

LEMOORE
CALIFORNIA

OVERSIGHT BOARD FOR
SUCCESSOR AGENCY TO
THE FORMER LEMOORE
REDEVELOPMENT
AGENCY
COUNCIL CHAMBER
429 "C" STREET
February 25, 2014

AGENDA

SPECIAL MEETING 11:00 a.m.

Please silence all electronic devices as a courtesy to those in attendance. Thank you.

1. Call to Order: A. Pledge of Allegiance B. Roll Call
2. Public Comment

Public Comment may be addressed to the Special Meeting Items listed below. In order to allow time for all public comments, each individual's comments are limited to five minutes. When addressing the Council, you are requested to come forward to the speaker's microphone, state your name and address, and then proceed with your presentation.

3. Approval – Minutes – Regular Meeting – January 23, 2014
4. Report and Recommendation – Approval of the Recognized Obligation Payment Schedule for the Period of July 1, 2014 to December 31, 2014 (ROPS 14-15A), Resolution No. 2014-04
5. Report and Recommendation – Approval of the Revised Long Range Property Management Plan Pursuant to Health and Safety Code Section 34191.5, Resolution No. 2014-05
6. Report and Recommendation – Approval of the Real Estate Purchase Contract and Receipt for Deposit between the Successor Agency and the Bennett Family Trust for the Disposition of APN 024-051-032 and APN 024-051-033 (vacant land at the northwest intersection of Iona Avenue and Commerce Way), Resolution No. 2014-06
7. Adjournment

Notice of ADA Compliance: If you or anyone in your party needs reasonable accommodation to attend, or participate in, any Oversight Board Meeting, please make arrangements by contacting City Hall at least 24 hours prior to the meeting by calling 924-6700, or by mail at 119 Fox Street, Lemoore, California 93245.

Any writings or documents provided to a majority of the Oversight Board regarding any item on this agenda will be made available for public inspection at the City Clerk's Counter at City Hall located at 119 Fox Street, Lemoore, CA during normal business hours. In addition, most documents will be posted on the City's website at www.lemoore.com.

CERTIFICATION OF POSTING

I, Mary J. Venegas, Board Clerk for the Oversight Board, do hereby declare that the foregoing agenda for the Oversight Board special meeting of February 25, 2014 was posted on the outside bulletin board located at City Hall, 119 Fox Street in accordance with applicable legal requirements on the 21st day of February 2014.

//s//

Mary J. Venegas, Board Clerk

WELCOME TO YOUR OVERSIGHT BOARD OF THE SUCCESSOR AGENCY MEETING

Whether you are attending this meeting because of general interest, or because a particular item of special interest is to be reviewed, your presence is an important means of helping to insure an informed public and responsible City Government.

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY

The purpose of the Oversight Board of the Successor Agency is to supervise and review the activities of the Successor Agency in administering the dissolution and wind down of the City of Lemoore's Redevelopment Agency. The Oversight Board has a fiduciary responsibility to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues.

CONDUCT AT PUBLIC MEETINGS

Your courtesy is requested to help our meeting run smoothly. If you'll be kind enough to follow these simple rules, we can make the best possible use of time. Please silence all electronic devices. Please refrain from public displays or outbursts such as unsolicited applause, comments, cheering, foul language, or obscenities. Any disruptive activities that substantially interfere with the ability of the Board to carry out its meeting or prevents/disrupts others from fully participating in the meeting will not be permitted and offenders will be requested to leave the meeting pursuant to Government Code § 54957.9.

PUBLIC COMMENTS

At an Oversight Board meeting, those who wish to be heard on matters on the agenda should indicate their desire to speak when the item is ready for discussion. If you wish to comment on an item which is not on the agenda, you may do so under "Public Comments". In order to allow time for all public comments, each individual's comments are limited to five minutes. Time shall not be shared/loaned from speaker to speaker. If you wish to request time on an upcoming Board Agenda to present a particular item or matter to the Board, you may contact the City Manager at any time before 12:00 noon on the Thursday immediately preceding the Board meeting to so request. If the matter is within the Board's jurisdiction, and the Board has not taken action or considered the item at a recent meeting, the City Manager may place the item on the Agenda. When addressing the Board, you are requested to come forward to the speaker's microphone, state your name and address, and then proceed with your presentation.

Minutes of the Regular Meeting of the
OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY
TO THE LEMOORE REDEVELOPMENT AGENCY
January 23, 2014

ATTENDANCE: Chair Murray; Members Cavanagh, Corl, Holwell, Stoppenbrink; City Manager Laws; Finance Director Silva; Board Clerk Venegas

ABSENT: Rodarmel, Verboon, City Attorney Avedisian

MEETING CALLED TO ORDER:

At 9:19 a.m. the meeting was called to order.

PUBLIC COMMENT:

There was no comment.

APPROVAL – Minutes – Regular Meeting – September 26, 2013:

It was moved by Board Member Stoppenbrink, seconded by Board Member Corl and carried that the Board approve the Minutes of September 26, 2013 as corrected.

Ayes: Stoppenbrink, Corl, Cavanagh, Holwell, Murray

Absent: Rodarmel, Verboon

APPROVAL – Minutes – Special Meeting – December 4, 2013:

It was moved by Board Member Stoppenbrink, seconded by Board Member Coral and carried that the Board approve the Minutes of December 4, 2013.

Ayes: Stoppenbrink, Coral, Cavanagh, Holwell, Murray

Absent: Rodarmel, Verboon

REPORT AND RECOMMENDATION – Amendment to Agreements between Gary V. Burrows, Inc., Burrows & Castadio, Inc., the City of Lemoore, and the Lemoore Successor Agency to the Lemoore Redevelopment Agency – Extension of Time for Relocation of Operations and Infrastructure from 416 N. Lemoore Avenue to Lemoore Industrial Park – Approval of Resolution 2014-01, Resolution 2014-02, Resolution 2014-03

Brian Castadio, 12427 16th Avenue, President of Gary Burrows spoke and provided the status of the move and asked for additional time in order to complete the required move to Enterprise Avenue. Mr. Castadio answered questions regarding the move.

Board Member Holwell stated City Attorney Avedisian recommended the Resolutions be approved separately.

It was moved by Board Member Stoppenbrink, seconded by Board Member Coral and carried that the Board approve the Resolution 2014-1, Amendment

No. 2 to the loan agreement for property acquisition (1600 Enterprise Drive, City of Lemoore) for an extension of time to vacate 416 N. Lemoore Avenue.

Ayes: Stoppenbrink, Coral, Cavanagh, Holwell, Murray
Absent: Rodarmel, Verboon

It was moved by Board Member Stoppenbrink, seconded by Board Member Coral and carried that the Board approve the Resolution 2014-2, Amendment No. 1 to the Agreement of Covenants running with the land (416 N. Lemoore Avenue) for an extension of time to vacate 416 N. Lemoore Avenue.

Ayes: Stoppenbrink, Coral, Cavanagh, Holwell, Murray
Absent: Rodarmel, Verboon

It was moved by Board Member Stoppenbrink, seconded by Board Member Coral and carried that the Board approve the Resolution 2014-3 Amendment No. 1 to the Disposition and Development Agreement Joint Escrow Instructions and Covenants running with the land for extension of time to vacate 416 N. Lemoore Avenue.

Ayes: Stoppenbrink, Coral, Cavanagh, Holwell, Murray
Absent: Rodarmel, Verboon

ADJOURNMENT: At 9:39 a.m. the meeting adjourned.

Full digital audio recording is available.

Approved the 25th day of February 2014.

