

**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, September 28, 2017
1:30 P.M.

CALL TO ORDER

ITEM 1 PUBLIC COMMENT

DISCUSSION AGENDA

ITEM 2 APPROVE MINUTES FROM MAY 25, 2017 MEETING

ITEM 3 RESOLUTION OB-VRDA-17-005 APPROVING AMENDMENT 2 TO PROFESSIONAL SERVICES AGREEMENT WITH VARNER & BRANDT FOR OVERSIGHT BOARD LEGAL SERVICES

ITEM 4 RESOLUTION OB-VRDA-17-006 OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY, APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH CIVIC ROGERS LLC FOR THE SALE AND DISPOSITION OF CERTAIN UNIMPROVED REAL PROPERTY MORE PARTICULARLY DESCRIBED AS APN# 3106-261-19 IN VICTORVILLE, CALIFORNIA

ITEM 5 LONG RANGE PROPERTY MANAGEMENT PLAN (LRPMP) UPDATE

ITEM 6 COMMENTS FROM OVERSIGHT BOARD, LEGAL COUNSEL AND STAFF

ITEM 7 ADJOURNMENT

MINUTES OF THE
SPECIAL MEETING OF THE
OVERSIGHT BOARD FOR SUCCESSOR AGENCY
TO THE VICTORVILLE REDEVELOPMENT AGENCY
May 25, 2017

CALL TO ORDER

The special meeting of the Oversight Board for the Successor Agency to the Victorville Redevelopment Agency was called to order at 1:34 p.m. by Chairman Metzler in Conference Room "D", Victorville City Hall, at 14343 Civic Drive, Victorville, California.

ROLL CALL

PRESENT: Board Members Janice Lindsay, Keith Metzler, and Tracey Richardson
Alternate Board Member Eric Ray

ABSENT: Board Members Debbie Betts, Mary O'Toole and Anita Tuckerman

Also present was Director of Economic Development, Sophie Smith; and Varner & Brandt, Attorney, Nathan Heyde.

1. PUBLIC COMMENT

There was no public comment.

DISCUSSION AGENDA

2. APPROVE MINUTES FROM APRIL 13, 2017 MEETING

It was moved by Board Member Lindsay, seconded by Alternate Board Member Ray to approve; motion carried with Board Members Betts, O'Toole and Tuckerman absent.

3. RESOLUTION OB-VRDA-17-003 APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH PAXBELLO, LLC FOR THE SALE AND DISPOSITION OF CERTAIN UNIMPROVED REAL PROPERTY LOCATED ALONG ENTERPRISE WAY IN VICTORVILLE, CALIFORNIA

Ms. Smith and Mr. Heyde provided the Board with background concerning the sale and disposition of the property known as one of two properties identified as Item No. 4 on the Long Range Property Management Plan, a 6.44 acre parcel property located along Enterprise Way and part of the Foxborough Industrial Park.

Discussion ensued regarding the use of the standard AIR format agreement and waiver of release of claim.

It was moved by Board Member Lindsay, seconded by Alternate Board Member Ray to adopt Resolution No. OB-VRDA-17-003 modified to include the waiver of release of claims; motion carried with Board Members Betts, O'Toole and Tuckerman absent.

4. 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 WITH S. W. HARRISON ENTERPRISES, INC. FOR THE SALE AND DISPOSITION OF CERTAIN UNIMPROVED REAL PROPERTY LOCATED SOUTH OF OTTOWA STREET, EAST OF ENTERPRISE WAY AND NORTH OF NUTRO WAY IN VICTORVILLE, CALIFORNIA

Ms. Smith and Mr. Heyde provided the Board with background concerning the sale and disposition of the property known as one of two properties identified as Item No. 4 on the Long Range Property Management Plan, a 10.29 acre parcel along Enterprise Way with access on Nutro Way.

It was moved by Alternate Board Member Ray, seconded by Board Member Lindsay; motion carried with Board Members Betts, O'Toole and Tuckerman absent.

5. COMMENTS FROM OVERSIGHT BOARD, LEGAL COUNSEL AND STAFF

Discussion ensued regarding continued funding for legal counsel and contract terms with Varner & Brandt.

Discussion ensued regarding additional property sale transactions and negotiations.

Discussion ensued regarding the Board recommending the Successor Agency re-zone difficult properties to increase buyer interest.

6. ADJOURNMENT

It was moved by Alternate Board Member Ray, seconded by Board Member Richardson to adjourn the meeting at 2:05 p.m.; motion carried with Board Members Betts, O'Toole and Tuckerman absent.

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: September 28, 2017

SUBJECT: Resolution OB-VRDA-17-005 Approving Amendment 2 to the Professional Services Agreement with Varner & Brandt, LLP for Legal Services for the Oversight Board for July 1, 2017 through June 30, 2018 for an amount not to exceed \$245,000.

RECOMMENDATION: That Your Honorable Board adopts Resolution No. OB-VRDA-17-005.

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 an additional one-year optional term in the amount of \$50,000 per 6-month period, subject to approval of the Recognized Obligation Payment Schedule. This amendment was approved by Resolution OB-VRDA-16-002 at the meeting of February 25, 2016.

The current Professional Services Agreement with Varner & Brandt LLP expired on June 30, 2017. Staff has prepared Amendment Two for an additional 1-year term in the amount of \$50,000, as such amount was approved in the 17-18 Recognized Obligation Payment Schedule

for the period of July 1, 2017 through June 30, 2018. This amendment brings the overall contract amount to \$245,000.

Staff recommends adoption of Resolution OB-VRDA-17-005. Staff remains available for any questions or comments you might have.

Submitted by: Sophie Smith, City of Victorville

Attachments:
OB-VRDA-17-005

RESOLUTION NO. OB-VRDA-17-005

RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY APPROVING AMENDMENT 2 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 2 TO PROFESSIONAL SERVICES AGREEMENT

[SEE ATTACHED]

**AMENDMENT NUMBER: TWO
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 \$245,000 for the Original Agreement, Amendment One, and this Amendment Two, 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 for an additional year.

