

REPORT/RECOMMENDATION TO THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD AND RECORD OF ACTION

March 09, 2020

FROM

**TERI LEDOUX, Acting City Manager/Executive Director, Successor Agency to
Redevelopment Agency of the City of San Bernardino**

SUBJECT

**Purchase Agreement for the Sale of Property by the Successor Agency to the Redevelopment
Agency of the City of San Bernardino to Estela Mata, Trustee of the Sunrise Trust**

RECOMMENDATION(S)

Adopt **Resolution No. 2020-25** approving the Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San Bernardino and Estela Mata, Trustee of the Sunrise Trust, for unimproved real property located at 1256 Wall Avenue in the City of San Bernardino, and more particularly identified as Assessor's Parcel Number 0146-241-07-0000 for the purchase price of \$45,000.

(Presenter: Michael Huntley, Community and Economic Development Director (909) 384-7272)

BACKGROUND INFORMATION

The Successor Agency to the Redevelopment Agency of the City of San Bernardino's (Successor Agency) amended Long-Range Property Management Plan (LRPMP) was approved by the Department of Finance (DOF) on December 31, 2015. The LRPMP addresses the disposition and use of 230 parcels of land grouped into forty-six (46) separate sites, including the subject property which is a vacant lot without an assigned street address located 1256 Wall Avenue, San Bernardino, California (APN 0146-241-07-000) (Property). The Property is more fully described within the LRPMP, an excerpt of which is attached hereto as Attachment B.

On October 18, 2017, the Successor Agency approved an agreement with Keller Williams (KW) to list and sell 15 real property sites, including the subject Property. On October 3, 2019, KW received an offer from Estela Mata, Sunrise Trust (Purchaser) to purchase the Property for \$45,000 (Purchase Price). On October 1, 2019, KW submitted a Broker's Opinion of Value (BOV) for the Property, indicating its opinion that the market value of the Property is \$35,700. Based on past practice, DOF has acknowledged that BOVs are an acceptable method and basis for confirming that the value of real property being sold is fair and reasonable. In consideration that the Purchase Price exceeds the BOV Market Value by \$9,300, or 26%, it may be concluded that the Purchaser's offer for the Property is fair and reasonable, as more fully described within the BOV, which is attached hereto as Attachment C.

The executed Purchase and Sale Agreement and Joint Escrow Instructions (PSA), between the Successor Agency and Purchaser, with respect to the Property, is attached to the Resolution. Consistent with the California Health and Safety Code (HSC) and the LRPMP, the effectiveness of the PSA is subject to the approval of the San Bernardino Countywide Oversight Board (CWOB) and review by DOF.

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Once the Property is sold, the net sale proceeds will be remitted to the San Bernardino County Auditor-Controller/Treasurer/Tax Collector for distribution to the affected taxing entities in proportion to their respective shares of the 1% general tax levy as shown in Attachment D.

Pursuant to HSC Section 34191.3(a), a DOF approved long range property management plan governs and supersedes all other provisions relating to the disposition and use of the real property assets of the former redevelopment agency. Notwithstanding that the HSC does not require sales of real property to be reviewed by DOF, the Successor Agency's LRPMP provides that, "once an agreement is reached with respect to the purchase and sale of a property, the agreement will be presented to the Oversight Board for concurrence. The Oversight Board's approval will be evidenced by a resolution that *will be submitted to DOF and, per the HSC, is subject to DOF's review.*" (Emphasis added.)

It is recommended that the CWOB adopt the attached Resolution approving the Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions between the Successor Agency to the Redevelopment Agency of the City of San Bernardino and Estela Mata, Trustee of the Sunrise Trust, for unimproved real property located at 1256 Wall Avenue in the City of San Bernardino, and more particularly identified as Assessor's Parcel Number 0146-241-07-0000 for the purchase price of \$45,000.

ATTACHMENTS

- Attachment A – Resolution
- Attachment B – LRPMP Excerpt
- Attachment C – Property BOV
- Attachment D – Taxing Entity Share

REVIEW BY OTHERS

This item has been reviewed by San Bernardino County Auditor-Controller/Treasurer/Tax Collector on February 27, 2020 and San Bernardino Countywide Oversight Board Legal Counsel on February 27, 2020.

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to the Redevelopment Agency of the City of San Bernardino to Estela
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APPROVED

Moved: Cindy Saks Seconded: Kenneth Miller
Ayes: Richard DeNava, Kenneth Miller, Cindy Saks, Acquanetta Warren, David Wert
Absent: Lawrence Strong, Mario Vasquez

Lynna Monell, Secretary

BY



DATED: March 9, 2020



cc: File - San Bernardino Countywide Oversight Board w/reso and
 attach

dg 03/12/2020