Attest:

John Murray, Chair

Mary J. Venegas, Board Clerk

Mayor
William Siegel
Mayor Pro Tem
Lois Wynne
Council Members
John Gordon
Edward Neal
Willard Rodarmel



Oversight Board

119 Fox Street
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Staff Report

ITEM NO. 4

To: Lemoore Oversight Board
From: Cheryl Silva, Finance Director *CS*
Date: February 20, 2014
Subject: Resolution No. 2014-04 approving the Recognized Obligation Payment Schedule for the period July – December 2014 (ROPS 14-15A)

Discussion

As required by AB 1484, Section 34177(l), the Successor Agency is required to submit a Recognized Obligation Payment Schedule to the Oversight Board for the period July through December 2014 (ROPS 14-15A) for approval. A copy of the approved ROPS 14-15A will be sent to the California Department of Finance (DOF) by the due date of March 3, 2014. If the Successor Agency fails to submit it to DOF by the deadline, the City (the entity that created the redevelopment agency) will be subject to a penalty of \$10,000 per day.

Attached for your review and direction is ROPS 14-15A. The spreadsheet was supplied by DOF and includes only the items that were on our previous ROPS. Additionally, DOF shaded the rows of the items that have been denied and locked the cells to prevent agencies from inputting dollar amounts. Line 27 was added to address the deficit funding created from the "true up" process related to ROPS 13-14A. The ROPS includes a report of the cash balances by funding source. The reporting obligation also requires an accounting of the ROPS 13-14A estimated obligations versus actual payments ("true up" process), which is also attached.

The Successor Agency Board approved the ROPS 14-15A at their February 18, 2014 meeting and directed staff to present the ROPS 14-15A to the Oversight Board for approval. All actions of the Oversight Board are to be approved by resolution. Attached is Resolution 2014-04 approving ROPS 14-15A. Staff recommends that the Oversight Board adopt the Resolution and direct staff to submit the ROPS 14-15A to the DOF and submit a copy of such to the State Controller's Office and the Kings County Auditor-Controller, and post it to the Lemoore Successor Agency's Web site as required.

Budget Impact

Successor Agency expenditures for the period July-December 2014 total \$2,531,880 as shown on ROPS 14-15A (Six-Month Total Column).

Recommendation

That the Oversight Board adopt Resolution 2014-04 approving the Recognized Obligation Payment Schedule for the period July-December 2014 (ROPS 14-15A) as presented and direct the Successor Agency staff to submit it to the Department of Finance by March 3, 2014.

RESOLUTION NO. 2014-04

A RESOLUTION OF THE LEMOORE OVERSIGHT BOARD FOR THE LEMOORE SUCCESSOR AGENCY TO THE FORMER LEMOORE REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2014 TO DECEMBER 31, 2014 (ROPS 14-15A)

WHEREAS, AB X1 26 (“AB 26”) was passed by the California State Legislature on June 15, 2011, signed by the Governor on June 28, 2011, and on February 1, 2012 redevelopment agencies in the state of California were dissolved; and

WHEREAS, AB 1484 was passed by the California State Legislature and signed by the Governor on June 27, 2012 modifying the provisions of AB 26; and

WHEREAS, pursuant to Health and Safety Code (HSC) Section 34177(l)(1), before each six-month fiscal period, successor agencies must prepare a Recognized Obligation Payment Schedule (ROPS); and

WHEREAS, pursuant to HSC Section 34177(m), commencing with the period July 1, 2013, through December 31, 2013, successor agencies shall submit an oversight board approved ROPS to the California Department of Finance (DOF) and to the county auditor-controller no fewer than 90 days before the date of property tax distribution; and

WHEREAS, pursuant to HSC Section 34177(l)(2)(C), a copy of the ROPS must also be submitted to the State Controller’s Office and posted to the successor agency’s Web site; and

WHEREAS, the DOF has determined that the name of the ROPS should coincide with the fiscal year that it represents and that the first six months of a fiscal year shall be “A” and the second six months shall be “B”; and

WHEREAS, pursuant to HSC Section 34177(a)(3), only those payments listed in an approved ROPS may be made by the successor agency from funds specified in the ROPS; and

WHEREAS, the ROPS for the period of July 1 to December 31, 2014 (ROPS 14-15A) is due no later than March 3, 2014 due to March 1, 2014 falling on a weekend; and

WHEREAS, pursuant to HSC Section 34177(m)(2), the ROPS must be received by the deadline or the host agency (City of Lemoore) shall be subject to a civil penalty equal to \$10,000 per day until it is received; and

WHEREAS, pursuant to HSC Section 34186(a), successor agencies must also report the difference between actual payments made and past estimated obligations reported and such differences shall be adjusted in the amount of property tax revenues to be transferred to the Redevelopment Obligation Retirement Fund.

NOW, THEREFORE, BE IT RESOLVED that the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency hereby adopts the Recognized Obligation Payment Schedule for the period July 1, 2014 to December 31, 2014 (ROPS 14-15A) attached hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED that the City Manager of the City of Lemoore, the Successor Agency to the former Lemoore Redevelopment Agency, or designee, is hereby authorized to take such actions as are necessary and appropriate to implement this Resolution.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

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* * * * *

PASSED, APPROVED, AND ADOPTED by the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency at a regular meeting this 25th day of February, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

John F. Murray, Chairperson

ATTEST:

Mary J. Venegas, Board Clerk

CERTIFICATE

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss.
CITY OF LEMOORE)

I, **Mary J. Venegas**, Board Clerk of the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency, do hereby certify the forgoing Resolution of the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency was duly passed and adopted at a Special Meeting of the Lemoore Oversight Board held on February 25, 2014.

DATED: February 25, 2014

Mary J. Venegas, Board Clerk

Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary

Filed for the July 1, 2014 through December 31, 2014 Period

Name of Successor Agency: Lemoore
Name of County: Kings

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding	
A Sources (B+C+D):	\$ 480,000
B Bond Proceeds Funding (ROPS Detail)	480,000
C Reserve Balance Funding (ROPS Detail)	-
D Other Funding (ROPS Detail)	-
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 2,051,880
F Non-Administrative Costs (ROPS Detail)	1,801,880
G Administrative Costs (ROPS Detail)	250,000
H Current Period Enforceable Obligations (A+E):	\$ 2,531,880
Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	2,051,880
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(68,193)
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 1,983,687
County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	2,051,880
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	2,051,880

Certification of Oversight Board Chairman:
Pursuant to Section 34177(m) of the Health and Safety code, I hereby
certify that the above is a true and accurate Recognized Obligation
Payment Schedule for the above named agency.