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 \$245,000 for the Original Agreement (\$45,000), Amendment One (\$150,000) and this Amendment Two (\$50,000), 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, 2018.

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

SERVICE PROVIDER

By: _____
Asst. Executive Director
Successor Agency

By: _____
Varner & Brandt, LLP

Date: _____

Dated: _____

CLIENT MEMORANDUM

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

FROM: VARNER & BRANDT LLP

SUBJECT: TRANSMITTAL OF SEPTEMBER 28, 2017 OVERSIGHT BOARD MEETING AGENDA ITEM #4

DATE: SEPTEMBER 25, 2017

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 for the sale and disposition of certain unimproved, remnant real property located at or near the Hook/Roy Rogers/Goodwill Freeway Interchange in Victorville, California and more particularly described as APN 3106-261-19 (the "Property"), and to approve the Successor Agency's execution of a Purchase and Sale Agreement ("Agreement") with the Civic Rogers, LLC, a California limited liability company (the "Purchaser") concerning the sale and disposition of the 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 long-range property management plan (“LRPMP”) of the Successor Agency governs the disposition and use of the real property assets of the former redevelopment agency. (HSC Section 34191.3(a)). 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)). Approval of the Successor Agency’s LRPMP occurred on October 28, 2015.

The Property is identified as Item No. 3 of the LRPMP and reflected as a “for sale” property. A detailed history of the Property is provided under the LRPMP. Successor Agency staff also prepared a summary report concerning the Property, which is included with your materials.

The Property is unimproved (remnant) land consisting of approximately 0.35 acres zoned for general commercial and located adjacent to the I-15 Freeway. The disposition for the Property under the LRPMP contemplates the Successor Agency first offering the Property to the Purchaser, who has expressed interest in the Property since 2005.

The Successor Agency engaged the services of Market Value Advisors, Inc. (“Appraiser”) to determine the value of the Property. The Appraiser conducted an appraisal on August 4, 2017 and a subsequent report was prepared. Based on the investigation of the Property, the fair market value of the Property was established to be \$13,500.00. The Appraiser estimates that the highest and best use of the Property, as improved, is for commercial/retail development.

The Purchaser submitted an offer to purchase the Property for \$25,000.00, which represents an amount greater than the appraised land value. The proposed Purchase and Sale Agreement and Escrow Instructions (“Agreement”) between the Successor Agency and the Purchaser provides that the sale of the Property is made on an “AS IS” basis and includes a full release of claims and indemnity naming the Successor Agency and Oversight Board. The Purchaser must also provide a non-refundable deposit of \$5,000. Closing costs will be split between the parties. The Purchaser will not have a due diligence period of 60 days and escrow will close no later than 60-days following the end of the due diligence period.

The proposed action is proper and consistent with the LRPMP and HSC Section 34181(f).

RESOLUTION NO. OB-VRDA-17-006

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 CERTAIN UNIMPROVED REAL PROPERTY MORE PARTICULARLY DESCRIBED AS APN 3106-261-19 IN VICTORVILLE, CALIFORNIA

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 one parcel of unimproved (remnant) real property to Civic Rogers LLC, a California limited liability company (“Purchaser”) located along Interstate 15 and Roy Rogers Drive and identified as APN 3106-261-19 consisting of approximately 0.35 acres, and further identified as Item No. 3 in the LRPMP as a “for sale” property (the “Property”); and

WHEREAS, the Successor Agency intends to sell the Property to the Purchaser for a purchase price of \$25,000.00, which represents an amount greater than the current fair market

value of the Property, as determined by an appraisal performed by Market Value Advisors, Inc.; and

WHEREAS, the sale of the Property by Successor Agency to the Purchaser 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 and execution of 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 approves the execution of the Purchase Agreement by the Successor Agency.

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), states 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-17-006

ATTACHMENT A

PURCHASE AGREEMENT

[ATTACHED BEHIND THIS PAGE]

PURCHASE AND SALE AGREEMENT
AND
ESCROW INSTRUCTIONS

This Purchase and Sale Agreement and Escrow Instructions ("Agreement") for the property located at S. Culver Road and I-15 Interchange, dated as of September ____, 2017 ("Effective Date") is entered into by and between the SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY, a public body corporate and politic ("Successor Agency"), and Civic Rogers, LLC a California Limited Liability Company ("Buyer"). The Successor Agency and the Buyer are hereinafter sometimes individually referred to as a "party" and collectively referred to as the "parties."

RECITALS

A. The Victorville Redevelopment Agency ("Redevelopment Agency") was duly formed pursuant to the provisions of California community redevelopment law, California Health and Safety Code Section 33000, *et seq.* ("CRL") by an ordinance of the City of Victorville, California ("City").

B. Pursuant to redevelopment dissolution legislation (ABX1 26 and AB 1484) ("Redevelopment Dissolution Legislation") and California Health and Safety Code Section 34172, the Redevelopment Agency is now deemed dissolved and in accordance with California Health and Safety Code Section 34173(d)(3) and Resolution No. 12-005, the city council of the City ("City Council") confirmed that the City shall serve as the Successor Agency to the Redevelopment Agency.

C. Upon dissolution of the Redevelopment Agency and confirmation of the City as Successor Agency, all assets, properties and contracts of the Redevelopment Agency, were transferred, by operation of law, to the Successor Agency pursuant to the provisions of California Health and Safety Code Section 34175(b) and pursuant to California Health and Safety Code Section 34179, the oversight board ("Oversight Board") of the Successor Agency was also established.

D. Among the properties transferred from the Redevelopment Agency to the Successor Agency is that certain property located at S Culver Road and I-15, Victorville, California, as more particularly described on Exhibit A attached hereto, together with all right, title and interest in and to all appurtenances and improvements thereon (collectively, "Property").

