A G E N D A

CITY OF SEASIDE
CITY COUNCIL/SUCCESSOR
AGENCY TO REDEVELOPMENT
AGENCY OF THE CITY OF SEASIDE

JOINT SPECIAL MEETING
Council Chamber
440 Harcourt Avenue
Thursday, April 21, 2016
5:00 PM

PLEASE TURN OFF YOUR CELL PHONES UPON ENTERING THE MEETING

1. CALL TO ORDER

Ralph Rubio	Mayor/Chair
Ian N. Oglesby	Mayor Pro Tem/Vice Chair
Dennis Alexander	Council/Agency Member
Jason Campbell	Council/Agency Member
David R. Pacheco	Council/Agency Member

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

Members of the public wishing to address the Agency Board on matters within the jurisdiction of the City of Seaside, but not on this agenda, may do so during the Public Comment period for up to three minutes. Public Comments on specific agenda items are heard under that item. For the public record, please state your name.

4. CLOSED SESSION

A. PURSUANT TO GOVERNMENT CODE 54957.6 - CONFERENCE WITH LABOR NEGOTIATORS

Agency Negotiators: Craig Malin, City Manager; Daphne Hodgson, Deputy City Manager - Administrative Services; Roberta Greathouse, Human Resources Manager; Donna Williamson, Labor Negotiator

Employee Organizations:

1. Seaside City Employees' Association
2. Seaside Police Officers' Association
3. Seaside Firefighters' Association
4. Seaside Managers & Supervisory Employees' Association
5. Unrepresented Employees: Confidential Managers & Confidential Non-Exempt Employees
6. Executive Managers

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – GOVERNMENT CODE SECTION 54956.8

1. **Property Location: 580 Broadway Avenue, Seaside, California, and is identified as Monterey County Assessor's Parcel Number 011-303-008.** Owned by (i) Mary Alice Cerrito, as to an Undivided 50% Interest and (ii) Roger L. Brown and Gloria Brown, or their Successors, As Trustees of the Roger and Gloria Brown Family Trust Under Declaration of Trust Dated August 31, 2006 as to an Undivided 50% Interest in connection with the West Broadway Urban Village Infrastructure Improvements. The City negotiators are Craig Malin, City Manager, et al. Under negotiation are the price and terms for the acquisition of certain property interests from the subject property.
2. **Property Location: 2 McClure Way (Bayonet & Black Horse Golf Course Property)**: Negotiating Parties for the City:Craig Malin, City Manager and Larry Seeman, Land Use Planning Consultant. Negotiating Parties for Seaside Donald Diamond Resort Development, LLC: Under Negotiation: Instructions to negotiator will concern price and terms of payment as well as other contingencies.

5. CONSENT AGENDA

A. APPROVE MINUTES OF APRIL 7, 2016

RECOMMENDATION: That the Minutes be reviewed and approved.

B. APPROVE AND FILE SUCCESSOR AGENCY CHECKS

PURPOSE: It is requested that the Successor Agency Board approve and file the accounts payable and wired payments made during the period of March 29, 2016 through April 11, 2016. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of March 31, 2016 is requested. Total Accounts Payable and Payroll for the above referenced period is $2,567.06.

RECOMMENDATION: It is recommended that the Successor Agency Board approve and file the attached checks.

C. **APPROVAL OF AN EXCLUSIVE NEGOTIATING AGREEMENT WITH MIDCOAST HOLDINGS, LLC AND THE CITY OF SEASIDE FOR DEVELOPMENT OF SEASIDE CONCOURS AUTO CENTER AT FIRST AVENUE AND LIGHTFIGHTER DRIVE IN THE FORMER FORT ORD**

PURPOSE: The purpose of this item is for the City Council/Successor Agency to consider a revision to the Exclusive Negotiating Agreement (the "ENA" or Agreement") for agency-owned lands identified as Property No.15 (the"Commercial Recreation Parcel" or the "Site") under the Agency's Long- Range Property Management Plan (the"LRPMP") approved by the City Council/Successor Agency on March 17, 2016 with MidCoast Holdings, LLC.

RECOMMENDATION: It is recommended that the City Council approve the revised Exclusive Negotiating Agreement with Mid Coast Holdings, LLC to develop the Seaside Concours Auto Center and authorize the City Manager to sign the document.

6. BUSINESS ITEMS

A. **PRESENTATION OF THE IMPLEMENTATION PLAN FOR PROPERTIES INCLUDED IN THE LONG RANGE PROPERTY MANAGEMENT PLAN**

PURPOSE: The purpose of this item is to present the Implementation Plan regarding disposition of properties included in the Long Range Property Management Plan approved by the Department of Finance.

RECOMMENDATION: It is recommended that the City Council/ Successor Agency receive the Implementation Plan regarding disposition of properties included in the Long Range Property Management Plan and provide direction, if appropriate.

7. ADJOURNMENT

Next Regularly Scheduled Meeting:
May 5, 2016
Seaside City Hall
5:30 PM

DRAFT MINUTES

CITY OF SEASIDE	JOINT SPECIAL MEETING
CITY COUNCIL/ SUCCESSOR	COUNCIL CHAMBER
AGENCY TO THE	Thursday, April 7, 2016
REDEVELOPMENT AGENCY	5:00 PM

1. **CALL TO ORDER**

Mayor Rubio called the meeting to order at 5:00 PM.

CITY COUNCIL/SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

PRESENT: Alexander, Campbell, Oglesby, Pacheco, Rubio
ABSENT: None

2. **PLEDGE OF ALLEGIANCE**

3. **ORAL COMMUNICATIONS**

Mayor Rubio invited comments from the public.

- Mr. Steve Bloomber reported on the scholarship fundraising event for Alumni of Seaside High School and invited the Council and the public to attend. More information can be found at seasidealumni.org
- Ruthie Watts invited the Community Partnership for Youth 13th Annual Hats Luncheon, Saturday April 16th

Mayor Rubio closed the public comments.

4. **CONSENT AGENDA**

Mayor Rubio invited comments from the public and Council on the Consent Agenda.

On motion by Council Member Alexander and seconded by Mayor Pro Tem Oglesby and passed by the following vote the City Council approved the Consent Agenda as presented.

RESULT:	**Approved**
MOVER:	Council Member Dennis Alexander
SECONDER:	Mayor Pro Tem Ian Oglesby
AYES:	Ralph Rubio, Dennis Alexander, Jason Campbell, Ian Oglesby, Dave Pacheco
NOES:	None

A. **APPROVE THE MINUTES FROM THE MARCH 17, 2016 JOINT SPECIAL MEETING**

Action: Approved

B. **APPROVE AND FILE SUCCESSOR AGENCY CHECKS**

Action: Approved & Accepted

5. **BUSINESS ITEMS**

A. **CONSIDERATION OF GLOVER ENTERPRISES AND ASSOCIATES UNSOLICITED**

PROPOSAL FOR AN EXCLUSIVE NEGOTIATING AGREEMENT (ENA) TO DEVELOP HOUSING ("GENERAL JIM MOORE SUBDIVISION") ON LAND CURRENTLY OWNED BY FORA ALONG THE WEST SIDE OF GENERAL JIM MOORE BOULEVARD FROM SAN PABLO AVENUE, SOUTH TO BROADWAY (NO APN ASSIGNED).

Deputy City Manager Resource Management Services Ingersoll presented the report outlining the unsolicited proposal received from Glover Enterprises and Associates to enter into an ENA to develop the General Jim Moore Subdivision. The proposal is to build 34 homes East of General Jim Moore Blvd, south of Coe Avenue. Ms. Ingersoll explained the proposed development schedule including the fact the land is currently owned by FORA and the transfer of land is scheduled for 2019. Currently the land is zoned for low density single family so no amendments to the general plan or are required for the site and calculations of property taxes would be approximately $59,000-$74,800 per year for the 34 homes. Ms. Ingersoll outlined the actions which could be taken at this time then answered questions from the Council/Agency Board.

On question Ms. Ingersoll spoke to the suggestion to require Glover enterprises to hold a community forum as well as explained the transfer of land schedule which is is based on the clean up of land and the documentation with the Federal Government.

