

**SUCCESSOR AGENCY  
TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE  
CITY OF HUNTINGTON PARK**



**Regular Meeting Agenda  
May 5, 2014**

6:00 p.m.  
City Hall Council Chambers  
6550 Miles Avenue  
Huntington Park, CA 90255

**CALL TO ORDER**

**ROLL CALL**

Chair Rosa E. Perez  
Vice Chair Karina Macias  
Board Member Mario Gomez  
Board Member Ofelia Hernandez  
Board Member Valentin Palos Amezquita

**PUBLIC APPEARANCES AND ORAL COMMUNICATIONS**

This is the time and place for the general public to address the Successor Agency on matters within their jurisdiction. Items not included previously on the agenda may only be referred to staff for administrative action or scheduled on a subsequent agenda for discussion.

**1. REGULAR AGENDA**

**1.1 Amendment to Range Property Management Plan**

**RECOMMENDATION OF ITEM UNDER CONSIDERATION**

1. Adopt a resolution amending the Long Range Property Management Plan for disposition of properties owned by the Successor Agency Agenda.

**1.2 Purchase and Sale Agreement for Property Located at 7116 Rugby Avenue (6322-023-901,904) ("Rugby")**

**RECOMMENDATION OF ITEM UNDER CONSIDERATION**

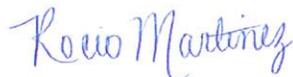
1. Adopt Resolution approving the sale of property located at 7116 Rugby Avenue in accordance with the dissolution process

**REGULAR AGENDA** (Continued)

2. Approve in substantial form, a Purchase and Sale Agreement (Agreement) for the Rugby property in accordance with the Amended Long Range Property Management Plan (LRPMP)
3. Authorize the Executive Director of the Successor Agency to execute all documents related to the sale of the Rugby property

**ADJOURNMENT**

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall bulletin board not less than 72 hours prior to the meeting. Dated this 1<sup>st</sup> day of May, 2014.



By \_\_\_\_\_  
Rocio Martinez, Acting Secretary

**CITY OF HUNTINGTON PARK**  
Successor Agency Board Agenda Report

May 5, 2014

Honorable Chair and Members of the Successor Agency Board  
City of Huntington Park  
6550 Miles Avenue  
Huntington Park, CA 90255

Dear Members of the Successor Agency Board to the Community Development Commission of the City of Huntington Park:

**AMENDMENT TO RANGE PROPERTY MANAGEMENT PLAN**

**IT IS RECOMMENDED THAT THE SUCCESSOR AGENCY BOARD:**

Adopt a resolution amending the Long Range Property Management Plan for disposition of properties owned by the Successor Agency.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

As required by AB 1484 the Agency completed its Long Range Property Management Plan ("Plan") for disposition of four properties owned by the former Redevelopment Agency:

1. Heritage Plaza
2. Rugby Avenue Parking Lots
3. Carmelita Property
4. Southland Steel Property

The Plan was subsequently presented and approved on the following dates:

1. Successor Agency Approval – June 3, 2013
2. Oversight Board Approval – June 11, 2013
3. DOF Approval – August 29, 2013

At the time the LRPM Plan was presented and approved by the Oversight Board and the DOF, the estimated value for Property #2 (Rugby Avenue Parking Lots) was estimated at \$630,000. On November 8, 2013, the Agency conducted an updated appraisal study to reflect the following restrictions on the property:

1. Requirement to maintain all free public parking spaces per Resolution No. 2013-38 approved by City Council on July 15, 2013
2. Grant Deed restriction on one parcel, which requires that the parcel revert back to the City on January 1, 2082

After considering these restrictions the appraisal study valued the property at \$65,000. In order to proceed with the sale of the property, the Agency must amend its Plan to reflect the updated property value.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The guidelines under AB 1484 outline a 5-step process for the disposition of properties:

1. Due Diligence Reviews (“DDR’s”)
  - a. Completed – November 12, 2012 (Housing Funds) and January 8, 2013 (Non-Housing Funds)
2. Remit all cash assets to the County-Auditor Controller and taxing entities
  - a. Completed – No cash available to remit
3. DOF issues a Finding of Completion
  - a. Completed – issued on April 12, 2013
4. Develop and Approve LRPM Plan
  - a. Successor Agency Approval – June 3, 2013
  - b. Oversight Board Approval – June 11, 2013
  - c. DOF Approval – August 29, 2013
5. Dispose of real estate assets in accordance with LRPM Plan

### **CONCLUSION**

Staff will recommend approval to amend the Plan to the Oversight Board at its next regular meeting scheduled for May 14, 2014. Subsequently, the Plan will be submitted to the DOF for final approval.