E. In accordance with the Redevelopment Dissolution Legislation, Buyer desires to purchase the Property from Successor Agency, and Successor Agency desires to sell the Property to Buyer on the terms and conditions contained in this Agreement.

NOW, THEREFORE, for valuable consideration, and subject to all terms and conditions hereof, Buyer and Successor Agency agree as follows:

1. PURCHASE AND SALE. Pursuant to the terms and conditions contained in this Agreement, Successor Agency hereby agrees to sell the Property to Buyer and, Buyer hereby agrees to purchase the Property from Successor Agency.

2. PURCHASE PRICE. The purchase price for the Property shall be Twenty Five Thousand Dollars (\$25,000) ("Purchase Price"), payable by Buyer to Successor Agency in cash at the Closing (as defined in Section 7A below). A deposit equal to Five Thousand (\$5,000.00) Dollars ("Deposit") shall be deposited into escrow by Buyer within five (5) days after execution of this Agreement by Successor

Agency and delivery to Buyer. At the close of escrow, the Deposit shall be applied to the Purchase Price. Notwithstanding the above, if any of the conditions to the Closing set forth in Section 4 are not satisfied and escrow fails to close as a result thereof, the Deposit shall be fully refundable to Buyer.

3. ESCROW.

A. Opening of Escrow. The parties have opened an escrow ("Escrow") at the offices of Escrow Junction ("Escrow Holder"). The principal office of the Escrow Holder for purposes of this Agreement is located at 12600 Hesperia Road, Suite C, Victorville, California, Attention: Stacey Tarango, Escrow Officer, Telephone: (760) 245-1966, Fax: (760) 245-9333, Email: starango@escrowjunction.com. Upon mutual execution of this Agreement, Buyer and Successor Agency shall deliver a fully executed copy of this Agreement to Escrow Holder.

B. Due Diligence Period. As used in the Agreement, the phrase "Due Diligence Period" shall mean the period of time beginning with the Effective Date, and continuing until 5:00 p.m. on the date which is sixty (60) days following the Effective Date. Successor Agency hereby grants to Buyer the right to enter upon the Property from and after the Effective Date for the purpose of performing any reasonable due diligence activities; provided, however, Buyer shall, restore those portion of the Property altered by any activities of Buyer (or those of its employees, representatives or agents retained in connection herewith) on the Property to the general condition in which such portions of the Property existed immediately prior to said activities.

C. Closing Date. For purposes of this Agreement, the closing date ("Closing Date") shall mean the date on which a grant deed conveying the Property to Buyer is recorded in the San Bernardino County Recorder's Office. The conveyance of the Property shall close ("Closing") within thirty (30) days of the parties' satisfaction or waiver of all of the conditions precedent as set forth in Section 4 hereof, but in no event later than thirty (60) days after the end of the Due Diligence Period ("Outside Date"). In the event the Buyer is diligently pursuing development approvals and is unable to remove conditions relative to development, the Buyer shall have the option to extend the Closing Date for one (1) thirty (30) day period by paying the Successor Agency a non-refundable fee of Five Thousand (\$5,000.00) dollars for said extension. Said extension fee shall be applied to purchase price upon close of escrow.

4. CONDITIONS TO CLOSING.

A. Buyer's Conditions to Closing. Close of Escrow and Buyer's obligation to purchase the Property pursuant to this Agreement are subject to the satisfaction of the following conditions at or prior to Closing:

(i) Title. Buyer acknowledges receipt of a preliminary title report prepared by Commonwealth Land Title Company for the Property ("Title Report"). Buyer shall acquire the Property subject to all exceptions described in the Title Report, together with all non-delinquent real property taxes and assessments to be assessed against the Property ("Approved Exceptions"). At the Closing, Successor Agency shall deliver title to the Property to Buyer subject only to the Approved Exceptions.

(ii) Delivery of Deed. Successor Agency shall have executed and deposited into Escrow, for delivery to Buyer, the Grant Deed attached hereto as Exhibit B.

B. Successor Agency's Condition to Closing. Close of Escrow and Successor Agency's obligation to sell the Property to Buyer pursuant to this Agreement, are subject to the satisfaction of the following conditions at or prior to Closing:

(i) Authorization to Sell. Prior to the Closing, Successor Agency shall have obtained any and all authorizations and approvals necessary to sell the Property pursuant to the Redevelopment Dissolution Legislation, including approval by the Oversight Board of the sale of the Property to Buyer on the terms and conditions set forth herein. In the event that the Oversight Board does not approve this Agreement, Successor Agency shall not be in default of this Agreement and this Agreement shall be immediately terminated if the Oversight Board does not approve this Agreement.

(ii) No Default. Buyer shall not be in material default of Buyer's obligations under this Agreement, including, but not limited to, Buyer's obligation to deliver the Purchase Price into Escrow on or before the Closing Date. If the conditions above have not been satisfied or waived by Successor Agency at or before the Closing Date through no fault of Successor Agency, then Successor Agency may, upon written notice to Buyer, cancel the Escrow, terminate this Agreement, and recover any documents delivered to the Escrow Holder pursuant to this Agreement.

5. REPRESENTATIONS AND WARRANTIES.

A. Buyer hereby represents and warrants to Successor Agency that (i) it has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby; (ii) all requisite action (corporate, trust, partnership or otherwise) has been taken by Buyer in connection with entering into this Agreement and the instruments referenced herein, and the consummation of the transactions contemplated hereby; and (iii) no consent of any other party is required.

B. Successor Agency hereby represents and warrants to Buyer that (i) it has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby; (ii) all requisite action (corporate, trust, partnership or otherwise) has been taken by Successor Agency in connection with entering into this Agreement and the instruments referenced herein, and the consummation of the transactions contemplated hereby; and (iii) this Agreement is subject to and only valid after approval by the Oversight Board.

