

OVERSIGHT BOARD RESOLUTION NUMBER OB-2017-9

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE CITY
OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY
APPROVING THE PURCHASE AND SALE AGREEMENT
RELATED TO THE SUCCESSOR AGENCY'S SALE OF THE
REAL PROPERTY COMMONLY KNOWN AS THE WORLD
TRADE CENTER PARKING GARAGE SITE LOCATED AT 1245
FIFTH AVENUE IN DOWNTOWN SAN DIEGO.

WHEREAS, the former Redevelopment Agency of the City of San Diego (Former RDA) administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego (City); and

WHEREAS, in accordance with Assembly Bill x1 26 (AB 26), the Former RDA dissolved as of February 1, 2012, at which time the City of San Diego, solely in its capacity as the designated successor agency to the Former RDA (Successor Agency), assumed the Former RDA's assets and obligations; and

WHEREAS, the Successor Agency is required to administer the winding down of the Former RDA's operations and to ensure compliance with the Former RDA's obligations in accordance with AB 26, as subsequently amended (collectively, the Dissolution Laws); and

WHEREAS, the San Diego County Auditor-Controller (County Auditor), the State Controller, and the State Department of Finance (DOF) also possess certain rights and obligations under the Dissolution Laws with respect to the Successor Agency's administration of winding down the Former RDA's operations; and

WHEREAS, in late 2015, the Oversight Board and the DOF approved the Amended and Restated Long-Range Property Management Plan (LRPMP), which governs the Successor Agency's disposition of its non-housing real property assets, in accordance with California Health and Safety Code (Code) section 34191.5(c); and

WHEREAS, among other things, the LRPMP requires the Successor Agency to liquidate several real property assets (Liquidation Sites), which will result in the local taxing entities, such as the City, the County of San Diego, local school districts, and local special districts, receiving a pro rata distribution of the net sale proceeds in the same proportion as their share of general property tax revenues; and

WHEREAS, the Successor Agency's sale of the Liquidation Sites is subject to the LRPMP and the Dissolution Laws; and

WHEREAS, based on a competitive selection process approved by the Oversight Board, Civic San Diego retained the firm of Jones Lang LaSalle (JLL), a commercial real estate brokerage, to represent the Successor Agency's interests in facilitating the sale of each Liquidation Site, and JLL will receive a brokerage commission with respect to the consummated sale of each Liquidation Site; and

WHEREAS, one of the Liquidation Sites currently owned by the Successor Agency is that certain real property commonly known as the World Trade Center parking garage, located at 1245 Fifth Avenue, San Diego, California (Property); and

WHEREAS, Civic San Diego, acting on behalf of Successor Agency, and Metropolitan / SDPB Fifth Avenue, LLC, a California limited liability company (Buyer), have negotiated the proposed Real Property Purchase and Sale Agreement and Joint Escrow Instructions, which is included as Attachment D to the staff report accompanying this Resolution, with respect to the Property (Agreement); and

WHEREAS, the Agreement contemplates that Buyer will purchase the Property from the Successor Agency for the purchase price of \$6,300,000 and that, consistent with Code section 34191.5(c)(2)(B), the Successor Agency will cause the net purchase price proceeds to be transferred to the County Auditor for pro rata distribution to the local taxing entities; and

WHEREAS, the Oversight Board must approve the Agreement before it becomes effective, and under Code section 34191.5(f), the Oversight Board's decision will become effective immediately, without any need for review by the DOF; NOW, THEREFORE,

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board that the Agreement is approved.

PASSED AND ADOPTED by the Oversight Board at a duly noticed meeting of the Oversight Board held on June 19, 2017.



Chair, Oversight Board