Ron Glover Jr., member of Glover Enterprises, responded to the presentation as the applicant. He introduced the members of the development team. Patrick Stafford, spoke to the partnership and the property development proposal, to provide high end housing stock in the City of Seaside. Al Glover responded to questions regarding the suggestion that the low/moderate income homes be located in a different area of Seaside and not on the same site as this development. Council Member Campbell requested that the power lines be put underground.

Mayor Rubio invited comments from the public.

- Steve Bloomer requested that the presentation be emailed to him.
- Helen Rucker spoke in support a local developer that has the City's best interest at heart. He has contributed to the community and if anyone should have a chance to contribute it should be this family.
- Ruthie watts spoke in support of Glover Enterprise, and against the requirement that the developer host a community meeting. Please speed up the process.
- Seaside resident appreciates Mr. Glover's local. Anything that can bring jobs and bring down the cost of housing down. Appreciated that he is local.

Mayor Rubio closed public comment and responded to comments made, specifically speaking to the benefit of having Glover Enterprises facilitate the community meetings because it is something that will impact the residents directly and MR. Glover should understand if he will have resistance from the neighborhood as not to end up with a roadblock later.

Council Member Pacheco spoke in support of doing the public outreach as they go forward concurrently with the ENA. Council Member Campbell agreed. Mayor Pro Tem Oglesby and Council Member Alexander expressed support for the Item. Mayor Rubio indicated that it is a natural progression of the development that currently exists and that this one project will not solve the affordable housing projects, but the resources that are generated from this project may create opportunities for affordable housing within the West Broadway Urban Village project. He spoke in support of a local hire component.

On motion by Council Member Alexander and seconded by Council Member Pacheco and passed by the following vote the City Council authorized staff to proceed with negotiating an exclusive

Negotiating Agreement with Glover Enterprises with the requirement that the applicant conduct community meetings simultaneously and report the results of the community meetings to City staff.

RESULT:	**Approved**
MOVER:	Council Member Dennis Alexander
SECONDER:	Council Member Dave Pacheco
AYES:	Ralph Rubio, Dennis Alexander, Jason Campbell, Ian Oglesby, Dave Pacheco
NOES:	None

6. CLOSED SESSION

The City Council adjourned to closed session at 6:03 PM. City Attorney Freeman indicated they are not anticipating any announcements.

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS – GOVERNMENT CODE SECTION 54956.8

B. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (c) - POTENTIAL LITIGATION

7. ADJOURNMENT

On motion, the meeting adjourned at 6:35 PM.

Respectfully submitted,

Lesley Milton-Rerig, City Clerk	**Ralph Rubio, Mayor**

CITY OF SEASIDE
STAFF REPORT

Item No.: 5.B.

TO: Successor Agency to the Redevelopment Agency of the City of Seaside

FROM: Craig Malin, Executive Director

BY: Daphne Hodgson, Deputy City Manager Administrative Services
Krista Oberholtzer, Accounting

DATE: April 21, 2016

SUBJECT: **APPROVE AND FILE SUCCESSOR AGENCY CHECKS**

PURPOSE

It is requested that the Successor Agency Board approve and file the accounts payable and wired payments made during the period of March 29, 2016 through April 11, 2016. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of March 31, 2016 is requested. Total Accounts Payable and Payroll for the above referenced period is $2,567.06.

RECOMMENDATION

It is recommended that the Successor Agency Board approve and file the attached checks.

BACKGROUND

In accordance with Government Code Section 37208, at each Agency meeting the Board is provided a listing of the payroll and general checks issued since the last report so that it can inspect and confirm these checks. Each purchase has been reviewed and approved by the department making the purchase at the time of procurement. The invoice has been reviewed by the Finance Department prior to payment to ensure that it conforms to the approved budget.

Therefore, in accordance with Government Code Section 37208, I hereby certify that the above referenced, and linked, list of checks conforms to the approved budget and has been paid. These checks are hereby submitted to the Agency Board for inspection and confirmation.

There were no checks that exceeded $10,000 between March 29, 2016 through April 11, 2016 for Successor Agency related expenses.

FISCAL IMPACT

The listed checks have been budgeted and paid from the various funds, as appropriate.

The Checks report is available on the City's Website here:
http://www.ci.seaside.ca.us/index.aspx?page=366

ATTACHMENTS

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

CITY OF SEASIDE
STAFF REPORT

Item No.: 5.C.

TO: Successor Agency to the Redevelopment Agency of the City of Seaside

FROM: Craig Malin, City Manager

BY: Diana Ingersoll, Deputy City Manager Resource Management Services
Sharon Mikesell, Administrative Analyst
Tim O'Halloran, City Engineer/Public Works Services Manager

DATE: April 21, 2016

SUBJECT: **APPROVAL OF AN EXCLUSIVE NEGOTIATING AGREEMENT WITH MIDCOAST HOLDINGS, LLC AND THE CITY OF SEASIDE FOR DEVELOPMENT OF SEASIDE CONCOURS AUTO CENTER AT FIRST AVENUE AND LIGHTFIGHTER DRIVE IN THE FORMER FORT ORD**

PURPOSE

The purpose of this item is for the City Council/Successor Agency to consider a revision to the Exclusive Negotiating Agreement (the "ENA" or Agreement") for agency-owned lands identified as Property No.15 (the"Commercial Recreation Parcel" or the "Site") under the Agency's Long- Range Property Management Plan (the"LRPMP") approved by the City Council/Successor Agency on March 17, 2016 with MidCoast Holdings, LLC.

RECOMMENDATION

It is recommended that the City Council approve the revised Exclusive Negotiating Agreement with Mid Coast Holdings, LLC to develop the Seaside Concours Auto Center and authorize the City Manager to sign the document.

BACKGROUND

On July 24, 2015 staff received an Unsolicited Proposal from Autopilot Development Services, LLC on behalf of Mid Coast Holdings, LLC to develop a luxury auto mall (Seaside Concours Auto Center) on agency-owned property at the corner of First Avenue and Lightfighter Drive. Following the City's adopted Unsolicited Proposal Review process, staff completed its review of the Proposal on August 18, 2015.

On September 3, 2015, the Successor Agency to the Redevelopment Agency of the City of

Seaside directed staff to negotiate an Exclusive Negotiating Agreement (ENA) with Mid Coast Holdings for the development of a luxury auto center on the Commercial/Recreation Parcel.

On March 17, 2016 the City Council/Successor Agency approved entering into a formal ENA with Mid Coast Holdings, LLC to develop the Seaside Councours Auto Center. The documentation reviewed in that meeting was the City's standard document. Subsequently, Legal Counsel has suggested modifications to the contract, as listed below. The outlined changes are included as track changes in Attachment A.

Recital A-Legal Counsel has recommended a revision to clarify the ownership and transfer of the land. The land is owned by the Successor Agency but it is designated under the Long Range Property Management Plan to be conveyed to the City for future development. This action will assist with clarifying the land ownership and authority for development.

Recital C-The modification clarifies the ENA is intended to establish a Disposition and Development Agreement (DDA) that will result in the Developer's acquisition at it's appraised market value and subsequent development. This will lead to the full disposal of the property as required by Redevelopment Dissolution Law.

The dates for renewals of the ENA have also been adjusted to reflect the revised adoption date of the ENA.

FISCAL IMPACT

The approval of the revised ENA will have no fiscal impact on the City's General Fund. The revised ENA will clarify the distribution of future revenues involving the sale of the property.

ATTACHMENTS

1. Revised ENA Mid Coast Holdings

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

EXCLUSIVE NEGOTIATING AGREEMENT

This EXCLUSIVE NEGOTIATING AGREEMENT (this "ENA") is dated as of ~~__, 20__~~April 21, 2016 (the "Effective Date") and is entered into by and between the CITY OF SEASIDE, a municipal corporation ~~[,as successor agency to the Redevelopment Agency of the City of Seaside]~~ (the "City") and ~~_____, a __~~MID COAST HOLDINGS GROUP, LLC, a limited liability company (the "Developer"). The City and the Developer are sometimes individually referred to as a "Party" and are sometimes collectively referred to as the "Parties."