C. Successor Agency hereby represents and warrants to Buyer that (i) there are no leases, options to purchase, rights of first refusal or contracts for lease or sale of the Property; and (ii) there are no liens or claims against the Property other than the Approved Exceptions.

6. **CONDITION OF PROPERTY.** The Property shall be conveyed from the Agency to the Buyer on an "AS IS" condition and basis with all faults and the Buyer agrees that the Agency has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the Buyer and anyone claiming by, through or under the Buyer, hereby waives its right to recover from and fully and irrevocably releases the Agency and the Oversight Board, and their respective officers, directors, employees, representatives, agents, advisors, servants, attorneys, successors and assigns, and all persons, firms, corporations and organizations acting on the Agency's or Oversight Board's behalf (collectively, the "Released Parties") from any and all claims, responsibility and/or liability that the Buyer may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to the matters pertaining to the Property described in this Section 6. This release includes claims of which the Buyer is presently unaware or which the Buyer does not presently suspect to exist which, if known by the Buyer, would materially affect the Buyer's release of the Released Parties. If the Property is not in a condition suitable for the intended use or uses, then it is the sole responsibility and obligation of the Buyer to take such action as may be necessary to place the Property in a condition suitable for development of the project thereon. Except as otherwise expressly and specifically provided in this

Agreement and without limiting the generality of the foregoing, THE AGENCY MAKES NO REPRESENTATION OR WARRANTY AS TO (i) THE VALUE OF THE PROPERTY; (ii) THE INCOME TO BE DERIVED FROM THE PROPERTY; (iii) THE HABITABILITY, MARKETABILITY, PROFITABILITY, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OF THE PROPERTY; (iv) THE MANNER, QUALITY, STATE OF REPAIR OR CONDITION OF THE PROPERTY; (v) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (vi) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION OR POLLUTION LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS; (vii) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS AT, ON, UNDER OR ADJACENT TO THE PROPERTY; (viii) THE FACT THAT ALL OR A PORTION OF THE PROPERTY MAY BE LOCATED ON OR NEAR AN EARTHQUAKE FAULT LINE; AND (ix) WITH RESPECT TO ANY OTHER MATTER, THE BUYER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, THE BUYER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND REVIEW OF SUCH INFORMATION AND DOCUMENTATION AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY THE AGENCY. THE BUYER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH IS SET FORTH BELOW:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BY INITIALING BELOW, BUYER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

Buyer's Initials

The waivers and releases by the Buyer herein contained shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

7. CLOSING OF ESCROW.

A. Delivery of Documents and Payment. At or prior to Closing, Successor Agency shall deposit into Escrow a Grant Deed in the form attached hereto as Exhibit B, properly executed and acknowledged by Successor Agency, in favor of Buyer, containing the legal description of the Property and subject only to the Approved Exceptions. At or prior to Closing, Buyer and Successor Agency shall have each deposited into Escrow any supplemental escrow instructions necessary to close this Escrow. Escrow Holder shall deliver to Successor Agency the Purchase Price, when (1) Escrow Holder holds, and is able to record, the Grant Deed, (2) Escrow Holder is prepared to issue to Buyer the Title Policy as provided in Section 7B below, and (3) the conditions specified in Section 4 have been satisfied or waived. Possession of the Property shall be delivered to the Buyer on the Close of Escrow.

B. Title Insurance. At the Close of Escrow, Buyer shall obtain from Escrow Holder a standard coverage California Land Title Association ("CLTA") owner's form policy of title insurance in

the amount of the Purchase Price insuring title to the Property in the name of Buyer subject only to the Approved Exceptions and the standard printed exclusions from coverage of an CLTA standard title policy ("Title Policy").

C. Recordation and Delivery. At the Closing, Escrow Holder shall (1) forward the Grant Deed to the recorder for recordation, and (2) deliver the Title Policy as provided in Section 7B, above.

D. Obligation to Refrain from Discrimination. The Buyer covenants and agrees for itself, its successors and assigns, and for every successor in interest to the Property or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of sex, marital status, age, handicap, race, color, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, and the Buyer (itself or any person claiming under or through the Buyer) shall not 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 Property or any portion thereof. In order to insure the Buyer's compliance with the covenants set forth in this Section 7D, such covenants shall be set forth in the Grant Deed. Such covenants shall run with the Property for the benefit of the Agency and the Agency shall have the right to assign all of its rights and benefits therein to the Buyer. The non-discrimination and non-segregation requirements set forth in this Section 7D shall remain in effect in perpetuity.

8. FIRPTA. Successor Agency warrants that it is not a foreign person or entity, as defined in the Foreign Investors Real Property Tax Act and, prior to the close of escrow, Successor Agency will deposit an affidavit certifying same. Escrow Holder's duties pertaining to these provisions are limited to the receipt from Successor Agency of such affidavit prior to the close of escrow and delivery to Buyer of such affidavit at the close of escrow.

9. GOVERNING LAW. This Agreement shall be construed and enforced in accordance with the applicable laws of the State of California.

10. PROPERTY TAXES. Buyer shall be responsible for any property or other taxes assessed against the Property to the extent attributable to the period on or after the Closing. Successor Agency shall be responsible for any property or other taxes assessed against the Property to the extent attributable to the period prior to the Close of Escrow.

11. CLOSING COSTS. Buyer and Successor Agency shall split equally the documentary transfer taxes, customary escrow fee and charges and recordation fees and the cost of the Title Policy. Any endorsements to the Title Policy requested by Buyer shall be paid for by Buyer. Tenant rental payments, real property taxes and assessments (if any), utility and other operating costs of the Property shall be prorated at Closing.