Name	Title
/s/	
Signature	Date

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
								\$ 40,084,939		\$ 480,000	\$ -	\$ -	\$ 1,801,880	\$ 250,000	\$ 2,531,880
1	1998 Bond	Bonds Issued On or Before 12/31/10	4/1/1998	8/1/2025	U.S. Bank	Debt Service - Capital Bonds	1,2,3	4,860,000	N				427,455		\$ 427,455
2	2003 Bond	Bonds Issued On or Before 12/31/10	5/15/2003	8/1/2033	U.S. Bank	Debt Service - Capital Bonds	1,2,3	11,380,000	N				483,724		\$ 483,724
3	2011 Bond	Bonds Issued After 12/31/10	3/4/2011	8/1/2040	U.S. Bank	Debt Service - Capital Bonds	1,2,3	18,820,000	N				842,956		\$ 842,956
4	Agreement for Services	Business Incentive Agreements	11/16/2010	6/30/2015	Lemoore Chamber	Five year agreement for economic development services.	1,2,3	60,000	N				30,000		\$ 30,000
6	Owner Participation Agreement	OPA/DDA/Construction	9/4/2007	12/31/2099	Leprino Foods Co.	Incentive to expand in Lemoore - 175 add'l jobs.	1,2,3	3,334,444	N				-		\$ -
7	Payment for Services	Property Maintenance	5/10/2013	6/30/2015	Weed Abatement Consult	Weed abatement redevelopment owned properties / Contracts will be presented to oversight board for approval to continue weed abatement on Agency owned properties.	1,2,3	80,000	N				7,250		\$ 7,250
16	Westside Infrastructure Project	Improvement/Infrastructure	9/21/2010	12/31/2099	Contractor TBD	Installation of infrastructure on the west side of Highway 41 @ Bush Street. Funding approved by Resolution No. 2010-02 on September 21, 2010.	1,2,3		N						
18	Bond Projects	Miscellaneous	2/15/2011	12/31/2099	Contractor TBD	Capital projects identified in the 2011 bond issue.	1,2,3		N						
19	Bond Projects	Miscellaneous	2/15/2011	12/31/2099	Contractor TBD	Housing projects identified in the 2011 bond issue.	1,2,3		N						
21	Administrative Allowance	Admin Costs	2/1/2012	12/31/2099	City of Lemoore	Admin cost-the greater of 3% of RPTTF or \$250,000.	1,2,3	250,000	N					250,000	\$ 250,000
22	2003 Bond Proceed Housing Projects	Miscellaneous	8/6/2013	6/30/2015	Housing Program Recipients	Various Housing Programs to assist citizens with Housing Programs / Budget Approved Aug. 2013. Project will be rebudgeted in the 2014-2015 Budget for balance of unexpended funds.	1,2,3	1,250,000	N	480,000					\$ 480,000
23	Annual Audit	Dissolution Audits	7/2/2013	6/30/2014	Price, Paige & Company	Annual Audit (Successor Agency) as recommended by DOF as best practice	1,2,3	45,000	N				5,000		\$ 5,000
24	ROPS I Deficit Funding	RPTTF Shortfall	1/1/2012	6/30/2012	Lemoore Successor Agency	ROPS I approved obligations were understated by this amount-need to request funding for the actual expenditures (See Notes for additional information)	1,2,3		N						\$ -
25	ROPS III Deficit Funding	RPTTF Shortfall	1/1/2013	6/30/2013	Lemoore Successor Agency	ROPS III approved obligations were understated by this amount-need to request funding for the actual expenditures (See Notes for additional information)	1,2,3		N						\$ -
26	ROPS 13-14A Overpayment	Miscellaneous	7/1/2012	12/31/2012	County of Kings	ROPS II True-Up calculation was not deducted from the ROPS 13-14A funding (See Notes for additional information)	1,2,3		N						
27	ROPS 13-14A Deficit Funding	RPTTF Shortfall	7/1/2013	12/31/2013	Lemoore Successor Agency	ROPS 13-14A approved obligations were understated by this amount-need to request funding for the actual expenditures (See Notes for additional information)	1,2,3	5,495					5,495		\$ 5,495

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
															\$ -
															\$ -
															\$ -

Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Cash Balances
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177(l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H	I	
		Fund Sources							
		Bond Proceeds		Reserve Balance		Other	RPTTF		
	Cash Balance Information by ROPS Period	Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR balances retained	Prior ROPS RPTTF distributed as reserve for next bond payment	Rent, Grants, Interest, Etc.	Non-Admin and Admin	Comments	
ROPS 13-14A Actuals (07/01/13 - 12/31/13)									
1	Beginning Available Cash Balance (Actual 07/01/13) Note that for the RPTTF, 1 + 2 should tie to columns J and O in the Report of Prior Period Adjustments (PPAs)	1,250,000			1,139,149	(19,178)	637,370		
2	Revenue/Income (Actual 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distribution from the County Auditor-Controller during June 2013					129,602	2,048,795		
3	Expenditures for ROPS 13-14A Enforceable Obligations (Actual 12/31/13) Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of PPA's						1,986,097		
4	Retention of Available Cash Balance (Actual 12/31/13) Note that the RPTTF amount should only include the retention of reserves for debt service approved in ROPS 13-14A								
5	ROPS 13-14A RPTTF Prior Period Adjustment Note that the RPTTF amount should tie to column S in the Report of PPAs.	No entry required						68,193	
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ 1,250,000	\$ -	\$ 1,139,149	\$ -	\$ 110,424	\$ 631,875		
ROPS 13-14B Estimate (01/01/14 - 06/30/14)									
7	Beginning Available Cash Balance (Actual 01/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ 1,250,000	\$ -	\$ 1,139,149	\$ -	\$ 110,424	\$ 700,068		
8	Revenue/Income (Estimate 06/30/14) Note that the RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014						440,482		
9	Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14)			1,139,149		95,285	1,122,646		
10	Retention of Available Cash Balance (Estimate 06/30/14) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14B								
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ 1,250,000	\$ -	\$ -	\$ -	\$ 15,139	\$ 17,904		

Mayor
William Siegel
Mayor Pro Tem
Lois Wynne
Council Members
John Gordon
Eddie Neal
Willard Rodarmel



**Office of the
City Manager**

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Staff Report

Item 5

To: Lemoore Oversight Board
From: Judy Holwell, Project Manager 
Date: February 20, 2014
Subject: Resolution No. 2014-05 Approval of a revised Long Range Property Management Plan for Properties of the former Lemoore Redevelopment Agency as required by California Health & Safety Code Section 34191.5

Discussion

As required by the State of California Health and Safety Code (HSC) Section 34191.5, all redevelopment agencies in California are required to submit a Long Range Property Management Plan (LRPMP) to the California Department of Finance (DOF) within six (6) months of receiving their Finding of Completion. The City of Lemoore as Successor Agency to the former Lemoore Redevelopment Agency (Agency) received its Finding of Completion on June 7, 2013. Subsequently, on September 26, 2013, the Oversight Board approved a LRPMP and the Successor Agency submitted it to the DOF for approval.

Recently, DOF staff reviewed our LRPMP and requested clarification as to our use of the term "Future Development" in the Permissible Use column. It was explained that the Successor Agency intends to sell the property for future development. DOF staff explained that "Future Development" is the term to be used when the Agency will retain property and use Agency funds for the development. (Some agencies have bond proceeds available from bonds issued prior to January 1, 2011 that can be used for such development.) DOF staff indicated that the proper term to use is "Sale of Property", which indicates that we intend to sell the property to another entity. We were asked to make the minor change to our LRPMP, obtain approval by our Oversight Board, and resubmit it to DOF for approval.

Since all of the Agency's remaining parcels were purchased for economic development purposes, the LRPMP has been revised to show the permissible use as Sale of Property. As previously reported, following approval by the DOF, the properties are to be placed in a Community Redevelopment Property Trust Fund to be administered by the Agency in accordance with the approved LRPMP. Properties are then to be sold in a manner aimed at maximizing value with the proceeds from each sale being remitted to the Kings County Auditor-Controller's Office for distribution to the taxing entities. All properties are to be sold pursuant to HSC Section 34180(f), which states:

(f) (1) If a city, county, or city and county wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax, as determined pursuant to Section 34188, for the value of the property retained.

(2) If no other agreement is reached on valuation of the retained assets, the value will be the fair market value as of the 2011 property tax lien date as determined by an independent appraiser approved by the oversight board.

DOF does not believe that it is legislative intent that property appraisals be obtained for properties that the LRPMP proposes to sell or transfer to entities other than the city or county that created the former redevelopment agency. (DOF Q&A v.01.15.13)

Budget Impact

None.

Recommendation

Adopt Resolution No. 2014-05 approving the revised Long Range Property Management Plan and direct staff to present it to the State of California Department of Finance for approval.