R E C I T A L S

A. The ~~City~~Successor Agency to the Seaside Redevelopment Agency ("Successor Agency") owns the land in the City of Seaside, California that is generally depicted on the "Site Map" attached hereto as Attachment No. 1 (the "Site"). The Site is designated on the Successor Agency's long range property management plan as property that is to be conveyed to the City and "retained for future development".

B. The City has received a proposal from Developer for the ~~[~~purchase~~] [ground leasing]~~ of the Site by the Developer and the development of ~~______________________~~an auto center (the "Project") on the Site.

C. After considering the proposal of the Developer, the City has instructed the City's staff to proceed with this ENA between City and Developer to negotiate with each other on an exclusive basis to establish the terms and conditions of a ~~[Ground Lease] [~~Disposition and Development Agreement~~]~~ (the "Agreement") that would result in the Developer's ~~[leasing] [~~acquisition~~] and~~ of the Site from the City at its appraised fair market value and the Developer's subsequent development of the ~~Site (the "~~Project~~").~~ on the Site.

D. The Developer and the City are willing to enter into this ENA setting forth, among other things, the terms pursuant to which the City will negotiate with the Developer on an exclusive basis for a specified period regarding the terms of the Agreement.

E. Through the ENA Period (as defined below), the staff, consultants and attorneys' of the City will devote substantial time and effort in meeting with the Developer and its representatives, reviewing proposals, plans and reports, and negotiating and preparing the terms of this ENA and the Agreement.

NOW, THEREFORE, the Parties hereto agree as follows:

1. The term of this ENA shall commence on the date hereof and shall end on the earlier of: (i) the date that is one (1) calendar year after the date of this ENA, as may be extended by the City Manager under this Section 1, or (ii) the date on which the City terminates this ENA as provided in Section 2 below (the "ENA Period"). Provided that the Developer is not in default under this ENA and the City has not terminated this ENA pursuant to Section 2 below, the ENA period may be extended by the mutual written agreement of Developer and the City Manager of the City (acting for the City) for five (5) calendar months and then for three (3) calendar months (*i.e.*, to __September 21, 2017 and then ~~__,~~December 21, 2017, respectively); provided, however, that the City Manager may only grant an extension if: (i) the Developer is not then in default

under this ENA (including, without limitation, Section 7 below); (ii) there are no material issues remaining to be resolved with respect to the Agreement; and (iii) the applicable extension is necessary only to complete the CEQA Documents (as defined in Section 8 below) and then obtain City Council approval of the Agreement (which approval may be given or withheld in the City's sole and absolute discretion).

2. The City may terminate this ENA if the Developer should fail to comply with or perform any provisions of this ENA, or if progress is not being made in negotiations hereunder, as determined by City in good faith but in its sole and absolute discretion.

3. If the Developer and the City staff have not fully negotiated and agreed upon the terms of the Agreement prior to the end of the ENA Period, then this ENA shall automatically terminate and, except as expressly provided herein, neither party hereto shall have any further rights or obligations under this ENA. In no event shall any such negotiated Agreement become effective unless duly approved by the City board after compliance with the California Environmental Quality Act and all other applicable laws.

4. During the ENA Period (as extended under Section 1, if applicable), the City shall not negotiate with any person or entity other than the Developer for the sale, lease or development of the Site.

5. The Developer shall deliver the materials and information identified on Attachment No. 2 attached hereto to the City within the times set forth on Attachment No. 2. At the beginning of each calendar month during the ENA Period (as extended under Section 1, if applicable), Developer shall provide a written report to the City describing in reasonable detail the Developer's activities with respect to the Project during the preceding calendar month.

6. During the ENA Period (as extended under Section 1, if applicable), the City shall use good faith efforts to complete (or cause to be completed) the matters set forth in Attachment No. 4 attached hereto.

7. Developer shall reimburse City for its actual out-of-pocket costs and expenses (including legal fees and costs) incurred in preparing this ENA and fulfilling its obligations under this ENA from the date hereof, including, but not limited to: (i) the cost of developing, reviewing and processing any general plan amendments and/or specific plan amendments for the Site; (ii) the cost of preparing, reviewing and processing the CEQA Documents (as defined in Section 8 below); (iii) the costs of staff review of Developer submittals and the costs of consultants retained by City in connection with the Agreement or Project (including, without limitation, attorneys' fees and costs)~~ at the rates set forth on Attachment No. 4~~; and (iv) the cost of negotiation and preparing the Agreement (collectively, the "Reimbursable Costs"). Concurrently with its execution of this ENA, Developer shall deposit with the City the sum of ~~______________ Hundred~~Fifty-Five Thousand and No/100 Dollars ($~~__00,000.00) [INSERT APPROPRIATE AMOUNT BASED ON RANGE IN CITY'S "ENA STANDARD BUSINESS TERMS' POLICY]~~55,000.00) and on or before the date that is six (6) calendar months after the date of this ENA, Developer shall deposit with City an additional ~~____________ ($________________) [INSERT APPROPRIATE AMOUNT BASED ON RANGE IN CITY'S "ENA STANDARD BUSINESS TERMS" POLICY]~~Fifty Thousand and No/100

Dollars ($50,000.00) (the "Reimbursement Funds"). The Reimbursement Funds may be used and applied from time to time by the City to pay itself for Reimbursable Costs not otherwise paid or reimbursed by the Developer. The Developer shall deposit with the City funds sufficient to replenish the Reimbursement Funds held by City within ten (10) days after written demand by the City with a description of the costs paid from the Reimbursement Funds (unless previously described in writing to Developer). Any remaining amount of the Reimbursement Funds shall be delivered to the Developer (along with a final accounting of the City's application of the Reimbursement Funds) within thirty (30) business days after the earlier of: (i) the execution of the Agreement by the Parties, or (ii) the termination of this ENA. The provisions of this Section shall survive the expiration or earlier termination of this ENA. Notwithstanding anything to the contrary in this ENA, express or implied, City shall have the right in its sole and absolute discretion to cease evaluation of submittals relating to the Project, stop any other staff work and/or work of its consultants and stop negotiating or discussing the Project and/or Agreement, in whole or in part, in the event that City determines that the sums then on deposit with City are not sufficient to pay for all of the projected/established Reimbursable Costs projected/estimated by City.

8. The City and Developer acknowledge that all applicable requirements of the California Environmental Quality Act ("CEQA") must be met in order to execute and deliver the Agreement and develop the Site and that this may require an environmental impact report, supplemental environmental impact report and/or other reports or analyses for CEQA purposes (collectively, the “CEQA Documents”). The Developer will, at its cost, fully cooperate with the City in the City’s preparation of the CEQA Documents as the lead agency for the CEQA Documents.

9. Developer acknowledges that (a) if the Site or any portion thereof was part of the former Fort Ord, prevailing wages shall be paid in connection with the development of and construction on the Site by Developer (and any transferee of Developer) pursuant to Section 2(a) of the Implementation Agreement between City of Seaside and the Ford Ord Reuse Authority and Section 3.03.090 of the Fort Ord Reuse Authority Master Resolution described therein; and (b) prevailing wages may otherwise be required to be paid if the City provides any financial assistance to the Developer in connection with the Project.

10. Developer acknowledges that Developer shall be required to comply with (and to cause its contractors, subcontractors, tenants to comply with) the City’s Local First Source Recruitment Policy, a copy of which is available from City staff, and to give preference to contractors in the City and then to contractors in the County.

11. The Developer shall bear all costs and expenses of any and all title, environmental, physical, engineering, financial, and feasibility investigations, reports and analyses and other analyses or activities performed by or for the Developer.

12. The Developer and the City understand and agree that neither Party is under any obligation whatsoever to enter into a Agreement. In the event of the expiration or earlier termination of this ENA, the City shall be free at the City's option to negotiate with any persons or entities with respect to the sale, lease and development of the Site.

13. The Developer shall indemnify, defend, and hold the City and City harmless from any and all costs, expenses, losses, claims, liabilities, damages and causes of action arising out of Developer's entering into or performing this ENA and/or Developer's failure to perform any obligation of Developer under this ENA. The Developer's obligations under the preceding sentence shall survive the expiration or earlier termination of this ENA.