12. NOTICES. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by national overnight courier service, sent by facsimile transmission, if also sent by one of the other methods provided in this Section, or sent by registered or certified mail, first class postage prepaid, return receipt requested, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice, (ii) the date of the facsimile transmission, or (iii) three (3) business days after the date of posting with the United States Postal Service at the following addresses:

To Buyer: Civic Rogers, LLC
Attn: Andrew Sun
5190 Campus Drive, Suite A
Newport Beach, CA 92660

Civic Rogers, LLC
Attn: John Young
5190 Campus Drive, Suite A
Newport Beach, CA 92660

LA-DF Valley Center, LLC
Attn: Robert Yu
212 S. Palm Ave., Suite 200
Alhambra, CA 91801

To Successor Agency: Successor Agency to the Victorville
Redevelopment Agency
14343 Civic Drive
Victorville, California 92392
Attn: Sophie Smith

Any party to this Agreement may change its address for receipt of notices by giving notice of such change to the other party in the manner set forth in this Section. Neither the rejection of a notice by the addressee or the inability to deliver a notice because of a change of address for which no change of address notice was received, shall affect the date on which such notice is deemed received.

13. **BROKER'S COMMISSION.** The parties warrant to one another that they have not dealt with any finder, broker or realtor in connection with this Agreement, except, NAI Capital, Inc., Vicki Donkin ("Broker"). A brokers fee of 3% of the sales price is due and payable by Seller at Close of Escrow. If any person (including the Broker) asserts a claim to any other finder's fee, brokerage commission or similar compensation in connection with this Agreement, the party under whom the finder or Broker is claiming will indemnify, defend and hold harmless the other party from and against any such claim and all costs, expenses and liabilities incurred in defending against such claim, including without limitation reasonable attorneys' fees and court costs. The provisions of this Section 13 shall survive Closing or any earlier termination of this Agreement.

14. **MISCELLANEOUS.**

A. **Time.** Time is of the essence of this Agreement with respect to each and every provision hereof in which time is a factor.

B. **Entire Agreement.** This Agreement, including the Exhibits attached hereto, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes any and all prior agreements and understandings between the parties. No change in, modification of or amendment to this Agreement shall be valid unless set forth in writing and signed by all of the parties subsequent to the execution of this Agreement.

C. Further Assurances. Each of the parties agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to the Closing Date, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement.

D. Successors. Subject to the provisions of this Agreement, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, executors, representatives, successors and assigns.

E. Severability. In the event any provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall be effective only to the extent of such determination and shall not prohibit or otherwise render ineffective any other provision of this Agreement.

F. Exhibits. References herein to exhibits are to Exhibit A, and Exhibit B attached hereto, which exhibits are hereby incorporated by reference.

G. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signature pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document.

IN WITNESS WHEREOF, Buyer and Successor Agency have executed this Agreement as of the date first written above.

BUYER:

Civic Rogers, LLC

By: _____

Name: _____

Its: _____

Date: _____

By: _____

Name: _____

Its: _____

Date: _____

By: _____

Name: _____

Its: _____

Date: _____

Successor Agency to the Victorville
Redevelopment Agency

By: _____

Name: Sophie L. Smith

Its: Director of Economic Development

ATTEST:

Agency Secretary

APPROVED AS TO FORM:

Green de Bortnowsky, LLP

By: _____

Agency Attorney

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

PROPERTY LEGAL DESCRIPTION

Real property in the City of Victorville, County of San Bernardino, State of California, being Parcel 9 of Parcel Map 13879, as filed in Book 162 of Parcel Maps, Pages 84 through 88 in the Official Records of the County Recorder of said County.

APN#3106-261-19

EXHIBIT B
GRANT DEED

GRANT DEED

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)
)
Successor Agency to the)
Victorville Redevelopment Agency)
14343 Civic Drive)
Victorville, California 92392)
Attn: Executive Director)
)

APN: 3106-261-19

This document is exempt from payment of a recording fee pursuant to Government Code Sections 6103 and 27383.

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged,

The **SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY**, a public body, corporate and politic ("Grantor"), hereby grants to Civic Rogers, LLC, a California Limited Liability Company ("Grantee"), the real property hereinafter referred to as the "Property," described in Exhibit "A" attached hereto and incorporated herein. The Grantee hereto covenants by and for himself or herself, his or her heirs, executors, administrators 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 any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (P) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property herein conveyed, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any 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 herein conveyed. The foregoing covenants shall run with the land.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.

SAID PROPERTY IS CONVEYED SUBJECT TO all liens, encumbrances, easements, covenants, conditions and restrictions of record, and all matters that would be disclosed or apparent by a survey and/or an inspection of the Property.

GRANTOR:

**SUCCESSOR AGENCY TO THE
VICTORVILLE REDEVELOPMENT AGENCY, a
public body corporate and politic**

Dated: _____, 2017

By: _____

Sophie L. Smith
Director of Economic Development

ATTEST:

Agency Secretary

**EXHIBIT "A"
TO
GRANT DEED**

PROPERTY LEGAL DESCRIPTION

Real property in the City of Victorville, County of San Bernardino, State of California, being Parcel 9 of Parcel Map 13879, as filed in Book 162 of Parcel Maps, Pages 84 through 88 in the Official Records of the County Recorder of said County.

APN#3106-261-19



AGENDA ITEM

WRITTEN COMMUNICATIONS

SUCCESSOR AGENCY BOARD OF DIRECTORS

MEETING OF: September 5, 2017

SUBMITTED BY: SOPHIE L. SMITH  **DATE:** 8/21/17
DIRECTOR OF ECONOMIC DEVELOPMENT

ATTACHMENT: RESOLUTION NO. R-SA-17-005

SUBJECT: SALE OF PROPERTY BY AND BETWEEN THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY AND CIVIC ROGERS LLC, PURSUANT TO THE APPROVED LONG- RANGE PROPERTY MANAGEMENT PLAN (LRPMP)

RECOMMENDATION: THAT YOUR HONORABLE BOARD ⁽¹⁾ ADOPTS RESOLUTION NO. R-SA-17-005 APPROVING THE SALE OF PROPERTY MORE PARTICULARLY DESCRIBED AS APN# 3106-261-19 TO CIVIC ROGERS LLC, AND ⁽²⁾ AUTHORIZES THE DIRECTOR OF ECONOMIC DEVELOPMENT TO EXECUTE ANY AND ALL TRANSACTIONAL DOCUMENTS TO EFFECTUATE THIS SALE