Respectfully submitted,



RENÉ BOBADILLA, P.E.  
Executive Director



JULIO MORALES  
Finance Officer

Attachment: Resolution

# ATTACHMENT "A"



- 1           2)   Rugby Avenue Parking Lots (6116 Rugby Avenue)
- 2
- 3           3)   Carmelita Avenue property (6100-6114 Carmelita Avenue/6126 Bear
- 4           Avenue/3806-3828 61<sup>st</sup> Street)
- 5           4)   Southland Steel (5959-6169 South Alameda Street)
- 6

7           WHEREAS, the Successor Agency conducted an updated appraisal study on for  
8 the Rugby Avenue Parking Lots to reflect public parking restrictions and a reversionary  
9 clause on one of the parcels.

10           WHEREAS, the updated appraisal study report dated November 8, 2013, concluded  
11 that the estimated value for the property as encumbered with the effective public parking  
12 development restriction is \$65,000

13           WHEREAS, the Plan must be amended to reflect an updated value for the Rugby  
14 Avenue Parking Lots

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16           NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE  
17 SUCCESSOR AGENCY OF THE FORMER COMMUNITY DEVELOPMENT  
18 COMMISSION OF THE CITY OF HUNTINGTON PARK, AS FOLLOWS:

19           A.    The Successor Agency Board finds that:

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- 21           1.    The recitals above are true and correct and have been incorporated herein by
- 22           reference.
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- 24           2.    Approval of the Long Range Property Management Plan is exempt from
- 25           the California Environmental Quality Act ("CEQA") under Section 15061 (b)
- 26           (3) (General Rule) of the CEQA Guidelines because the proposed
- 27           amendments will not cause a significant adverse physical change to the
- 28           environment either directly or indirectly.

1 B. The Successor Agency Board hereby APPROVES an amendment to the Long Range  
2 Property Management Plan dated June 12, 2013 substantially as presented to  
3 the Oversight Board at May 5, 2014 meeting (the "Plan") on file in the  
4 Community Development Department of the City of Huntington Park.

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6 C. The Successor Agency Board hereby AUTHORIZES electronic transmission of this  
7 Resolution and the Plan to the Department of Finance and other required  
8 regulatory agencies.

9 D. The Successor Agency Board hereby AUTHORIZES the Executive Director for the  
10 Successor Agency, or the Executive Director's designee, to take such action as  
11 necessary for the disposal of properties, as specified in the Plan, upon receipt of,  
12 and compliance with, the final approval by the Department of Finance.

13 PASSED AND ADOPTED by the Successor Agency Board of the former  
14 Community Development Commission of the City of Huntington Park at a meeting held this  
15 5th day of May, 2014, by the following vote to wit:  
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20 ATTEST:

SUCCESSOR AGENCY BOARD:

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23 \_\_\_\_\_  
Rocio Martinez, Deputy City Clerk

\_\_\_\_\_ Chair Rosa Perez

# **CITY OF HUNTINGTON PARK**

## **Successor Agency Board Agenda Report**

May 5, 2014

Honorable Chair and Members of the Successor Agency Board  
City of Huntington Park  
6550 Miles Avenue  
Huntington Park, CA 90255

Dear Members of the Successor Agency Board of the Community Development Commission of the City of Huntington Park:

### **PURCHASE AND SALE AGREEMENT FOR PROPERTY LOCATED AT 7116 RUGBY AVENUE (6322-023-901,904) ("RUGBY")**

#### **IT IS RECOMMENDED THAT THE SUCCESSOR AGENCY BOARD:**

1. Adopt Resolution approving the sale of property located at 7116 Rugby Avenue in accordance with the dissolution process
2. Approve in substantial form, a Purchase and Sale Agreement (Agreement) for the Rugby property in accordance with the Amended Long Range Property Management Plan (LRPMP)
3. Authorize the Executive Director of the Successor Agency to execute all documents related to the sale of the Rugby property

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

AB X126 and AB 1484, which outline the dissolution process for Redevelopment Agencies (RDAs), require Successor Agencies to prepare a LRPMP outlining a strategy to dispose of real estate assets. The LRPMP must be submitted and approved by the Oversight Board and Department of Finance (DOF). At the time of dissolution, the former RDA (now a Successor Agency) owned the following four properties: Heritage Plaza, Rugby Parking Lots, Carmelita, and Southland Steel.

On June 3, 2013, the Successor Agency completed its LRPMP recommending that all four properties be sold. The LRPMP was subsequently approved by the Oversight Board on June 12, 2013, and the DOF on August 29, 2013.

At this time the Successor Agency is requesting authorization to execute an Agreement for the sale of the Rugby property. GAPP, Inc. (Buyer) a private entity, has offered to purchase the land for \$87,500; this amount represents the

**PURCHASE AND SALE AGREEMENT FOR PROPERTY LOCATED AT 7116 RUGBY AVENUE (6322-023-901,904) ("RUGBY PARKING LOTS")**

May 5, 2014

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highest bid. The bidding process was conducted by a third party broker, Jones Lang LaSalle. The Buyer is a parking management company and intends to keep the property as public parking.