14. The Developer represents and warrants that its undertakings pursuant to this ENA are for the purpose of development of the Site and not for speculation in land, and the Developer recognizes that, in view of the importance of the redevelopment of the Site to the general welfare of the community, the qualifications and identity of the Developer and its principals are of particular concern to the City; therefore, this ENA may not be assigned by the Developer without the prior express written consent of the City in its sole and absolute discretion. However, the City acknowledges that the Developer may intend to form a new entity controlled by the parties comprising the Developer that will be the Developer entity that will be a party to the Agreement. The City shall have the right to review and approve the organizational documents of such entity and the entities comprising such entity.

15. Any notice, request, approval or other communication to be provided by one Party to the other shall be in writing and provided by certified mail, return receipt requested, or a reputable overnight delivery service (such as Federal Express) and addressed as follows:

If to the Developer:

Mid Coast Holdings Group, LLC
c/o Autopilot Development Services, LLC
7459 E. De La O Road
Scottsdale, AZ 85255
Attn: Rick Cartell

If to the City:

City of Seaside
440 Harcourt Avenue
Seaside, CA 93955
Attn: City Manager

Notices shall be deemed delivered: (i) if sent by certified mail, then upon the date of delivery or attempted delivery shown on the return receipt; or (ii) if delivered by overnight delivery service, then one (1) business day after delivery to the service as shown by records of the service.

16. For purposes of the negotiations contemplated by this ENA, the Developer's representative shall be __Rick Cartell (Phone: ~~(___) _~~480/473-0256; Email: cartel@autopilotusa.com) and the City's representative shall be __Craig Malin (Phone: ~~(___) __________~~831/899-6700; Email: ~~________________~~cmalin@ci.seaside.ca.us).

17. This ENA constitutes the entire agreement of the Parties hereto with respect to the subject matter hereof. There are no agreements or understandings between the Parties and no representations by either Party to the other as an inducement to enter into this ENA, except as expressly set forth herein. All prior negotiations between the Parties are superseded by this ENA. Neither the City nor its officers, members, staff or agents have made any representations, warranties or promises to the Developer other than as expressly set forth herein.

18. This ENA may not be altered, amended or modified except by a writing duly approved and executed by all Parties.

19. If any Party should bring any legal action or proceeding relating to this agreement or to enforce any provision hereof, or if the Parties agree to arbitration or mediation relating to this ENA, the Party in whose favor a judgment or decision is rendered shall be entitled to recover reasonable attorneys' fees and expenses from the other. The Parties agree that any legal action or proceeding or agreed-upon arbitration or mediation shall be filed in and shall occur in the County of Monterey.

20. The interpretation and enforcement of this ENA shall be governed by the laws of the State of California.

21. Time is of the essence of each and every provision hereof in which time is a factor.

22. This ENA may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same ENA.

IN WITNESS WHEREOF, the Parties hereto have executed this ENA as of the day and year first written above.

CITY:

CITY OF SEASIDE

By: ______________________________

Craig Malin,
~~Mayor~~City Manager

DEVELOPER:

~~_________________________________,~~
~~a _______________________________~~

MID COAST HOLDINGS GROUP, LLC,
a limited liability company

By: ______________________________
~~Print Name: ______________________~~
~~Title: ___________________________~~
Richard Cartell,
Member

Attest:

____
Leslie Milton-Rerig,
City Clerk

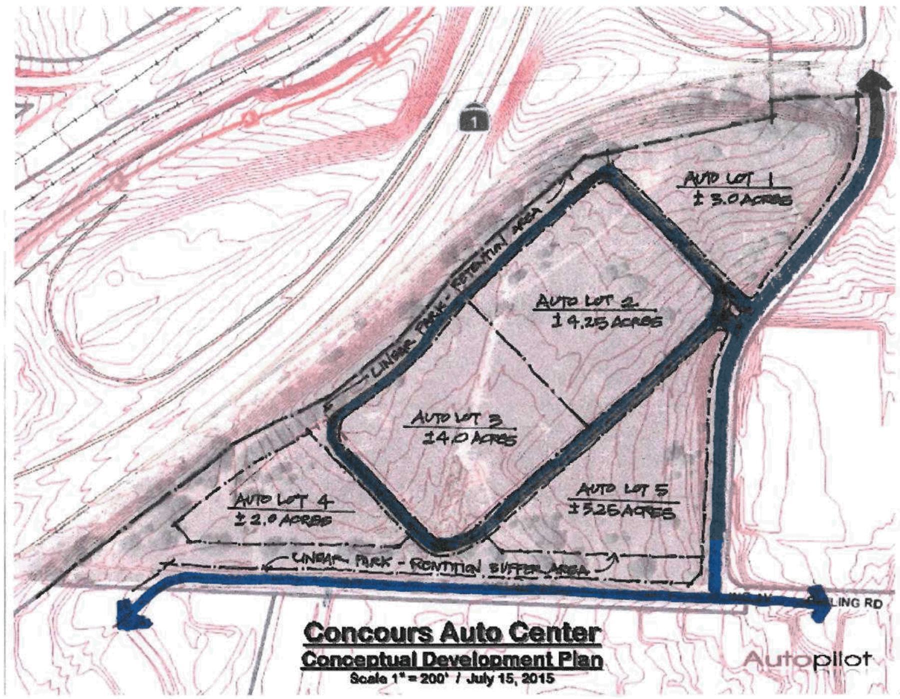
Approved at to Form:

____
Bruce Galloway of Richards, Watson &
Gershon, Counsel to City

ATTACHMENT NO. 1

SITE MAP

(Attached.)


AUTO LOT 1
± 3.0 ACRES
AUTO LOT 2
± 4.25 ACRES
AUTO LOT 3
± 4.0 ACRES
AUTO LOT 4
± 2.0 ACRES
AUTO LOT 5
± 5.25 ACRES
LINEAR PARK - RETENTION AREA
LINEAR PARK - RETENTION BUFFER AREA
1
Concours Auto Center
Conceptual Development Plan
Scale 1" = 200' / July 15, 2015
Autopilot

ATTACHMENT NO. 2

SPECIFIC DEVELOPER TASKS

1. Within ~~________~~four (4) calendar months after the date of this ENA, Developer shall deliver the following items for City staff review and approval:

   i. ~~i)~~ Preliminary site plan and revised architectural concept drawings identifying the location, general configuration traffic circulation, and proposed design characteristics of the Project.

   ii. ~~ii)~~ Conceptual development program ("Development Program") for the Project that include a breakdown of the proposed scope of development including a range of building square feet by land use and acreage by land use, improvements, approximate number and mix of any residential units, any affordable housing units by level of affordability, proposed public parks/amenities, circulation acreage, and other general uses.

   iii. ~~iii)~~ Detailed market analysis for the Project demonstrating the marketability of the proposed conceptual development program. If appropriate, the findings of the market study may be used to modify and refine the development concept.

2. Within ~~________~~six (6) calendar months after the date of this ENA, Developer and City staff shall determine the likely type and schedule for obtaining entitlements necessary for construction of the Project including, but not limited to, discretionary permits.

3. Within ~~________~~seven (7) calendar months after the date of this ENA, Developer shall deliver to City for City staff review and approval, a preliminary financing plan for the proposed Project.

4. Within ~~________~~eight (8) calendar months after the date of this ENA, Developer shall submit to City a schedule of development setting forth the proposed timetable for the commencement, substantial completion and final completion of the Project (the "Development Schedule").

5. Within ~~________~~nine (9) calendar months after the date of this ENA, Developer shall deliver to City for City staff review and approval, an organizational chart of the Developer that corresponds to the proposed Development Program.

6. Within ~~________~~nine (9) calendar months after the date of this ENA, Developer shall deliver to the City a fully completed and executed development application including all items identified on the City of Seaside Development Application Submittal Checklist.

7. Developer shall promptly provide comments to the City on the initial draft of the Agreement and subsequent drafts submitted by City.

