OVERSIGHT BOARD
OF THE SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF PALMDALE
DEVELOPMENT SERVICES BUILDING
CONFERENCE ROOM
38250 SIERRA HIGHWAY
SPECIAL MEETING AGENDA NO. 24
JULY 25, 2016
3:00 P.M.

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1. CALL TO ORDER.

Chair Purtee called the meeting to order at 3:03 p.m.

2. ROLL CALL: CHAIR JAMES PURTEE, VICE CHAIR KARI BLACKBURN, BOARD MEMBERS ED KNUDSON, KENNETH SCOTT, JOHN BLALOCK, FORREST MCELROY, AND JOHN WALKER

PRESENT: Chair Purtee, Vice Chair Blackburn, Board Members Scott, and Blalock.

Motion: Move to excuse the absence of Board Members Knudson, McElroy, and Walker.
Moved by Board Member Scott, seconded by Vice Chair Blackburn
Vote: (4-0)
Yes: Chair Purtee, Vice Chair Blackburn, Board Members Scott and Blalock.
Absent: Board Members Knudson, McElroy, and Walker.

3. WAIVER OF FULL READING OF RESOLUTIONS.

Motion: Move to waive full reading of the Resolutions to be considered and voted on at this meeting.
Moved by Board Member Scott, seconded by Vice Chair Blackburn.

Vote: (4-0)
Yes: Chair Purtee, Vice Chair Blackburn, Board Members Scott and Blalock.
Absent: Board Members Knudson, McElroy, and Walker.

4. Consideration of the sale of the following properties:

Two (2) parcels located on Carriage Way between Auto Center Drive and Avenue Q in the City of Palmdale and described as Assessor Parcel Numbers 3003-002-931; and 3003-002-932; Six (6) parcels in an area bounded by Trade Center Drive, West Avenue P-4, 5th Street West, and Technology Drive, in the City of Palmdale, and described as Assessor Parcel Numbers 3003-081-922; 3003-081-923; 3003-081-924; 3003-081-925; 3003-081-926; and 3003-081-927; Two (2) parcels in an area bounded by Carriage Way, Avenue P-8 (Technology Drive), the Antelope Valley Freeway, and an easterly extension of Auto Vista Drive, in the City of Palmdale, and described as Assessor Parcel Numbers 3003-002-911; and 3003-002-920.

4a) ADOPT RESOLUTION NO. OB 2016-006, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE APPROVING THE SALE OF CERTAIN REAL PROPERTY LOCATED IN THE ANTELOPE VALLEY AUTO MALL TO LAND DEVELOPERS AND ASSOCIATES CORPORATION, PURSUANT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN, AND RELATED ACTIONS.

Chair Purtee provided an overview of the parcels. Vice Chair Blackburn provided a handout photo of the parcels. Board Member Blalock asked when the photo was taken. Vice Chair Blackburn explained the sites on the photo were recent.

Chair Purtee stated he presented this to the Association of Realtors and these proposals are all through one specific broker. Board Member Blalock asked the percentage of commission. Chair Purtee stated the commission is 6% and the appraisals are based on 2013 proposals.

Board Member Blalock asked why the property was discounted. Vice Chair Blackburn stated that if sold below the appraised cost there are discounts.

Board Member Blalock asked if it was the same buyer on every parcel. Chair Purtee stated, “No,” the Land Development Association has more of an investment.

Vice Chair Blackburn stated she was concerned that the State could take this to a fire sale, so we want to get them on the market and still have control of what is being developed there.

Board Member Blalock asked if this is industrial property. Chair Purtee stated commercial and special, mostly auto mall specific plan area.

Board Member Scott asked if this will go into redevelopment. Chair Purtee stated all other entities will get their percentage of net sales.

Chair Purtee stated the Successor Agency was given this information in a closed session meeting and the Resolutions will be adopted next month.

Chair Purtee asked if the Oversight Board must approve the Resolutions and Official Contact Johnston stated, "Yes."

4b) ADOPT RESOLUTION NO. OB 2016-007, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE APPROVING THE SALE OF CERTAIN REAL PROPERTY LOCATED IN THE ANTELOPE VALLEY AUTO MALL TO ANTELOPE VALLEY NISSAN, INC., PURSUANT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN, AND RELATED ACTIONS.

Chair Purtee went over the properties that are for sale and stated AV Nissan does not want to expand.

Board Member Blalock asked if the properties were landlocked and if the properties needed an easement. Chair Purtee stated, "No," the adjacent property is owned by CalTrans. Board Member Blalock asked does this fall under the High Desert Corridor. Chair Purtee stated, "Yes" it runs along the corridor, but it stays within CalTrans ownership.

Board Member Blalock asked if this is 4.42 per square foot. Chair Purtee stated "Yes," this is a $595,000 frontage near the freeway and that Kosmont Company prepared the Long Range Management Property.

Official Contact Johnston stated all of the properties costs are lower and we are selling them for more than we have in it, and we purchased these properties with redevelopment monies.

4c) ADOPT RESOLUTION NO. OB 2016-008, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE APPROVING THE SALE OF CERTAIN REAL PROPERTY LOCATED IN THE TRADE AND COMMERCE CENTER TO LAND DEVELOPERS AND ASSOCIATES CORPORATION, PURSUANT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN, AND RELATED ACTIONS.