FISCAL IMPACT: Approx. \$23,000 Net Sale Proceeds

PROJECT BUDGET:	\$	-
PROJECT COST:	- \$	-
PROJECT BALANCE:	\$	-

BUDGET ACCT NO: 3033010-46100
Successor Agency Sale of Property

— Finance Use Only —

Additional Expense:

_____ No
_____ Yes / Amount

Additional Revenue:

_____ No
_____ Yes / Amount

Finance Review

DISCUSSION: As you know, California Redevelopment Agencies were abolished as of February 1, 2012, as a result of legislation, ABx1 26, enacted on June 29, 2011, and upheld by the California Supreme Court on December 29, 2011. On February 1, 2012,

all real properties of the former Redevelopment Agency transferred to the control of the Successor Agency by operation of law.

Pursuant to Health and Safety Code Section 34191.5(b), the Successor Agency was required to prepare a Long-Range Property Management Plan (LRPMP) that addressed the disposition and use of the real properties owned by the former redevelopment agency. On December 3, 2013, the Successor Agency Board approved the LRPMP via Resolution R-SA-13-007. Subsequently, at its December 5, 2013 meeting, the Oversight Board approved the LRPMP via Resolution OB-VRDA-13-008. Accordingly, the LRPMP was submitted to the Department of Finance on December 12, 2013. Successor Agency staff worked with several DOF analysts who reviewed the plan and provided comment as to the proposed disposition of each property. After a series of revisions, on October 22, 2015, the revised LRPMP was submitted to the DOF and was approved on October 28, 2015. As you may recall, the LRPMP addresses the disposition of 29 properties. Overall, the DOF approved 11 properties for transfer to the City from the Successor Agency for government-use purposes, 1 property to be retained for future development, and 17 parcels to be sold.

The Department of Finance approved the subject property for sale with the right of first refusal to Civic Rogers, LLC as the written record clearly demonstrated the intent of the former RDA to sell the property to the developer in support of its Desert Plazas shopping center freeway sign project. The property is approximately 0.35 acres. Civic Rogers, LLC submitted a purchase offer in July 2017 for the property which is located at the I-15 and Roy Rogers. The offer amounts to \$1.64 p/s/f. Subsequently, the Successor Agency ordered an appraisal to help determine the value of the property. The offer exceeds the appraised value received by the Successor Agency for the property.

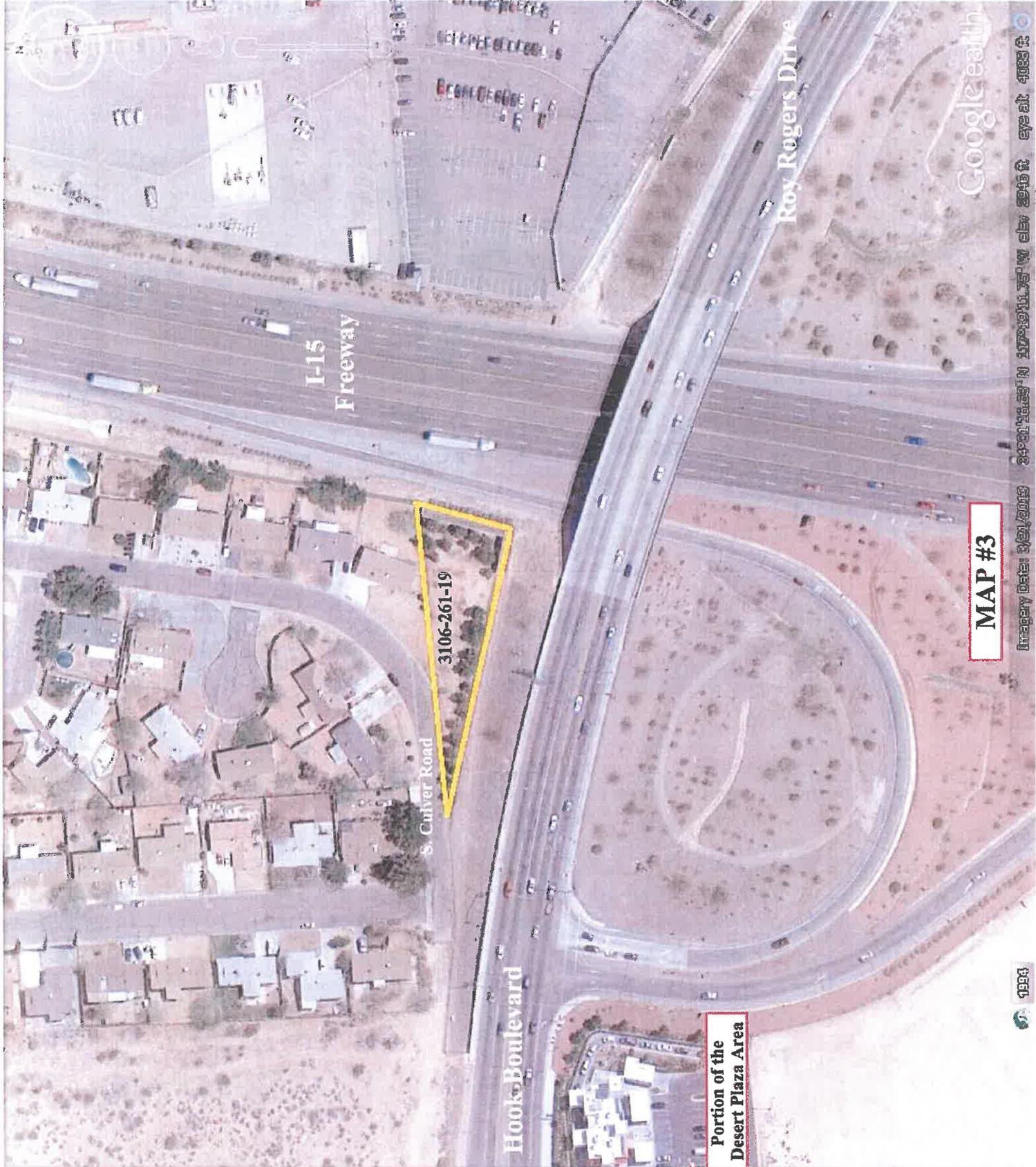
Additional terms agreed upon include the split of escrow/title fees between the Seller and Buyer, a 60-day due diligence period, with close of escrow within 60 days thereafter. The Buyer is represented by NAI Capital in the transaction; accordingly, a 3% real estate sales commission or \$750 will be distributed to the broker. The net sale proceeds will be used to first pay enforceable obligations of the former redevelopment agency, and secondly remitted to the County Auditor-Controller for distribution to taxing entities pursuant to the RDA dissolution rules.