RESOLUTION NO. 2014-05

RESOLUTION OF THE LEMOORE OVERSIGHT BOARD FOR THE LEMOORE SUCCESSOR AGENCY TO THE FORMER LEMOORE REDEVELOPMENT AGENCY APPROVING A REVISED LONG RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH & SAFETY CODE SECTION 34191.5

WHEREAS, by implementation of AB X1 26 (“AB 26”), which amended provisions of the California Redevelopment Law (Health & Safety Code (“HSC”) § 33000 *et seq.*) (“CRL”), and the California Supreme Court’s decision in California Redevelopment Association v. Matosantos, as of February 1, 2012, the Lemoore Redevelopment Agency (“Redevelopment Agency”) was dissolved, the Successor Agency to the Lemoore Redevelopment Agency (“Successor Agency”) came into existence, and the requirement for the appointment of an Oversight Board to the Successor Agency to the Lemoore Redevelopment Agency (“Oversight Board”) became effective; and

WHEREAS, on February 1, 2012 all assets, properties, contracts, leases, books and records, buildings, and equipment of the former Redevelopment Agency transferred to the control of the Successor Agency by operation of law; and

WHEREAS, AB 1484 was passed by the California State Legislature and was signed into law by the Governor on June 27, 2012 modifying the provisions of AB 26; and

WHEREAS, HSC Section 34191.5 requires the Successor Agency to prepare a long range property management plan (LRPMP) that addresses the disposition and use of the real properties of the former Redevelopment Agency and submit it to the Oversight Board and the Department of Finance (DOF) for approval no later than six months following the issuance to the Successor Agency of a Finding of Completion by the DOF pursuant to HSC Section 34179.7; and

WHEREAS, the DOF issued its Finding of Completion to the Successor Agency on June 7, 2013; and

WHEREAS, the Successor Agency prepared a LRPMP, which was presented to, and approved by, the City Council acting as the Successor Agency at its September 17, 2013 City Council meeting; and

WHEREAS, on September 26, 2013, pursuant to HSC Section 34191.5 the Oversight Board approved the LRPMP and submitted it to the DOF for review; and

WHEREAS, in its review, the DOF determined that a revision to the Permissible Use column is required; and

WHEREAS, the Successor Agency has subsequently made the required revision; and

WHEREAS, pursuant to HSC Section 34191.5, the Oversight Board is required to consider and approve the LRPMP before it is submitted to the DOF for its review.

NOW, THEREFORE THE LEMOORE OVERSIGHT BOARD FOR THE LEMOORE SUCCESSOR AGENCY TO THE FORMER LEMOORE REDEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The recitals above are true and correct and are incorporated into this Resolution.

SECTION 2. The Oversight Board hereby approves and adopts the revised Long Range Property Management Plan attached hereto and incorporated herein by reference pursuant to Health and Safety Code Section 34191.5.

SECTION 3. Approval by the Oversight Board and the State of California Department of Finance will be obtained prior to the disposition of any individual property sale.

SECTION 4. The proceeds from the sale of each property will be submitted to the Kings County Auditor-Controller for distribution to the taxing entities.

SECTION 5. The Oversight Board hereby directs the Successor Agency to submit the Long Range Property Management Plan to the State of California Department of Finance.

SECTION 6. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for five (5) business days unless the Department requests a review.

///

PASSED, APPROVED, AND ADOPTED by the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency at a special meeting this 25th day of February 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

John F. Murray, Chairperson

ATTEST:

Mary J. Venegas, Board Clerk

CERTIFICATE

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss.
CITY OF LEMOORE)

I, **Mary J. Venegas**, Board Clerk of the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency, do hereby certify the forgoing Resolution of the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency was duly passed and adopted at a special meeting of the Lemoore Oversight Board held on February 25, 2014.

DATED: February 25, 2014

Mary J. Venegas, Board Clerk



LONG-RANGE PROPERTY MANAGEMENT PLAN CHECKLIST

Instructions: Please use this checklist as a guide to ensure you have completed all the required components of your Long-Range Property Management Plan. Upon completion of your Long-Range Property Management Plan, email a PDF version of this document and your plan to:

Redevelopment_Administration@dof.ca.gov

The subject line should state “[Agency Name] Long-Range Property Management Plan”. The Department of Finance (Finance) will contact the requesting agency for any additional information that may be necessary during our review of your Long-Range Property Management Plan. Questions related to the Long-Range Property Management Plan process should be directed to (916) 445-1546 or by email to Redevelopment_Administration@dof.ca.gov.

Pursuant to Health and Safety Code 34191.5, within six months after receiving a Finding of Completion from Finance, the Successor Agency is required to submit for approval to the Oversight Board and Finance a Long-Range Property Management Plan that addresses the disposition and use of the real properties of the former redevelopment agency.

GENERAL INFORMATION:

Agency Name: **City of Lemoore Successor Agency**

Date Finding of Completion Received: June 7, 2013

Date Oversight Board Approved LRPMP: September 26, 2013 Revised: February 25, 2014

Long-Range Property Management Plan Requirements

For each property the plan includes the date of acquisition, value of property at time of acquisition, and an estimate of the current value.

Yes No

For each property the plan includes the purpose for which the property was acquired.

Yes No

For each property the plan includes the parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.

Yes No

For each property the plan includes an estimate of the current value of the parcel including, if available, any appraisal information.

Yes No

For each property the plan includes an estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.

Yes No

For each property the plan includes the history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts.

Yes No

For each property the plan includes a description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

Yes No

For each property the plan includes a brief history of previous development proposals and activity, including the rental or lease of the property.

Yes No

For each property the plan identifies the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforceable obligation.

Yes No

The plan separately identifies and list properties dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation.

Yes

ADDITIONAL INFORMATION

- If applicable, please provide any additional pertinent information that we should be aware of during our review of your Long-Range Property Management Plan.

Our Long-Range Property Management Plan does not include properties dedicated to governmental use purposes because those properties were approved for transfer to the City of Lemoore by letter received from Steve Szalay, Local Government Consultant with the California Department of Finance, dated August 22, 2013.

Agency Contact Information

Name: Jeff Laws

Name: Judy Holwell

Title: City Manager

Title: Project Manager

Phone: 559-924-6700

Phone: 559-924-6704

Email: jeff.laws@lemoorepd.com

Email: jholwell@lemoore.com

Date: 02/25/14

Date: 02/25/14

Department of Finance Local Government Unit Use OnlyDETERMINATION ON LRPMP: APPROVED DENIED

APPROVED/DENIED BY: _____ DATE: _____

APPROVAL OR DENIAL LETTER PROVIDED: YES DATE AGENCY NOTIFIED: _____

LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA - PER HSC 34191.5

No.	Property Type	(c)(1)(A) & (D)				(c)(1)(B)	(c)(1)(C)				(c)(1)(E)	(c)(1)(F)	(c)(1)(G)	(c)(1)(H)	(c)(2)	
		Acquisition Date	Value at Time of Purchase	Estimated Current Value	Appraisal Information	Purpose for which Property was Acquired	Address	APN #	Lot Size in Acres	Current Zoning	Estimate of Revenue Generated by the Property	History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site	Potential for Transit Oriented Development and Advancement of Planning Objectives	History of Previous Development Proposals and Activity	Permissible Use	Permissible Use Detail
1	Vacant Lot/Land	7/18/2008	\$ 45,000	\$ 45,000	None	Economic Development	1301 Iona Ave.	024-051-011	0.80	Industrial	None	None	None	None	Sale of Property	To be distributed as property tax to taxing entities
2	Vacant Lot/Land	4/22/2009	\$ 120,607	\$ 120,607	None	Economic Development	906 Commerce Way	024-051-013	3.49	Industrial	None	None	None	None	Sale of Property	To be distributed as property tax to taxing entities
3	Vacant Lot/Land	6/16/2006	\$722,491 (total for 3 parcels)	\$ 461,949	None	Economic Development	1055 Commerce Way	024-051-015	10.78	Industrial	None	None	None	Auction yard proposed/ not developed	Sale of Property	To be distributed as property tax to taxing entities
4	Vacant Lot/Land	6/16/2006		\$ 130,271	None	Economic Development	1106 Commerce Way	024-051-018	3.04	Industrial	None	None	None	None	Sale of Property	To be distributed as property tax to taxing entities
5	Vacant Lot/Land	6/16/2006		\$ 130,271	None	Economic Development	956 Commerce Way	024-051-019	3.04	Industrial	None	None	None	None	Sale of Property	To be distributed as property tax to taxing entities
6	Vacant Lot/Land	1/8/2009	\$ 52,987	\$ 52,987	None	Economic Development	855 Commerce Way	024-051-032	2.04	Industrial	None	None	None	Proposed future industrial development pertaining to the sales and installation of ag products	Sale of Property	To be distributed as property tax to taxing entities
7	Vacant Lot/Land	8/1/2005	\$ 18,742	\$ 18,742	None	Economic Development	Formerly part of 855 Commerce (parcel split)	024-051-033	1.21	Industrial/Commercial	None	None	None		Sale of Property	To be distributed as property tax to taxing entities
8	Vacant Lot/Land	10/29/2010	\$232,275 (total for 2 parcels)	152,638	None	Economic Development	SWC 19th & Idaho Avenue	024-080-068	23.00	Industrial	None	None	None	None	Sale of Property	To be distributed as property tax to taxing entities
9	Vacant Lot/Land	10/29/2010		79,637	None	Economic Development	1755 19th Avenue	024-080-070	12.00	Industrial	None	None	None	None	Sale of Property	To be distributed as property tax to taxing entities
10	Vacant Lot/Land	1/27/1998	\$ 61,791	\$ 61,791	None	Economic Development	So. of Idaho Avenue	024-080-074	8.60	Industrial	None	None	None	None	Sale of Property	To be distributed as property tax to taxing entities
11	Vacant Lot/Land	11/9/2007	\$ 99,961	\$ 99,961	None	Economic Development	1800 Highway 41	024-080-076	10.55	Industrial	None	None	None	None	Sale of Property	To be distributed as property tax to taxing entities

