City.

Section 10. Brokers. Both parties represent and warrant that they have not retained a broker and are not represented by a broker in connection with this Agreement.

Section 11. Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties to this Agreement and their successors and assigns, except as otherwise provided in this Agreement.

Section 12. Governing Law. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the laws of the State of California.

Section 13. Headings. The headings set forth in this Agreement are inserted for convenience only. They do not constitute part of this Agreement and shall not be used in its construction.

Section 14. General. This Agreement contains the entire agreement between the parties with respect to the matters herein provided, and may only be amended by a subsequent written agreement executed by all parties. This Agreement may be executed in counterparts, each of which shall be deemed an original, but which together shall constitute a single agreement.

[END OF THIS PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

"SELLER"

SUCCESSOR AGENCY FOR THE
VICTORVILLE REDEVELOPMENT AGENCY,
a _____

By:_____

_____

ATTEST:

By:_____
Agency Secretary

APPROVED AS TO FORM:

By:_____
Agency Risk Manager

APPROVED AS TO FORM:

_____
Green de Bortnowsky, LLP
Agency Counsel

"CITY"

CITY OF VICTORVILLE

By:_____

ATTEST:

By:_____
City Clerk

APPROVED AS TO FORM:

By:_____
City Risk Manager

APPROVED AS TO FORM:

_____
Green de Bortnowsky, LLP
City Attorney
VICT\0034\DOC\019.DOC
1\27\16 1030 law

EXHIBIT "A"

PARCEL A OF PARCEL MAP 15221, IN THE CITY OF VICTORVILLE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 187 OF PARCEL MAPS, PAGES 29 TO 31, INCLUSIVE, RECORDS OF SAID COUNTY
(APN 3106-262-09)

and

PARCEL A OF PARCEL MAP 16292, IN THE CITY OF VICTORVILLE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 206 OF PARCEL MAPS, PAGES 71 TO 73, INCLUSIVE, RECORDS OF SAID COUNTY
(APN 3106-261-34)

EXHIBIT "B"

GRANT DEED

Recording Requested by:

CITY OF VICTORVILLE

After Recordation, Mail to:

City Clerk's Office
City of Victorville
P.O. Box 5001
Victorville, CA 92393

GRANT DEED

For valuable consideration, the receipt of which is hereby acknowledged,

THE SUCCESSOR AGENCY on behalf of the VICTORVILLE REDEVELOPMENT AGENCY (the "Grantor"), hereby grants to THE CITY OF VICTORVILLE, a public body, corporate and politic, (the "Grantee"), the real property (the "Property") legally described in the document attached hereto, labeled Exhibit A, and incorporated herein by this reference.

1. The Property is conveyed subject to the Purchase and Sale Agreement entered into between the Grantor and the Grantee, dated _____, 2016, (herein referred to as the "Agreement").

2. The Grantee covenants by and for itself, its successors in interest and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Property.

All deeds, leases or contracts made relative to the Property, shall contain the following nondiscrimination clauses:

(a) In deeds: "The grantee herein covenants by and for itself, its successors in interest and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee, himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

(b) In leases: "The lessee herein covenants by and for itself, its successors in interest and assigns, and all persons claiming under or through him, and this lease is made and accepted upon and subject to the following conditions:

> That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of tenants, lessees, subtenants, sublessees or vendees in the land herein leased."

(c) In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land."

3. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other financing or security instrument permitted by the Agreement; provided, however, that any successor of Grantee to the Property shall be bound by such remaining covenants, conditions, restrictions, limitations and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

4. The covenants contained in this Grant Deed shall be binding for the benefit of the Grantor and its successors and assigns, and such covenants shall run in favor of the Grantor for the entire period during which such covenants shall be in full force and effect, without regard to whether the Grantor is or remains an owner of any land or interest herein to which such covenants relate. The grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach as provided in the Agreement or by law. The covenants contained in this Grant Deed shall be for the benefit of and shall be enforceable only by the Grantor, its successors and its assigns.

[END OF THIS PAGE]

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized, this ____ day of _____, 2016.

"GRANTOR"

SUCCESSOR AGENCY FOR THE
VICTORVILLE REDEVELOPMENT AGENCY,
a _____

By:_____

_____

ATTEST:

By:_____
Agency Secretary

APPROVED AS TO FORM:

By:_____
Agency Risk Manager

APPROVED AS TO FORM:

_____
Green de Bortnowsky, LLP
Agency Counsel

"GRANTEE"
CITY OF VICTORVILLE

By:_____

ATTEST:

By:_____
City Clerk

APPROVED AS TO FORM:

By:_____
City Risk Manager

APPROVED AS TO FORM:

_____
Green de Bortnowsky, LLP
City Attorney