Chair Purtee spoke about Resolution No. OB 2016-008 and stated we are requesting 3.50 per square foot for this property. Board Member Blalock asked if the obligations are for one property or all properties. Chair Purtee stated it is for all properties and they are asking twice the initial price.

Board Member Scott asked if the property will be privately owned or joint use. Chair Purtee stated joint use possibly. Alternate Official Contact Jones stated

there is a Mello-Roos with the sale of the property and it is transferred to the sale freeing up residual.

Board Member Scott asked will there be another hotel to the east. Vice Chair Blackburn stated the one to the west is Element Hotel. Chair Purtee stated there is 90% occupancy on hotels and the proposal would include a conference center which is good for this area and it helps with Transient Occupancy Tax (TOT) and generates more interest in the area.

There were no public comments.

Motion: Move to adopt Resolution No. OB 2016-006
Moved by Board Member Blalock, seconded by Board Member Scott

Vote: (4-0)
Yes: Chair Purtee, Vice Chair Blackburn, Board Members Scott and Blalock.
Absent: Board Members Knudson, McElroy, and Walker.

Motion: Move to adopt Resolution No. OB 2016-007
Moved by Board Member Scott, seconded by Vice Chair Blackburn

Vote: (3-0)
Yes: Chair Purtee, Vice Chair Blackburn, and Board Member Scott.
No: Board Member Blalock.
Absent: Board Members Knudson, McElroy, and Walker.

Motion: Move to adopt Resolution No. OB 2016-008.
Moved by Board Member Scott, seconded by Board Member Blalock

Vote: (4-0)
Yes: Chair Purtee, Vice Chair Blackburn, Board Members Scott and Blalock.
Absent: Board Members Knudson, McElroy, and Walker.

5. Pursuant to the Dissolution Act, all real property owned by the dissolved Community Redevelopment Agency of the City of Palmdale ("Redevelopment Agency") has been transferred to the control of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale ("Successor Agency"), and authorize the Executive Director of the Successor Agency to negotiate and enter into agreements for the sale of real property pursuant to the Long Range Property Management Plan, and related actions.

5a) ADOPT RESOLUTION NO. OB 2016-004, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE AUTHORIZING THE EXECUTIVE DIRECTOR OF THE SUCCESSOR AGENCY TO NEGOTIATE AND ENTER INTO AGREEMENTS FOR THE SALE OF REAL PROPERTY PURSUANT TO

THE LONG RANGE PROPERTY MANAGEMENT PLAN, AND RELATED ACTIONS.

Chair Purtee stated the Oversight Board should allow future deals to be put into escrow and give the Executive Director authority to sign. Board Member Blalock asked if this affects the first three properties. Chair Purtee stated, "No", one is in escrow and the other two are sitting with a Letter of Intent.

Board Member Scott asked if there was a Master Plan. Chair Purtee stated six of the properties in the Property Management Plan are with CB Richard Ellis and for the 120 acre of parcels, and we will be asking developers to submit proposals for these parcels. Board Member Scott asked where these properties are located. Chair Purtee stated on Avenue M and 10th Street and 120 acres are across from the courthouse.

Chair Purtee stated this leaves some smaller parcels and we will work on negotiations.

Board Member Blalock asked if there was a consequence if the Board says "No." Chair Purtee stated it would lengthen the process and still be contingent on Board approval and it would allow us to close with the Executive Director signature.

Board Member Blalock asked who writes the seller documents. Chair Purtee stated our Redevelopment Attorney, Deborah Rhodes, put a template together.

Board Member Blalock asked has anybody asked for authority from the County. Vice Chair Blackburn stated there is no shortcut because we still need authority from the Board. Board Member Scott asked what is the role of the County. Chair Purtee stated their only role is through membership on the Oversight Board.

Chair Purtee stated the Oversight Board needs to provide authority to start and close escrow and all purchase documents are written contingent on the Boards' approval.

There were no public comments.

Motion: Move to adopt Resolution No. OB 2016-004.
Moved by Board Member Scott, seconded by Vice Chair Blackburn

Vote: (3-0)
Yes: Chair Purtee, Vice Chair Blackburn, and Board Member Scott.
No: Board Member Blalock.
Absent: Board Members Knudson, McElroy, and Walker.

6. Approve the minutes from the March 23, 2016 meeting.

There were no public comments.

Motion: Move to approve the minutes from the March 23, 2016 meeting.
Moved by Board Member Blalock, seconded by Board Member Scott

Vote: (4-0)
Yes: Chair Purtee, Vice Chair Blackburn, Board Members Scott and Blalock.
Absent: Board Members Knudson, McElroy, and Walker.

7. NON-AGENDA ITEM PUBLIC COMMENTS:

Chair Purtee and Board Member Scott stated we should add language, "for the duration of Oversight Board" in the sales agreement.

Board Member Scott asked if housing is separate? Official Contact Johnston stated the housing portion has already been turned over to the Housing Authority.

Official Contact Johnston stated the Successor Agency is holding the note and it will be paid. The ERAF and SERAF will be paid off in five to six years.

Official Contact Johnston stated she may ask for another meeting in the fall.

8. ADJOURNMENT.

Chair Purtee adjourned the meeting at 3:58 p.m.

PASSED, APPROVED, and ADOPTED this 29th day of September 2016.

James Purtee
Chair

ATTEST:

Rebecca J. Smith
Board Clerk