Long Range Property Management Plan

Properties Held for Resale - Economic Development



Mayor
William Siegel
Mayor Pro Tem
Lois Wynne
Council Members
John Gordon
Eddie Neal
Willard Rodarmel



**Oversight Board
for the
Successor
Agency**

119 Fox Street
Lemoore ♦ CA 93245
Phone ♦ (559) 924-
6704
FAX ♦ (559) 924-9003

Staff Report

ITEM NO. 6

To: Lemoore Oversight Board

From: Judy Holwell, Project Manager 

Date: February 21, 2014

Subject: Resolution No. 2014-06 approving a Real Estate Purchase Contract and Receipt for Deposit between the Successor Agency to the former Lemoore Redevelopment Agency and The Bennett Family Trust for the Disposition of APN 024-051-032 and APN 024-051-033

Discussion

Since nearly two years have passed since the Lemoore Oversight Board (Board) took action on the sale of Redevelopment Agency property to the Gary & Maxine Bennett Trust (Bennett), the State of California Department of Finance (DOF) is requiring the Board to approve a newly executed contract.

In 2012, the City of Lemoore, acting on behalf of the Lemoore Successor Agency to the former Lemoore Redevelopment Agency (Agency), received the attached Letter of Intent, dated May 15, 2012, from Grubb & Ellis on behalf of its client, the Gary & Maxine Bennett Trust to purchase approximately 3.06 acres of vacant land owned by the Agency – APN 024-051-032 (approximately 2.0 acres) and APN 024-051-033 (approximately 1.06) – in the Lemoore Industrial Park to relocate and expand its irrigation systems operation. As shown on the attached map, the two parcels are adjacent to each other and are located between McCann and Sons and Lemoore Auto Mall. During a regularly scheduled City Council meeting, Council, acting as the Successor Agency, met in closed session to discuss the proposed project. Council determined that the development would be appropriate for the surrounding uses and that the offer was acceptable to the community of Lemoore. It was then that Council referred the item to the Board for consideration.

During the Board's May 24, 2012 meeting, the same Letter of Intent was presented in Closed Session. After reviewing the details of the project, the Board determined that a project of this nature would benefit both the community and the taxing agencies (e.g.

additional sales tax revenue would be generated for the City of Lemoore and proceeds from the sale of the property would increase the property tax revenue for the taxing agencies). Staff noted that the proposed offer was comparable to the sales price of other vacant parcels in the area, and in fact, prior to the downturn in the economy, the Redevelopment Agency had sold the same 2.0-acre parcel for \$45,000 per acre to Bill and Nancy Royer for the expansion of Valley Cycle & Marine. Other vacant parcels in the area sold for \$25,000 and \$50,000 per acre. After the economy began to spiral downward, the Royer's were unable to pursue their project and the property was sold back to the Redevelopment Agency for the same amount.

Since the California Health and Safety Code (HSC) Section 34181(a) requires an oversight board to direct its successor agency to dispose of assets expeditiously and in a manner aimed at maximizing value, the Board directed Agency staff to execute the Letter of Intent and to negotiate and accept an offer of not less than \$125,000 for the sale of said parcels. The Letter of Intent was executed the same day the Board met and it was forwarded to the Broker, as shown in the attached email.

Staff worked with the Broker and negotiated an agreement consistent with the Board's recommendation. Consistent with other property sales, a \$5,000 deposit is required, which is non-refundable after the proposed 60-day due diligence period. Provided that title to the property is transferred at close of escrow, a credit of 50 percent of the cost of a Phase One Environmental Report will be given and escrow fees will be split fifty-fifty.

During the time the Contract was being prepared, AB 1484 was signed into law, which suspends Section 34181(a) until after successor agencies receive a Finding of Completion (FOC) from the DOF. The Agency received its FOC on June 7, 2013. Within six months of receiving an FOC, successor agencies must submit to the DOF a Long-Range Property Management Plan (LRPMP). Furthermore, the LRPMP must be approved by DOF prior to an agency selling any property. The Agency submitted its LRPMP on September 26, 2013. Recently, the DOF advised the Agency of a needed revision. The revised LRPMP is being considered for approval at the February 25, 2014 Board meeting, just prior to this item. DOF staff advised Agency staff that it fully anticipates approval of our revised LRPMP. Following approval by the DOF of our LRPMP, properties can be sold.

In order to sell Agency property, the Board must approve the disposition by resolution following a 10-day notice to the public, which was published in the Hanford Sentinel on February 14, 2014. Additionally, the sale is subject to review by the DOF pursuant to Section 34179 and the DOF may extend its review period by up to 60 days.

If the Board agrees that the sale of said properties to Bennett for the proposed development is still in the best interest of the taxing agencies, then the Board should adopt Resolution No. 2014-06 approving the attached newly executed Real Estate Purchase Contract and Receipt for Deposit and authorize the City Manager to execute said Contract. The Contract is identical to the one executed in 2012 with the exception of the date and the Trust name change to The Bennett Family Trust. Following your

approval, staff will submit the Contract and supporting materials to the DOF requesting its approval of the transaction.

The following exhibits are attached for your review:

Exhibit A – Resolution No. 2014-06

Exhibit B – Real Estate Purchase Contract and Receipt for Deposit

Exhibit C – Letter of Intent dated May 15, 2012

Exhibit D – Email dated May 24, 2012

Exhibit E – Assessor Map showing Parcel #32 & #33

Budget Impact

Approximately \$125,000 will be transferred to the County Auditor-Controller for distribution to the taxing entities.

Pursuant to Health & Safety Code Section 34177(e), proceeds from asset sales and related funds that are no longer needed for approved development projects or to otherwise wind down the affairs of the agency, each as determined by the Oversight Board, shall be transferred to the County Auditor-Controller for distribution as property tax proceeds under Section 34188.

Recommendation

That the Lemoore Oversight Board adopt Resolution No. 2014-06 approving the Real Estate Purchase Contract and Receipt for Deposit for the sale of APN 024-051-032 and APN 024-051-033 to The Bennett Family Trust for an amount not less than \$125,000 (minus one-half escrow fees & one-half cost of Phase One Environmental Report) and authorize the City Manager, or designee, to execute said Contract.