8. Within _ten (10) calendar months after the date of this ENA, Developer shall obtain and review a preliminary report for the Site from a title company selected by Developer and copies of the documents listed as title exceptions therein and shall deliver copies of the reports and documents to City together with a written description of any objections Developer may have to any of the title exceptions (and the rationale for the objections), it being understood that Developer shall have the right under the Agreement to perform/obtain an ALTA survey at Developer's cost and reasonably object to items (and locations of title exceptions) disclosed by such survey.

Prior to execution of the Agreement, the Developer shall submit to the City for its review and approval all organizational documents for the entities signing the documents (and, to the extent requested by City, information, certifications and/or documents relating to the ownership, control and signing authority of the direct and indirect owners, members or partners of each such entity).

ATTACHMENT NO. 3

~~SPECIFIC~~ SPECIFY CITY TASKS

1. Within thirty (30) days after the Effective Date, City shall provide to Developer copies of all currently existing plans, studies and other written information regarding the Site in the possession of the City, to the extent not previously delivered to Developer and to the extent material to the Project. Thereafter, the City shall promptly provide to Developer within ten (10) days after receipt thereof copies of all plans, studies and other written information material to the Project which are received by the City.

2. As soon as they are available, the City shall provide the Developer with copies of contracts entered into between the City and its consultants for the Project. Developer shall have the right to review and provide input to any and all consultant contracts procured on its behalf prior to execution by the City.

3. Within ~~__________~~four (4) months after the date of this ENA, Developer and City staff shall determine the likely type and schedule for obtaining entitlements necessary for construction of the Project including, but not limited to, the Discretionary Permits.

4. City shall use good faith efforts to diligently prepare and process the required CEQA Documents. City agrees to submit a CEQA status report to the Developer monthly during the term of this ENA or as mutually determined by the Parties.

5. City and City staff will review the Developer's development application and other submissions in a timely manner.

6. On or before ~~____________,~~June 1, 2016, City shall provide an initial draft of the Agreement to Developer and shall thereafter revise the draft Agreement to the extent reasonably permitted by the Agreement negotiations.

7. No consents, approvals or comments by City staff or City staff shall diminish, affect or waive either: (i) rights of the City to later impose conditions and requirements under CEQA; (ii) the rights of the City not to approve the Agreement; (iii) the City's governmental rights, powers and obligations.

~~**ATTACHMENT NO. 4**~~

~~STAFF HOURLY RATES~~

~~(Attached.)~~

Document comparison by Workshare Professional on Thursday, April 14, 2016 2:47:02 PM

Input:	
Document 1 ID	interwovenSite://RWGDMS2/RWGIMAN1/1128969/4
Description	#1128969v4<RWGIMAN1> - Exclusive Negotiating Agreement
Document 2 ID	interwovenSite://RWGDMS2/RWGIMAN1/1948360/1
Description	#1948360v1<RWGIMAN1> - Mid Coast Holding Group -- Exclusive Negotiating Agreement
Rendering set	standard

Legend:	
Insertion	
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Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
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Moved to	0
Style change	0
Format changed	0
Total changes	106

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.A.

TO: Successor Agency to the Redevelopment Agency of the City of Seaside

FROM: Craig Malin, City Manager

BY: Diana Ingersoll, Deputy City Manager Resource Management Services
Sharon Mikesell, Administrative Analyst

DATE: April 21, 2016

SUBJECT: **PRESENTATION OF THE IMPLEMENTATION PLAN FOR PROPERTIES INCLUDED IN THE LONG RANGE PROPERTY MANAGEMENT PLAN**

PURPOSE

The purpose of this item is to present the Implementation Plan regarding disposition of properties included in the Long Range Property Management Plan approved by the Department of Finance.

RECOMMENDATION

It is recommended that the City Council/ Successor Agency receive the Implementation Plan regarding disposition of properties included in the Long Range Property Management Plan and provide direction, if appropriate.

BACKGROUND

The former Seaside Redevelopment Agency (RDA) was dissolved on February 1, 2012, pursuant to ABx1 26, as amended by AB 1484. The redevelopment dissolution statutes govern the former RDA dissolution which includes the disposition of the former RDA's real property.

On May 29, 2015, the California Department of Finance approved the Long Range Property Management Plan. This approval indicates that the City can move forward with dispositions of the properties.

The City of Seaside will enter into a compensation agreement or agreements with the affected taxing entities in accordance with Health and Safely Code Section 34180(f).

The categories of disposition and properties included in the Long Range Property Management Plan are as follows:

A. Properties to be Transferred to City and Retained for Governmental Use
- 1380 Canyon Del Rey Boulevard

- 1372 Canyon Del Rey Boulevard
- Seaside Auto Mall Rights of Way (ROW)
- Gigling Road Right of Way (ROW)
- Parker Flats/Normandy Road Right of Way (ROW)

B. Properties to be Transferred to City and Retained for Future Development
- 1441 Canyon Del Rey Boulevard (Embassy Suites Hotel Property)
- Seaside Resort Development
- General Jim Moore Boulevard and Eucalyptus (Former First Tee Site)
- Lightfighter Drive between First and Second Avenues (The Projects at Main Gate Site)
- First Avenue and Lightfighter Drive (Commercial/Recreation Parcel)
- Surplus II Planning Area
- Tank Site

C. Properties to be Sold
- 1350 Del Monte Boulevard
- 1271 Canyon Del Rey Boulevard
- 307 Roberts Avenue
- 1533-1535 Del Monte Boulevard
- Broadway Avenue and Terrace Street
- 1264-1284 Broadway Avenue (Troia Building)
- 1600 and 1624 La Salle Avenue

Attached is the Implementation Plan recommended by staff.

FISCAL IMPACT

There is no fiscal impact associated with this item.

ATTACHMENTS

1. Implementation Plan for LRPMP

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

IMPLEMENTATION PLAN
FOR PROPERTIES IN THE LONG RANGE PROPERTY MANAGEMENT PLAN

Long Range Property Management Plan (LRPMP) was adopted by the California Department of Finance on May 29, 2015

Pursuant to Health and Safety Code (HSC) section 34191.3, the approved LRPMP shall govern, and supersede all other provisions relating to the disposition and use of all the real property assets of the former redevelopment agency.

Agency actions taken pursuant to a Finance approved LRPMP, which requires the Agency to enter into a **new agreement** are subject to oversight board (OB) approval per HSC section 34181(f). Any OB approving a new agreement in connection with the LRPMP should be submitted to Finance for approval.

An On-Call List of Real Estate Professionals was approved by a joint meeting of the City Council of the City of Seaside and the Successor Agency to the Redevelopment Agency of the City of Seaside. These real estate professionals and firms were chosen since they have the experience in the disposition and sales of these types of properties and a proven track record of working with former RDAs/Successor Agencies. The scope of real estate services they will be providing include, but not be limited to appraisals, acquisition, disposition and management of agency-owned property identified in the LRPMP and will comply with California Department of Real Estate (DRE) rules and regulations. The On-Call List is comprised of the following firms:

A. Dutra Cerro Graden - Dublin, CA. (CalBRE #01521674)
B. Carpenter-Robbins - San Ramon, CA (CalBRE #013183338)
C. Applied Development Economics, Inc/DTZ - Monterey, CA (CalBRE #00989268) (Michael Schoeder, DTZ)
D. Transwestern - San Jose, CA. (CA BRE #01263636)

Compensation Agreements

The City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities in accordance with Health and Safety Code Section 34180(f). Core elements of a compensation agreement(s) would specify the following.

- A listing of the property(ies) that are subject to the compensation agreement(s).
- A requirement that sales proceeds will be proportionally distributed to the taxing entities by the county Auditor-Controller pursuant to section 34118 of the Dissolution Act.
- A definition of "Disposition Proceeds" as being the gross purchase price net of City costs in disposing of the property(ies). The calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying

or maintaining the property and in preparing and improving the site for development.