Because the sale of this property is consistent with the approved LRPMP, staff is recommending approval of Resolution No. R-SA-17-005.

Staff remains available for any questions or comments.

Attachments:

Relevant pages from LRPMP
Purchase & Sale Agreement
Resolution No. R-SA-17-005



I-15 Freeway

Roy Rogers Drive

S Culver Road

Hook Boulevard

3106-261-19

Portion of the Desert Plaza Area

MAP #3

Google earth

Imagery Date: 3/21/2013 34°01'26.63" N 117°01'11.35" W elev 2945 ft eye at 4185 ft

1993

Hook/Roy Rogers Interchange Property

PARCEL INFORMATION

Listed below is the remainder parcel from the Hook/Roy Rogers Interchange Project:

Address	APN	Lot Size	Property Type	Acquisition Date	Value At Acquisition
N/A	3106-261-19 (was 0395-361-13)	0.35 Acres	Vacant Land	11/05/1991	\$5,068

Purpose of Acquisition: Hook/Roy Rogers Interchange Project**Current Zoning:** C-2 (General Commercial)**ESTIMATE OF CURRENT PROPERTY VALUE**
(If available, any appraisal information)**Estimated Current Value:** \$76,230 based on 15,246 square feet at \$5.00 p/s/f per Broker's Opinion of Value dated November 20, 2013 by the Bradco Companies (Exhibit "A")**Proposed Sale Value:** To be determined based on Successor Agency's appraisal**Proposed Sale Date:** Within 180 days of LRPMP approval**Past Appraisal History** \$45,000 Broker Opinion of Value by Spencer Lewis & Associates dated January 10, 2011.

\$1,500 to \$2,272 Broker Opinion of Value by Coldwell Banker Commercial dated March 4, 2011

ESTIMATE OF ANY LEASE, RENTAL, OR ANY OTHER REVENUES
(Plus any contractual requirements for the disposition of those funds)**Estimate of Lease/Rental/Other:** \$0**Contractual Requirements for Use of Income/Revenue:** N/A**HISTORY OF ENVIRONMENTAL CONTAMINATION**

Brownfield Status	Studies Conducted	Remediation Efforts
Staff researched the Environmental Protection Agency (both Superfund and Brownfield website records) as well as the Geotracker tool used by the California Water Board. No records were found on the subject property.	None known	N/A

BRIEF HISTORY OF PREVIOUS DEVELOPMENT PROPOSALS AND ACTIVITY **(Including the rental or lease of property)**

Although the records from the former Victorville Redevelopment Agency's (RDA) original acquisition of the property cannot be found, based on the location of the parcel, it has been previously determined this parcel is a remnant piece from a large property acquisition of the former RDA in connection with the construction of the Hook/Roy Rogers/Goodwill Freeway Interchange in the early 1990s. The acquisition price is unknown. The parcel was formerly numbered APN 0395-361-13 and is now known as APN 3106-261-19 (Exhibit "B")

In 2005, when the RDA was in discussions with Civic Rogers, LLC for the development of its four-phased commercial development at the intersection of Civic Drive and Roy Rogers, the developer expressed interest in an off-site freeway sign. Once a sign-flagging was completed, it was determined one of the best sites to construct the sign was on this remnant parcel owned by the RDA. Civic Rogers, LLC expressed interest in purchasing the property from the RDA at such a time as the development reached its completion. The developer completed Phase I of its project, and partially completed two other phases before the downturn in the economy.

Even with the final phase of the project on hold, the developer continued to express an interest in purchasing the site from the Successor Agency (Exhibit "C"). Although the municipal code did not allow for free-standing offsite signage, the developer, through its sign company Ultrasigns Inc., applied for a Conditional Use Permit and worked with City staff to have an Municipal Code Amendment approved by the City Council to allow for the 65' sign. As the property owner, the RDA had to consent to the application (Exhibit "D"). Given the continued interest expressed by the developer to purchase the property, the RDA supported the application and fully intended to move forward with a sale, as demonstrated on the last page of the Conditions of Approval approved by the Planning Commission (Exhibit "E").

The developer provided a Broker's Opinion of Value completed in January 2011 for the site in which a value of \$45,000 was established and another dated March 4, 2011 with a value of \$ \$1,500 to \$2,272.50 (Exhibit "F"). While RDA staff was reviewing the opinions of value, the RDA dissolution bill was signed, so the sale could not move forward. The developer has contacted Successor Agency staff throughout 2012 and 2013 to find out when the sale can move forward. The developer has indicated their major tenant has made the sign a required aspect of their transaction.

POTENTIAL FOR TRANSIT-ORIENTED DEVELOPMENT

The subject property is a remnant/unused parcel from the Hook/Roy Rogers Interchange project and due to its size and location, no potential for transit-oriented development exists.