RESOLUTION NO. 2014-06

A RESOLUTION OF THE LEMOORE OVERSIGHT BOARD FOR THE LEMOORE SUCCESSOR AGENCY TO THE FORMER LEMOORE REDEVELOPMENT AGENCY APPROVING THE REAL ESTATE PURCHASE CONTRACT AND RECEIPT FOR DEPOSIT BETWEEN THE SUCCESSOR AGENCY TO THE LEMOORE REDEVELOPMENT AGENCY AND THE BENNETT FAMILY TRUST FOR THE DISPOSITION OF APN 024-051-032 AND APN 024-051-033

WHEREAS, AB X1 26 (“AB 26”) was passed by the California State Legislature on June 15, 2011, signed by the Governor on June 28, 2011, and on February 1, 2012 redevelopment agencies in the state of California were dissolved; and

WHEREAS, Health and Safety Code Section 34181(a) requires oversight boards to direct successor agencies to dispose of all assets and properties of the former redevelopment agency; and

WHEREAS, the City of Lemoore as Successor Agency to the former Lemoore Redevelopment Agency (Agency), received a Letter of Intent dated May 15, 2012 (Exhibit A) from Grubb & Ellis real estate firm on behalf of their client, Gary & Maxine Bennett Trust (Bennett), to purchase approximately 3.06 acres of vacant land – APN 024-051-032 (approximately 2.0 acres) and APN 024-051-033 (approximately 1.06 acres) in the Lemoore Industrial Park to relocate and expand its current irrigation systems operation to the new site; and

WHEREAS, Section 34177(e) requires that the disposal of such assets and properties are to be done expeditiously and in a manner aimed at maximizing value; and

WHEREAS, the Oversight Board for the Successor Agency to the former Lemoore Redevelopment Agency convened on May 24, 2012 and directed Successor Agency staff to execute said Letter of Intent and negotiate and accept an offer for the purchase of said stated parcels for an amount not less than \$125,000; and

WHEREAS, the Successor Agency to the former Lemoore Redevelopment Agency executed said Letter of Intent on May 24, 2012; and

WHEREAS, the Successor Agency to the former Lemoore Redevelopment Agency negotiated a Real Estate Purchase Contract and Receipt for Deposit (Purchase Contract) with Bennett for the purchase of the above stated parcels; and

WHEREAS, while the negotiations were taking place, AB 1484 was passed by the California State Legislature and signed into law by the Governor on June 27, 2012 modifying the provisions of AB 26; and

WHEREAS, pursuant to AB 1484, Sections 34177(e) and 34181(a) are suspended and successor agencies are forbidden to dispose of any property until they receive a Finding of Completion and receive approval of a Long Range Property Management Plan (LRPMP); and

WHEREAS, by letter from DOF dated December 21, 2012, the City of Lemoore was denied the opportunity to sell the properties for the foregoing reasons; and

WHEREAS, the DOF issued its Finding of Completion to the Successor Agency on June 7, 2013; and

WHEREAS, the Successor Agency, on recommendation by DOF, made revisions to its LRPMP and on February 25, 2014 submitted its revised LRPMP to its Oversight Board for approval and is forwarding it to the DOF for approval; and

WHEREAS, since the previously signed Purchase Contract with Bennett was executed in 2012, and on recommendation of DOF staff, The Bennett Family Trust submitted a newly executed Purchase Contract to the Agency on February 20, 2014, which is identical to the 2012 contract with the exception of the Trust name and execution date; and

WHEREAS, Health and Safety Code Section 34180 requires the actions of the Successor Agency shall first be approved by the Oversight Board; and

WHEREAS, Health and Safety Code Section 34181(f) requires that actions to dispose of assets and properties of a former redevelopment agency shall be approved by resolution of its Oversight Board at a public meeting after at least 10 days' notice to the public of the specific proposed actions and that such notice was posted for the required 10 days beginning on February 14, 2014.

NOW, THEREFORE, THE LEMOORE OVERSIGHT BOARD FOR THE LEMOORE SUCCESSOR AGENCY TO THE FORMER LEMOORE REDEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The recitals above are true and correct and are incorporated into this Resolution.

SECTION 2. The Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency hereby approves the Real Estate Purchase Contract and Receipt for Deposit for the sale of APN 024-051-032 and APN 024-051-033 to The Bennett Family Trust for an amount not less than \$125,000 (minus one-half escrow fees and one-half the cost of a Phase One environmental report if property is transferred at close of escrow).

SECTION 3. Approval by the State of California Department of Finance will be obtained prior to the disposition of any individual property sale.

SECTION 4. The proceeds from the sale of each property will be submitted to the Kings County Auditor-Controller for distribution to the taxing entities.

SECTION 5. The City Manager of the City of Lemoore, or designee, acting as the Successor Agency to the former Lemoore Redevelopment Agency is authorized to execute said Contract.

SECTION 6. Pursuant to Health and Safety Code Section 34179(h), all actions taken by an oversight board may be reviewed by the State of California Department of Finance, and therefore, this Resolution shall not be effective for five (5) business days unless the Department requests a review.

///

* * * * *

PASSED, APPROVED, AND ADOPTED by the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency at a special meeting this 25th day of February 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

John F. Murray, Chairperson

ATTEST:

Mary J. Venegas, Board Clerk

CERTIFICATE

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss.
CITY OF LEMOORE)

I, **Mary J. Venegas**, Board Clerk of the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency, do hereby certify the forgoing Resolution of the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency was duly passed and adopted at a special meeting of the Lemoore Oversight Board held on February 25, 2014.

DATED: February 25, 2014

Mary J. Venegas, Board Clerk



Grubb & Ellis | Pearson Commercial
7480 N. Palm Avenue, Suite 101
Fresno, CA 93711

559.432.6200 main
559.432.2938 fax
www.pearsonrealty.com
CA License #00020875
Independently Owned and Operated

May 15, 2012

Mrs. Judy Holwell
Project Manager
City of Lemoore
711 W. Cinnamon Dr.
Lemoore, CA 93245

Sent via e-mail

**Re: Letter of Intent to Purchase 3.06± acres of vacant land
APN 024-051-033 and 024-051-032**

Dear Judy:

On behalf of Gary & Maxine Bennett Trust ("Buyer"), I am pleased to present this Letter of Intent to Purchase ("LOI") the above referenced property, 3.06± acres of vacant, improved land, APN's 024-051-033 and 024-051-032 ("Property") from the Successor Agency to the Redevelopment Agency of the City of Lemoore ("Seller").

The Buyer intends to use the property for its business, Bennett & Bennett Irrigation Systems, Inc.. The Buyer currently operates two locations, one in Armona and the other in Selma, and employs approximately 25 people at its Armona facility. Should the Buyer purchase the Property, it intends to relocate its Armona operations to the new site. Bennett & Bennett is now in its 4th generation of family ownership, has been in the Armona community since 1945 and supports numerous local organizations and non-profits.

More information about the Buyer and its business can be found at:

<http://www.bennettirrigation.com/default.asp>

The business terms of the LOI are below:

Property:	3.06± acres of vacant, improved land in Lemoore, CA APN's – 024-051-033 and 024-051-032
Purchase Price:	\$125,000
Financing Contingency:	None.
Initial Deposit:	\$5,000
Escrow Period:	Seventy-five (75) days

Due Diligence: Buyer to have Sixty (60) days to investigate the property to its satisfaction, including, but not limited to the review of any existing environmental reports, boundary surveys, title report, zoning, CC&R's and condition of property.

Use: Buyer intends to operate a retail store and pipe construction business and will require confirmation from the City of Lemoore that its use conforms to the Property's zoning.

Brokerage Fee: Buyer to pay a brokerage fee to Grubb & Ellis/Pearson Commercial upon close of escrow.

We appreciate your consideration and request that you respond to this proposal in a timely manner, but no later than Tuesday, May 29, 2012, by 12:00 PM PST.