Property Disposition Categories

AB 1484 sets forth the following permissible uses or disposition under the LRPMP process:

A. Retention of the property for governmental use pursuant to HSC §34181(a)
B. Use of the property to fulfill an enforceable obligation
C. Retention of the property for future development
D. Sale of the property

Property Inventory and Disposition and Use – See Figure 1 for location

A. Properties to be Transferred to City and Retained for Governmental Use
- 1380 Canyon Del Rey Boulevard [No. 4]
- 1372 Canyon Del Rey Boulevard [No. 5]
- Seaside Auto Mall Rights of Way (ROW) [No. 6]
- Gigling Road Right of Way (ROW) [No. 18]
- Parker Flats/Normandy Road Rights of Way (ROW) [No. 19]

B. Properties to be Transferred to City and Retained for Future Development
- 1441 Canyon Del Rey Boulevard (Embassy Suites Hotel Property) [No. 2]
- Seaside Resort Development [No. 12]
- General Jim Moore Boulevard and Eucalyptus (Former First Tee Site) [No. 13]
- Lightfighter Drive between First and Second Avenues (The Projects at Main Gate Site) [No. 14]
- First Avenue and Lightfighter Drive (Commercial/Recreation Parcel) [No. 15]
- Surplus II Planning Area [No. 16]
- Tank Site [No. 17]

C. Properties to be Sold
- 1350 Del Monte Boulevard [No. 1]
- 1271 Canyon Del Rey Boulevard [No. 3]
- 307 Roberts Avenue [No. 7]
- 1533-1535 Del Monte Boulevard [No. 8]
- Broadway Avenue and Terrace Street [No. 9]
- 1264-1284 Broadway Avenue (Troia Building) [No. 10]
- 1600 and 1624 La Salle Avenue [No. 11]

Restrictions on Disposition of Former RDA Seaside–Fort Ord Properties

Under the 1994 Authority Act (SB 899 and AB 1600), as codified at (i) Government code Title 7.85, Chapters 1 through 7, commencing with Section 67650, and (ii) selection provision of the California Redevelopment Law, including Health and Safety Code Sections 33492 et seq. and 33492.70 et seq., and the Implementation Agreement, **all revenues—including land sale revenues—received by the Fort Ord Reuse Authority (FORA) and/or the Jurisdiction (City/former RDA) are to be divided equally between FORA and the Jurisdiction**. FORA is required to use its portion of the revenues received to remove abandoned barracks and buildings. Building permits cannot be issued by the City of Seaside until FORA acknowledges receipt of all required land sale revenue and development fees.

In addition, the City is to require the recordation of deed restrictions and covenants that state that any development of the property will be, and is subject to, the provisions of the Base Reuse Plan, the City's general plan and land use ordinances, and compliance with the California Environmental Quality Act.

Requirements Related to Properties Purchased with Federal CDBG Funds

Certain Successor Agency properties were transferred to the former RDA from the City of Seaside. The City purchased three of these properties (1264-1284 Broadway Avenue (Troia Building), 1271 Canyon Del Rey Boulevard, and 1441 Canyon Del Rey Boulevard), whole or in part, with federal Community Development Block Grant (CDBG) funds. According to CDBG regulations, gross income generated from the disposition of properties acquired with CDBG funds is required to be returned to the City as program income in proportion to the amount of CDBG funds used to acquire and/or develop the property. Furthermore, any income from disposed properties transferred to the Agency acquired all or in part with CDBG funds need to be appropriately distributed back to the City for CDBG program usage. The Department of Housing and Urban Development (HUD), which administers the CDBG program, maintains other regulations related to the disposition of property.

Public Rights of Way within Larger Properties

Three of the Fort Ord properties include public roadway rights of way that will need to be retained by the City for governmental use so that they can continue to be used for public roads. The City of Seaside will maintain the public roadways. The rights of way are within the Main Gate, Commercial/Recreation, and Surplus II Planning properties, and are as follows.

Rights of Way Lightfighter Drive and First Avenue (The Projects at Main Gate Site) [No. 14]

Lightfighter Drive
Length = 2,623' Width = 122' Area = 320,006 sf (7.35 acres) First Avenue (Lightfighter to north city limit)
Length = 1,980' Width = 60' Area = 118,800 sf (2.73 acres)

First Avenue and Lightfighter Drive (Commercial/Recreation Parcel) [No. 15]

Gigling (First Avenue to west city limit)
Length = 1,667' Width = 60' Area = 100,020 sf (2.30 acres) First Avenue (Gigling to Lightfighter)
Length = 1,323' Width = 60' Area = 79,380 sf (1.82 acres)

Rights of Way Surplus II [No. 16]

Colonel Durham
Length = 3,778' Width = 60' Area = 226,680 sf (5.20 acres)
Malmedy
Length = 869' Width = 60' Area = 52,140 sf (1.2 acres)
Parker Flats
Length = 578' Width = 60' Area = 34,680 sf (0.80 acres)
Arnhem
Length = 583' Width = 60' Area = 34,908 sf (0.80 acres)
Sixth Avenue
Length = 803' Width = 60' Area = 48,180 sf (1.11 acres)

PROPERTY DISPOSITION

Properties to be Transferred to City and Retained for Governmental Use

1380 Canyon Del Rey Boulevard [No. 4]

The property is to be transferred to the City for no consideration and retained for governmental use pursuant to HSC §34191.5(c)(2). Specifically, this property is currently held by the Successor Agency and will be transferred to the City as part of its Canyon Del Rey Boulevard plan line and the future development of a linear park as part of its West Broadway Urban Village Specific Plan.

Due to Canyon del Rey Boulevard's status as a State Highway, it is further recommended that the City enter into discussions with Caltrans to explore an acquisition and joint improvement project under which the property would be sold to Caltrans. Should the property be sold to Caltrans, the City would distribute any net unrestricted proceeds from the sale or lease to each taxing entity in an amount proportionate to its share of property tax revenues. If the City is unsuccessful in negotiating the sale of the property to Caltrans within an 18 month period, the City would retain the property for governmental use until such time that the City can undertake and maintain the proposed plan line improvements.

1372 Canyon Del Rey Boulevard [No. 5]

The Property is to be transferred to the City for no consideration and retained for governmental use pursuant to HSC §34191.5(c)(2). Specifically, this property is currently held by the Successor Agency and will be transferred to the City to be retained for the Canyon Del Rey Boulevard plan line project and the future development of a public linear park as part of City's West Broadway Urban Village Specific Plan.

Due to Canyon del Rey Boulevard's status as a State Highway, it is further recommended that the City enter into discussions with Caltrans to explore an acquisition and joint improvement project under which the property would be sold to Caltrans. Should the property be sold to Caltrans, the City would distribute any net unrestricted proceeds from the sale or lease to each taxing entity in an amount proportionate to its share of property tax revenues. If the City is unsuccessful in negotiating the sale of the property to Caltrans within an 18 month period, the City would retain the property for governmental use until such time that the City of Seaside can undertake and maintain the improvements.

Seaside Auto Mall Rights of Way (ROW) [No. 6]

These properties are be transferred to the City for no compensation and retained for governmental use pursuant to HSC §34191.5(c)(2). Specifically, these parcels are currently held by the Successor Agency and will be transferred to the City so that they can continue to be used as public rights of way.

Gigling Road Right of Way (ROW) [No. 18]

Gigling Road Right of Way be transferred to the City for no compensation and retained for governmental use pursuant to HSC §34191.5(c)(2) so that it can continue to function as a public road Right of Way.

Parker Flats/Normandy Road Rights of Way (ROW) [No. 19]

Parker Flats/Normandy Road Rights of Way be transferred to the City for no compensation and retained for governmental use pursuant to HSC §34191.5(c)(2) so that they can continue to function as a public road and related Right of Way.

<u>Properties to be Transferred to City and Retained for Future Development</u>

1441 Canyon Del Rey Boulevard (Embassy Suites Hotel Property) [No. 2]

The property is to be transferred to the City for future development, in accordance with HSC §34191.5(c)(2)(A).

This property is currently owned by the Successor Agency and will be transferred to the City for future development. The City intends to enter into an assignment agreement with the Successor Agency to administer the ground lease that obligates the City and former RDA to lease the property to the Embassy Suites Hotel.

Should the property be sold to a third party, the City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities in accordance with Health and Safety Code Section 34180(f). The City anticipates the compensation agreement(s) would specify that should there be any net unrestricted proceeds from sale of this property that they would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. The provisions of this paragraph regarding compensation agreements will not be operative if a court order or decision, legislation or Department of Finance policy eliminates the need for any compensation agreements.