ADVANCEMENT OF PLANNING OBJECTIVES OF THE SUCCESSOR AGENCY

The Successor Agency's planning objectives will be met with the proposed sale of the property to Civic Rogers, LLC for the intended use of constructing a freeway sign. The anchor tenants of the Desert Plazas commercial development have made numerous requests to Civic Rogers to obtain the freeway signage as a key component to the success of their investment in the retail plaza. The planning objectives are consistent with the Redevelopment Plan Goals outlined in the most current Five-Year Implementation Plan for the Bear Valley Road Redevelopment Project Area. More specifically, the goals to "Encourage Private Sector Investment," "Develop Distinct Commercial Districts," and "Create and Attractive Retail Environment" will be met with the disposition proposed (Exhibit "G").

USE OR DISPOSITION OF PROPERTY

Property Option Selected: The sale of the property

The Successor Agency proposes to sell the property. The recommendation from Successor Agency staff is to offer the Right of First Refusal for a purchase agreement to Civic Rogers, LLC. The written record clearly demonstrates the intent of the former RDA to sell the property to the developer in support of its Desert Plazas sign project. The sales price would be established based on the fair market value from an appraisal to be coordinated and conducted on behalf of the Successor Agency. The opinions of value on this property differ greatly, so the parameters of the appraisal should be very specific to the highest and best use of the property to obtain the most accurate pricing for the sale.

If Civic Rogers, LLC does not wish to purchase the property at such appraised value, the property would then be listed on the open market for sale. The specific sale terms and documents will be taken to the Oversight Board for final approval. The proceeds (net of any expenses related to the sale) from the sale of the property will be used to fulfill enforceable obligations.

AGENDA ITEM #5

OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE
VICTORVILLE REDEVELOPMENT AGENCY
MEETING OF: September 28, 2017

SUBJECT: LONG-RANGE PROPERTY MANAGEMENT PLAN (LRPMP)
UPDATE

RECOMMENDATION: FOR YOUR INFORMATION ONLY

DISCUSSION: As you know, California Redevelopment Agencies were abolished as of February 1, 2012, as a result of legislation, ABx1 26, enacted on June 29, 2011, and upheld by the California Supreme Court on December 29, 2011. On February 1, 2012, all real properties of the former Redevelopment Agency transferred to the control of the Successor Agency by operation of law.

Pursuant to Health and Safety Code Section 34191.5(b), the Successor Agency was required to prepare a Long-Range Property Management Plan (LRPMP) that addressed the disposition and use of the real properties owned by the former redevelopment agency. On December 3, 2013, the Successor Agency Board approved the LRPMP via Resolution R-SA-13-007. Subsequently, at its December 5, 2013 meeting, the Oversight Board approved the LRPMP via Resolution OB-VRDA-13-008. Accordingly, the LRPMP was submitted to the Department of Finance on December 12, 2013. Successor Agency staff worked with several DOF analysts who reviewed the plan and provided comment as to the proposed disposition of each property. After a series of revisions, on October 22, 2015, the revised LRPMP was submitted to the DOF and was approved on October 28, 2015. As you may recall, the LRPMP addresses the disposition of 29 properties. Overall, the DOF approved 11 properties for transfer to the City from the Successor Agency for government-use purposes, 1 property to be retained for future development, and 17 parcels to be sold.

The attached spreadsheet provides an update of the progress on the disposition of all parcels within the LRPMP. To date, all properties identified for governmental-use purposes have been transferred, six properties have been sold and seven are currently the subject of negotiations. Of the remaining parcels, in particular those identified as Open Market Sales, Successor Agency staff is actively marketing those remaining parcels.

Staff remains available for any questions or comments.

Submitted by: Sophie Smith, City of Victorville

Attachments: LRPMP Property Tacking Spreadsheet

City of Victorville-Long-Range Property Management Plan

Site	APN	Zoning	Sold
Governmental Properties			
Library Property	0396-131-01	C-A	2/24/2016
Library Property	0396-131-02	C-A	2/24/2016
Library Property	0396-131-03	C-A	2/24/2016
Library Property	0396-131-04	C-A	2/24/2016
Library Property	0396-172-05	C-A	2/24/2016
Library Property	0396-172-06	C-A	2/24/2016
Library Property	0396-172-07	C-A	2/24/2016
Library Property	0396-172-08	C-A	2/24/2016
Airport RWY Extension Project	0460-381-36	Ind	3/23/2016
Airport RWY Extension Project	0460-122-30	Ind	3/23/2016
Eucalyptus Interchange Property	3072-251-29	C-2	2/24/2016
Future Development Site			
Former Forrest Park Property	0478-172-19	OT SP	Need Compensation Agreement
Negotiated Sales			
Auto Mall Signs Property	3106-262-09	C-2	6/1/2016
Auto Mall Signs Property	3106-261-34	C-2	6/1/2016
Foxborough North Property	3090-401-05	M-2	P&S Agreement Drafted
Foxborough North Property	3090-401-06	M-2	P&S Agreement Drafted
Foxborough North Property	3090-411-04	M-2	P&S Agreement Drafted
Foxborough North Property	3090-411-05	M-2	P&S Agreement Drafted
Foxborough North Property	3090-411-01	M-2	P&S Agreement Drafted
Hook/Roy Rogers Int. Chng	3106-261-19	C-2	To OB 9/28/17
Nisqualli Interchange Property	3092-311-09	C-2	7/19/2017
Nisqualli Interchange Property	3092-311-10	C-2	7/19/2017

City of Victorville-Long-Range Property Management Plan

Open Market Sales			
Signature at Valley Center	3106-201-15	C-A	On Market
Signature at Valley Center	3106-201-13	C-A	On Market
Foxborough Property	3090-431-07	M-2	7/13/2017
Foxborough Property	3090-571-08	M-2	9/13/2017
Lager Land Swap Property	0405-072-32	C-2	P&S Agreement Drafted
Auto Mall Property	3106-261-12	C-2	On Market
Auto Mall Property	3106-261-13	C-2	On Market