This proposal is presented for negotiation purposes only and is designed to be used as a Letter of Intent. Concurrence will not bind either party to a purchase and sale until such time as all provisions of a purchase and sale agreement have been signed by both parties.

Sincerely,

Ethan Smith, CCIM
Vice President
CA License #01395349

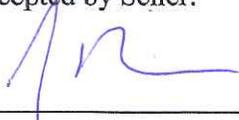
Daniel Simon
Sales Associate
CA License #01895946

Buyer:



Gary & Maxine Bennett Trust
Date: May 15, 2012

Accepted by Seller:



Date: May 24, 2012

KINGS COUNTY ASSESSOR'S MAP

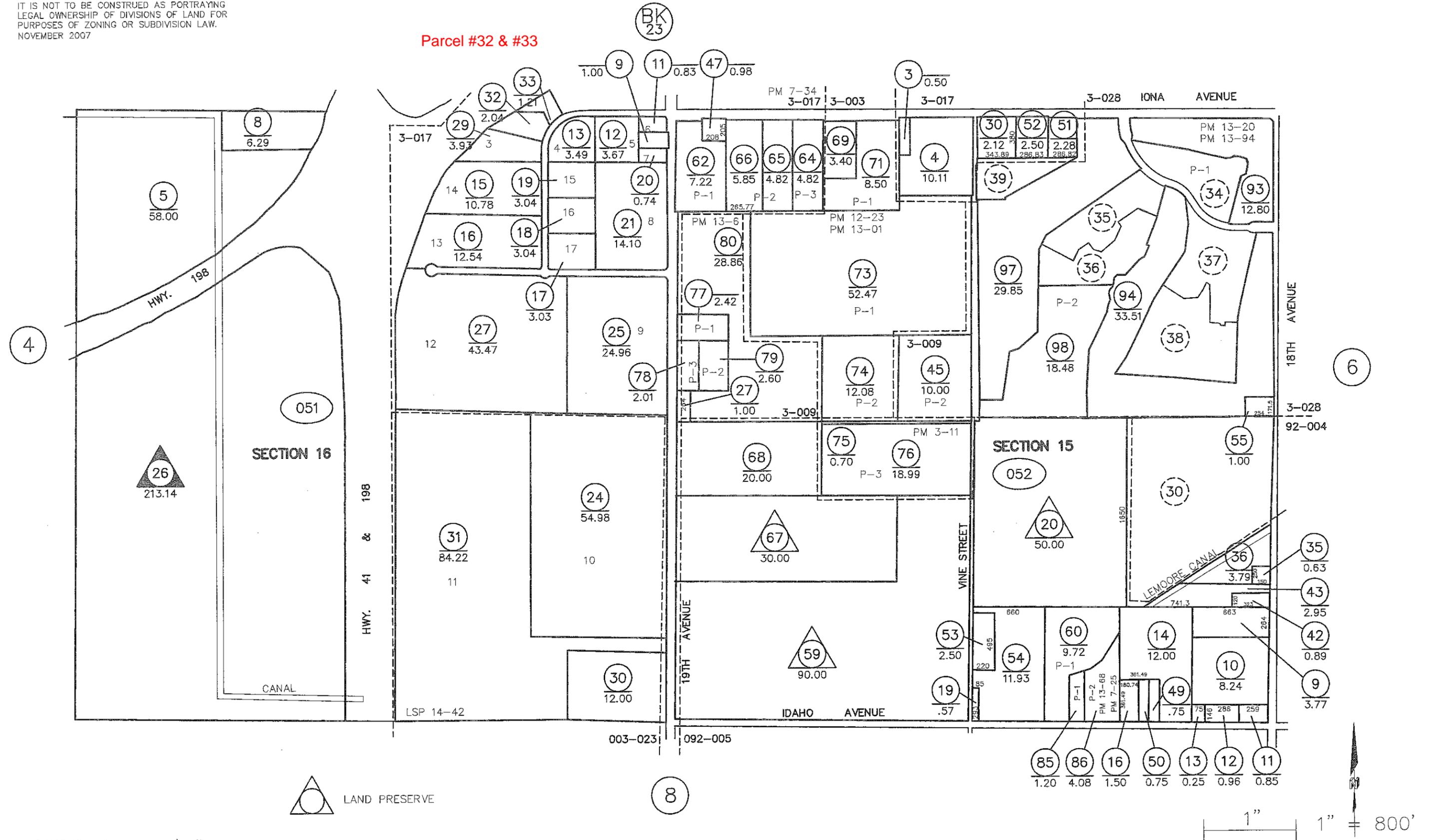
24-05

SEC'S. 15 & 16-19-20

Exhibit E

THIS MAP IS FOR ASSESSMENT PURPOSES ONLY
IT IS NOT TO BE CONSTRUED AS PORTRAYING
LEGAL OWNERSHIP OF DIVISIONS OF LAND FOR
PURPOSES OF ZONING OR SUBDIVISION LAW.
NOVEMBER 2007

Parcel #32 & #33





A Division of Pearson Realty
Independently Owned and Operated

REAL ESTATE PURCHASE CONTRACT AND RECEIPT FOR DEPOSIT

THIS IS MORE THAN A RECEIPT FOR MONEY, IT MAY BE A LEGALLY BINDING CONTRACT. READ IT CAREFULLY.

Lemoore, California, February 20, 2014, received from The Bennett Family Trust as amended & restated January 24, 2012, herein called Buyer, the sum of Five Thousand Dollars (\$5,000). Evidenced by cash, personal check, cashier's check , or _____, as a fully refundable deposit, as stated below (the deposit), for the purchase of the property, including any improvements thereto (if any), situated in Lemoore, County of Kings, California, described as follows: 3.14±AC of vacant, improved land APN's 024-051-032, 024-051-033 ("the property"). The Purchase Price, including the deposit, is One Hundred Twenty Five Thousand Dollars and No/100 (\$125,000.00).

1. Buyer will deposit in escrow with Chicago Title Company the balance of purchase price as follows: At close of Escrow.

Purchase subject to the Buyer having Sixty (60) days, such sixty (60) days to commence on the date of opening of escrow as set forth in section 5 herein below, to conduct its due diligence including, but not limited to, the following: review of any existing environmental reports, boundary surveys, title reports, zoning and planning requirements, CC&R's and condition of the property suitable for Buyer's proposed or intended use. Buyer may, at Buyer's sole discretion, terminate and cancel this Contract at anytime during the sixty day due diligence period for any reason or no reason whatsoever. Buyer may also order or obtain any additional reports, surveys, or studies Buyer, in its sole discretion, deems necessary. Notwithstanding any other terms set for herein, the Deposit set forth herein above shall be fully refundable to Buyer if this Contract is terminated or cancelled for any reason. Unless canceled or terminated within the 60 day due diligence period or anytime prior to commencement of the due diligence period, the Deposit shall be nonrefundable pursuant to the provisions of section 10 below.

(Set forth above any terms and conditions of a factual nature applicable to this sale, such as financing, prior sale of other property, the matter of structural pest control inspection, repairs and personal property to be included in the sale.)