Because the City purchased the property with CDBG funds, the annual ground lease revenues generated by the property are allocated to the City's CDBG program income account. Federal guidelines define the sale or long term lease of real property purchased or improved with CDBG funds as program income (24 CFR 570.500(a) 1)(i)]. The City's local Housing and Urban Development Department representative provided written confirmation that in this case the proceeds from the lease payments are program income for the life of the ground lease and if the rights to the ground lease are sold, the sales proceeds are program income. As such, the City is obligated to meet CDBG requirements for the use of proceeds from the sale of the property.

Sales proceeds would be considered program income and would be required to be re-invested in the community and re-programmed for CDBG eligible activities.

Seaside Resort Development [No. 12] General Jim Moore Boulevard and Eucalyptus

The property is to be transferred to the City for future development, in accordance with HSC §34191.5(c)(2)(A).

This property is currently owned by the Successor Agency and will be transferred to the City for future development. The City intends to enter into an assignment agreement with the Successor Agency to administer the Amended and Restated Seaside Resort Development Disposition and Development Agreement. Under the assignment agreement, the City would sell the property to the developer, SRD, who has agreed to buy the property subject to the DDA conditions. SRD must purchase all property and meet all performance requirements in accordance with the Schedule of Performance.

(Former First Tee Site) [No. 13] Lightfighter Drive between First and Second Avenues

The property is to be transferred to the City and retained for future development pursuant to HSC §34191.5(c)(2)(A). The *Midterm Review of the Seaside–Fort Ord Redevelopment Project Five Year (2007-2012) Implementation Plan* identified the General Jim Moore and Eucalyptus Road site as a key component of redevelopment efforts on the former Fort Ord military base. The proposed trade/convention center on the site would meet the redevelopment goals and objectives identified in the Seaside–Fort Ord Redevelopment Plan.

The First Tee site will be disposed of to a qualified developer who will acquire and develop the property in a timely manner in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition between the City and the selected developer. The developer will be selected through an application process involving solicitation of interested prospective developers with a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means.

(The Projects at Main Gate Site) [No. 14] First Avenue and Lightfighter Drive

The property is to be transferred to the City and retained for future development pursuant to HSC §34191.5(c)(2)(A). The Implementation Plan 2007-2012 for the Seaside–Fort Ord Redevelopment Project Area identified the Projects at Main Gate site as a key component of redevelopment efforts on the former Fort Ord military base. The proposed commercial development on the site would meet the redevelopment goals and objectives identified in the Seaside–Fort Ord Redevelopment Plan.

The Projects at Main Gate site will be disposed of to a qualified developer who will acquire and develop the property in a timely manner in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition between the City and the selected developer. The developer will be selected through an application process involving solicitation of interested prospective developers with a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means.

(Commercial/Recreation Parcel) [No. 15]

The property is to be transferred to the City and retained for future development pursuant to HSC §34191.5(c)(2)(A). The *Midterm Review of the Seaside–Fort Ord Redevelopment Project Five Year (2007-2012) Implementation Plan* identified the First Avenue/Light Fighter Drive (Open Space) site as a component of redevelopment efforts on the former Fort Ord military base. A project on the site would meet the redevelopment goals and objectives identified in the Seaside– Fort Ord Redevelopment Plan.

The development of the site as a planned development will effectuate the former RDA's plans to develop a high quality recreational commercial project at this location as specified in the Redevelopment Plan and 2007-2012 Implementation Plan for the Seaside–Fort Ord Project Area.

The Commercial/Recreation Parcel site will be disposed of to a qualified developer who will acquire and develop the property in a timely manner in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition between the City and the selected developer. The developer will be selected through an application process involving solicitation of interested prospective developers with a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means.

Surplus II Planning Area [No. 16]

The property is to be transferred to the City and retained for future development pursuant to HSC §34191.5(c)(2)(A). Five portions of the property are public roadways and will be carved out of the existing parcels as public rights of way and transferred to the City to be retained for governmental use pursuant to HSC §34191.5(c)(2). The *2007-2012 Implementation Plan for the Seaside–Fort Ord Redevelopment Project Area* identified the Surplus II Planning Area as a key component of redevelopment efforts on the former Fort Ord military base. Development on the site would meet the redevelopment goals and objectives identified in the Fort Ord-Seaside Redevelopment Plan. The Agency has entered into an ENA with KB- Bakewell Seaside Venture to master plan and develop the property.

Tank Site [No. 17]

The property is to be transferred to the City and retained for future development pursuant to HSC §34191.5(c)(2)(A).Development on the Tank Site would meet the redevelopment goals and objectives identified in the Fort Ord-Seaside Redevelopment Plan.

The Tank Site will be disposed of to a qualified developer who will acquire and develop the property in a timely manner in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition between the City and the selected developer. The developer will be selected through an application process involving solicitation of interested prospective developers with a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means.

Properties to be Sold

1350 Del Monte Boulevard [No. 1] (Note – Site has been sold)

Pursuant to HSC §34191.5(c)(2)(B), the Successor Agency will sell the property. The Agency has negotiated and approved a Purchase and Sale Agreement and Escrow Instructions (PSA) with In-N-Out Burgers, a California corporation to purchase the site for the fair market value of $1.54 million dollars established in the February 2014 appraisal. The Oversight Board approved the PSA on July 25, 2014.

1271 Canyon Del Rey Boulevard [No. 3]

Pursuant to HSC §34191.5(c)(2)(B), the Successor Agency will sell the property to a prospective purchaser at fair market value. The Agency further recommends that it either 1) enter into discussions with the Monterey Regional Parks District, an adjacent land owner, to buy the property, and to identify funding to improve the property for parking and relocated picnic area uses, or 2) determine if the other adjacent property owner, Brinker International, dba Chili's, is interested in acquiring the property for business or parking expansion.

The Successor Agency will list the property for sale within six month of DOF's approval of the LRPMP. If reasonable progress is not made and a buyer is not identified within 18 months of placing the property for sale, the property will be transferred to the City to be retained for future economic development.

Pursuant to AB 1484, upon the sale of the property by the Successor Agency to the highest bidder, the City will either use the proceeds to pay enforceable obligations or distribute any net unrestricted proceeds from the sale or lease to each taxing entity in an amount proportionate to its share of property tax revenues. The calculation of net unrestricted proceeds shall take into account the transaction costs incurred by the Successor Agency in marketing the property and processing the sale.

Should the Agency transfer the property to the City to retain for future development, the City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities. The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sale of the property would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. The provisions of this paragraph regarding compensation agreements will not be operative if a court order or decision, legislation or Department of Finance policy eliminates the need for any compensation agreements.

The City will dispose of the 1271 Canyon Del Rey site to a qualified developer who will acquire and develop the property in a timely manner and in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition between the City and the selected developer. The developer will be selected through an application process involving solicitation of interested prospective developers with a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means.

307 Roberts Avenue [No. 7]

Pursuant to HSC §34191.5(c)(2)(B), the Successor Agency will sell the property to a prospective purchaser at fair market value and the net proceeds of the sale of the property will be distributed as property tax to the taxing entities.

1535 Del Monte Boulevard [No. 8]

Pursuant to HSC §34191.5(c)(2)(B), the Successor Agency will sell the property to a prospective purchaser at fair market value and the net proceeds of the sale of the property will be distributed as property tax to the taxing entities. (From the disposition proceeds, the Successor Agency may "net out" and retain an amount to cover its reasonable costs in connection with the disposition process, attorneys' fees, title insurance premiums, closing costs, and transfer taxes.)

Broadway Avenue and Terrace Street [No. 9]

Pursuant to HSC §34191.5(c)(2)(B), the Successor Agency will sell the property to a prospective purchaser at fair market value and any net unrestricted proceeds of the sale of the property will be distributed as property tax to the taxing entities.

The Successor Agency will list the property for sale within six months of DOF's approval of the LRPMP. If reasonable progress is not made and a buyer is not identified within 18 months of placing the property for sale, the property will be transferred to the City to be retained for future economic development.