Terms of Sale

Jones Lang LaSalle (Successor Agency's broker) and Gapp, Inc. have negotiated the following terms of the sale:

1. Purchase price - \$87,500 "as is" condition.
2. Deposit - Within 5 business days after the execution of the Agreement Buyer will deposit \$13,000 into Escrow.
3. Close of Escrow will occur within 30 days after the first to occur
4. Agreement is subject to final approval by the DOF

**FISCAL IMPACT/FINANCING**

The sale price of the property is \$22,500 above the appraised value of \$65,000. All escrow related fees, including the broker commission fee of 3% will be paid from proceeds of the sale. The remaining proceeds will be used to pay a portion of the City's outstanding arbitrage rebate liability.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The guidelines under AB 1484 outline a 5-step process for the disposition of properties:

1. Due Diligence Reviews ("DDR's")
  - a. Completed – November 12, 2012 (Housing Funds) and January 8, 2013 (Non-Housing Funds)
2. Remit all cash assets to the County-Auditor Controller and taxing entities
  - a. Completed – No cash available to remit
3. DOF issues Finding of Completion
  - a. Completed – issued on April 12, 2013
4. Develop and Approve LRPM Plan
  - a. Successor Agency Approval – June 3, 2013
  - b. Oversight Board Approval – June 12, 2013
  - c. Department of Finance – August 29, 2013

**PURCHASE AND SALE AGREEMENT FOR PROPERTY LOCATED AT 7116  
RUGBY AVENUE (6322-023-901,904) ("RUGBY PARKING LOTS")**

May 5, 2014

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5. Dispose of real estate assets in accordance with LRPM Plan – At this time the Successor Agency is requesting approval of an Agreement for the sale of Carmelita.

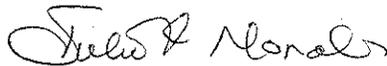
**CONCLUSION**

Upon approval by Successor Agency and Oversight Board, the Resolution and Purchase and Sale Agreement will be submitted to the DOF for final approval.

Respectfully submitted,



RENÉ BOBADILLA, P.E.  
Executive Director



JULIO MORALES  
Finance Officer

**ATTACHMENTS**

- A. Resolution

# ATTACHMENT "A"



1           3) Carmelita Avenue property (6100-6114 Carmelita Avenue/6126 Bear  
2           Avenue/3806-3828 61<sup>st</sup> Street)

3  
4           4) Southland Steel (5959-6169 South Alameda Street)

5           WHEREAS, the Successor Agency received approval of the Plan from the  
6 Department of Finance on August 29, 2013;

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8           WHEREAS, the Successor Agency desires to sell the Rugby Parking Lots,  
9 consistent with the provisions of the amended Plan;

10           NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY OF THE  
11 FORMER COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF  
12 HUNTINGTON PARK, AS FOLLOWS:

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14           A. The Successor Agency finds that:

15           1. The recitals above are true and correct and have been incorporated herein by  
16           reference.

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18           2. The sale of the Rugby Parking Lots is made in accordance with the approved  
19           Plan.

20           B. The Successor Agency hereby APPROVES the Purchase and Sale Agreement  
21 ("Agreement") for the Rugby Parking Lots, substantially as presented to the  
22 Successor Agency at its May 5, 2014, meeting subject to approval by the  
23 Department of Finance. It is expressly understood that the Agreement for the sale  
24 of this property is conditioned upon the prior approval of the Department of  
25 Finance.

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27           C. The Successor Agency Board hereby AUTHORIZES electronic transmission of this  
28 Resolution and Agreement to the Department of Finance and other required

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regulatory agencies.

D. The Successor Agency Board hereby AUTHORIZES the Executive Director for the Successor Agency, or the Executive Director's designee, to take such action as necessary for the sale of the Rugby Parking Lots, upon receipt of, and compliance with, the final approval by the Department of Finance.

PASSED AND ADOPTED by the Successor Agency of the former Community Development Commission of the City of Huntington Park at a meeting held this 5<sup>th</sup> day of May, 2014, by the following vote to wit:

AYES:

NOES:

ABSENT:

ATTEST:

OVERSIGHT BOARD:

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Rocio Martinez, Acting City Clerk

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Chair Mario Gomez

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STATE OF CALIFORNIA        )  
COUNTY OF LOS ANGELES    ) SS  
CITY OF HUNTINGTON PARK    )

I, Rocio Martinez, Secretary of the Successor Agency Board, DO HEREBY CERTIFY that the foregoing Oversight Board Resolution No. OSB 2013-08 was duly adopted by the Successor Agency Board and approved by the Chair at a meeting of said Successor Agency Board held on the 5th day of May 2014, and that it was so adopted as follows:

AYES:  
NOES:  
ABSENT:  
ABSTAINING: None

\_\_\_\_\_  
Rocio Martinez, Acting City Clerk