2. Title is to be free of liens, encumbrances, easements, restrictions, rights and conditions of record or known to Seller, other than the following: A standard California Land Title Association (CLTA) policy be issued by Chicago Title Company, showing title vested in Buyer subject only to liens, encumbrances, easements, restrictions, rights and conditions or records, such as rights of way, existing CC&Rs, and public utility easements as disclosed in the CLTA policy. There shall be no monetary liens or encumbrances on the property and no delinquent taxes or assessments. If Seller is unable to deliver fee title by grant deed, Buyer at its option may terminate this agreement and any deposit shall thereupon be returned to it. Except as specifically set forth as Seller's obligations pursuant to the provisions of this contract, Buyer, upon completion of its due diligence period, accepts the property "as is." Seller is not required and shall not provide any additional improvements to the property which is in the Lemoore Industrial Park.
3. Property taxes, premiums on insurance acceptable to Buyer, rents, and interest shall be prorated as of (a) the recordation of deed, or (b) _____ . The pro rated amount of any bond or assessment, which is a lien, shall be paid by Seller up to the date of close of escrow. It should be noted that Seller is a public agency and is not subject to ad valorem taxes.
4. Possession shall be delivered to Buyer:
 on close of escrow.
 not later than () days after closing escrow.
 other: _____
5. Escrow instructions signed by Buyer and Seller shall be delivered to the escrow holder and escrow shall be opened within Fifteen (15) days from either the Seller's acceptance hereof or receipt of approval from the California Department of Finance of the sale set forth herein, whichever is later, and such escrow instructions shall provide for closing within ninety (90) days of the opening of escrow unless mutually extended in writing by the parties. Buyer shall provide the \$5,000.00 refundable deposit into escrow within five (5) business days of the opening of escrow.
6. Escrow and Title fees are to be paid 1/2 by Seller and 1/2 by Buyer.
7. Provided title to the property is transferred at the close of escrow, Seller agrees to credit to Buyer 50% of the cost of a Phase One environmental report.
8. To the extent required by law, a Natural Hazard Disclosure Report will be ordered through escrow. Provided title to the property is transferred at the close of escrow, Seller agrees to credit to Buyer an amount not to exceed \$1,000 or 50% of the cost of the Report, whichever is less.
9. Unless otherwise designated in the escrow instructions of Buyer, title shall vest as follows: TBD in escrow.
 (The manner of taking title may have significant legal and tax consequences. Therefore, give this matter serious consideration.)

10. IF BUYER FAILS TO COMPLETE SAID PURCHASE AS HEREIN PROVIDED BY REASON OF ANY DEFAULT OF BUYER TO CLOSE ESCROW, SELLER SHALL BE RELEASED FROM ITS OBLIGATION TO SELL THE PROPERTY TO BUYER AND MAY PROCEED AGAINST BUYER UPON ANY CLAIM OR REMEDY WHICH HE MAY HAVE IN LAW OR EQUITY; PROVIDED, HOWEVER, THAT BY PLACING THEIR INITIALS HERE: BUYER [MS mmb] SELLER [_____] BUYER AND SELLER AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES IN CASE OF BUYER'S DEFAULT, THAT THE AMOUNT OF THE DEPOSIT IS A REASONABLE ESTIMATE OF THE DAMAGES, AND THAT SELLER SHALL RETAIN THE DEPOSIT AS HIS SOLE RIGHT TO DAMAGES.
11. Buyer's signature hereon constitutes an offer to Seller to purchase the real estate described above. Subject to the approvals as set forth in section 14, unless acceptance hereof is signed by Seller and the signed copy delivered to Buyer, either in person or by mail to the address shown below, within () days hereof, this offer shall be deemed revoked and the deposit shall be returned to Buyer.
12. Broker Disclosure of Agency. Pearson Realty is the agent of:
 the Seller exclusively; or
 the Buyer exclusively; or
 both the Buyer and the Seller.
 If Pearson Realty is acting as agent for both Buyer and the Seller, all parties have been advised of the dual agency relationship and agree to such representation.
13. Hazardous Waste. Public concern about hazardous waste and underground tanks has led to strict public laws regulating the area. Buyer is advised to seek independent advice regarding the existence of any hazardous waste or tanks. Broker makes no representations nor assumes any responsibility regarding the potential for problems. Buyer assumes the responsibility for its own investigation and protection.
14. State mandated approvals for transfer of property and close of escrow. As required by law pursuant to AB x 1 26, as amended by AB 1484, close of escrow is contingent upon ratification or approval by the Successor Agency to the Lemoore Redevelopment Agency, the Lemoore Oversight Board, and the Department of Finance of the State of California. If the state mandated approvals cannot be obtained, Seller, or its successors or assigns, shall have no obligation or liability whatsoever to Buyer or its successors or assigns except as follows: If such approvals cannot be obtained and escrow cannot be closed due to the inability to secure said approvals, Buyer shall be refunded its deposit of \$5,000 and Seller agrees to pay any escrow cancellation charges.

BUYER'S INITIALS	
<u>MS</u>	<u>mmb</u>
BROKER'S INITIALS	
<u>ES</u>	<u>VS</u>

SELLER'S INITIALS	
BROKER'S INITIALS	

BROKER: PEARSON REALTY
DRE Lic. No. 00020875

By: [Signature]
Elhan Smith, CCIM DRE: 01395349
Date: February 20, 2014

Address: 7480 N. Palm Avenue, Suite 101
Fresno, California 93711-5729

By: [Signature]
Daniel Simon DRE: 01895946
Date: February 20, 2014

Phone: (559) 432.6200
Fax: (559) 432.2938
E-Mail: info@pearsonrealty.com

The undersigned Buyer offers and agrees to buy the above-described property on the terms and conditions above stated and acknowledges receipt of a copy hereof.

BUYER: The Bennett Family Trust as amended & restated January 24, 2012

By: [Signature]
Gary R. Bennett
Title: Co-Trustee
Date: February 20, 2014

Address: 229 East Redwood Street
Hanford, CA 93230

By: [Signature]
Maxine M. Bennett
Title: Co-Trustee
Date: February 20, 2014

Phone: (559) 582-3146
Fax: _____
E-Mail: _____

ACCEPTANCE

The undersigned Seller accepts and agrees to sell the property on the above terms and conditions subject to section 14 above.

SELLER: Successor Agency to the Lemoore Redevelopment Agency

By:	_____	Address:	119 Fox Street
	Jeff Laws		Lemoore, CA 93245
Title:	_____	Phone:	(559) 924-6700
	City Manager		
Date:	_____	Fax:	(559) 924-9003
		E-Mail:	jlaws@lemoore.com

SELLER:

By:	_____	Address:	_____

Title:	_____	Phone:	_____

Date:	_____	Fax:	_____
		E-Mail:	_____

**A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE.
IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.**

From: Judy Holwell <jholwell@lemoore.com>
Sent: Thursday, May 24, 2012 2:28 PM
To: Daniel Simon (dsimon@pearsonrealty.com)
Subject: RE: Bennett Project
Attachments: Letter of Intent - Signed 052412.pdf

Hi Daniel,

Per my voicemail message to you, attached is the executed Letter of Intent. If the Bennett's intend to proceed with the proposed project, we will open escrow upon delivery of the \$5,000 deposit, which will become non-refundable after the 60 day due diligence period. Additionally, I will need the Purchase and Sales Agreement, which will have to be submitted to our Successor Agency during a public meeting for approval.

Thank you,

Judy Holwell

Project Manager
City of Lemoore
119 Fox Street
Lemoore, CA 93245
(559) 924-6704

From: Daniel Simon [mailto:DSimon@pearsonrealty.com]
Sent: Tuesday, May 22, 2012 3:18 PM
To: Judy Holwell
Subject: RE: Bennett Project

Good afternoon Judy,

It was nice meeting you today as well; I believe it was very beneficial for everyone to sit down and get everything out on the table. I appreciate you keeping me in the loop, I look forward to your reply after you talk to Bob again.

Daniel Simon

Sales Associate | Industrial Division
Grubb & Ellis | Pearson Commercial
7480 N. Palm Ave, Suite 101 | Fresno, CA, 93711
Direct: 559.447.6274 | Cell: 559.707.4179
Office: 559.432.6200 | Fax: 559.432.2938
dsimon@pearsonrealty.com
www.pearsonrealty.com
Independently Owned and Operated
DRE# 01895946

From: Judy Holwell [mailto:jholwell@lemoore.com]
Sent: Tuesday, May 22, 2012 11:33 AM
To: Daniel Simon
Subject: RE: Bennett Project

Hi Daniel,