Pursuant to AB 1484, upon the sale of the property by the Successor Agency to the highest bidder, the Agency will either use the proceeds to pay enforceable obligations or distribute any net unrestricted proceeds from the sale or lease to each taxing entity in an amount proportionate to its share of property tax revenues. The calculation of net unrestricted proceeds shall take into account the transaction costs incurred by the Successor Agency in marketing the property and processing the sale.

Should the Successor Agency transfer the property to the City to retain for future economic development, the City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities.. The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sale of the property would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development.

Should the City retain the property for future development, the City will be able to achieve the former RDA's plan for the site. The City will also be able to ensure that a project is developed that meets the City General Plan and zoning policies. In addition, by retaining the property, the City can identify a developer with the necessary experience and expertise to complete a development in a realistic timeframe while avoiding a buyer who is interested in a more speculative real estate investment.

The site will be disposed of to a qualified real estate developer to acquire (or ground lease) and develop the property in a timely manner in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition or ground lease between the City and the developer. The Developer will be selected through an appropriate selection process involving solicitation of interested prospective developers through a Request for Qualifications (RFQ), Request for Proposals (RFP), qualified bid or similar selection process.

1264-1284 Broadway Avenue (Troia Building) [No. 10]

Pursuant to HSC §34191.5(c)(2)(B), the Successor Agency will sell the property to a prospective purchaser at fair market value and any net unrestricted proceeds of the sale of the property will be distributed as property tax to the taxing entities. (From the disposition proceeds, the Successor Agency may "net out" and retain an amount to cover required CDBG program reinvestment and reasonable costs in connection with the disposition process.)

1600 and 1624 La Salle Avenue [No. 11]

Pursuant to HSC §34191.5(c)(2)(B), the Successor Agency will sell the property to a prospective purchaser at fair market value and the net proceeds of the sale of the property will be distributed as property tax to the taxing entities. (From the disposition proceeds, the Successor Agency may "net out" and retain an amount to cover its reasonable costs in connection with the disposition process, attorneys' fees, title insurance premiums, closing costs, and transfer taxes.)

NEXT STEPS

<u>Properties to be Transferred to City and Retained for Governmental Use</u>

- Direct the city's Public Works Engineering Division to obtain consultants to perform the necessary surveying and mapping requirements and prepare the necessary deeds for each property to be transferred to city and retained for governmental use.
- Direct the City Engineer to enter into discussions with CalTrans for the properties identified as 1380 Canyon del Rey Blvd. [No. 4] and 1372 Canyon del Rey Blvd. [No.5] as recommended in the LRPMP.

<u>Properties to be Transferred to City and Retained for Future Development</u>

- Request Agency's Legal Counsel to prepare a sample Compensation Agreement that would be used as a framework for Agency staff to use to negotiate each property according to the LRPMP.

- Prepare a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means as soon as possible for the following sites:
  - (Former First Tee Site) [No. 13] Lightfighter Drive between First and Second Avenues
  - (The Projects at Main Gate Site) [No. 14] First Avenue and Lightfighter Drive
  - (Commercial/Recreation Parcel) [No. 15] (Note – currently under an ENA)
  - Tank Site [No. 17]

- The City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities in accordance with Health and Safety Code Section 34180(f). The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sale of the property would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. Based on this assumption, upon approval of the LRPMP, the Successor Agency will transfer the following sites to the city
    - First Tee site to the City.
    - The Projects at Main Gate site
    - Commercial/Recreation Parcel site
    - Surplus II site
    - Tank Site

- Request the Agency's Legal Counsel to prepare an assignment agreement between the City and the Successor Agency

  - To administer the ground lease that obligates the City and former RDA to lease the property located at 1441 Canyon Del Rey Boulevard (Embassy Suites Hotel Property) [No. 2].
  - To administer the Amended and Restated Seaside Resort Development Disposition and Development Agreement (Seaside Resort Development [No. 12] General Jim Moore Boulevard and Eucalyptus). Under the assignment agreement, the City would sell the property to the developer, SRD, who has agreed to buy the property subject to the DDA conditions. SRD must purchase all property and meet all performance requirements in accordance with the Schedule of Performance.

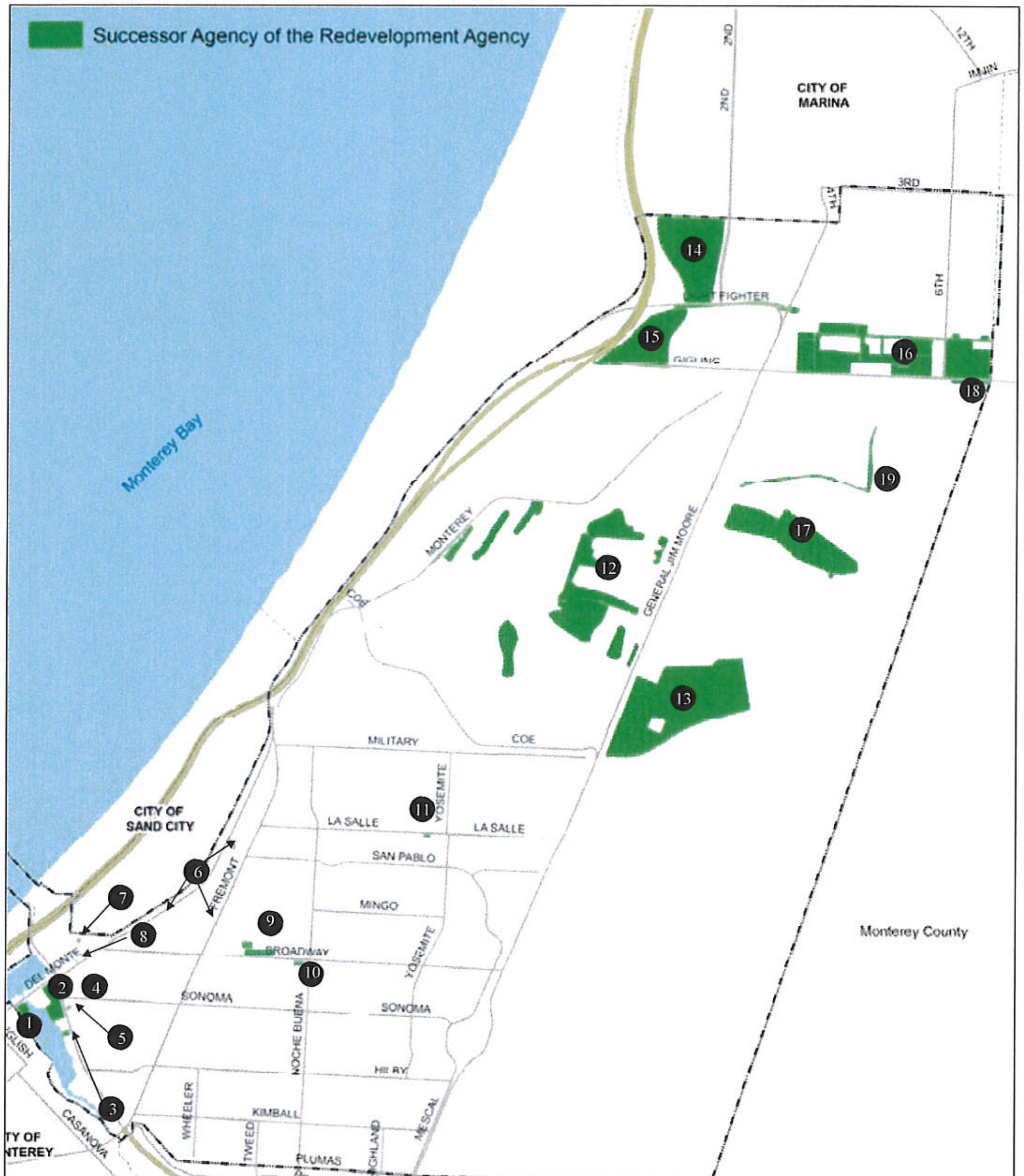
Properties to be Sold

- Enter into a contract with the consultant firms from the approved On-Call List to perform a scope of work of requested real estate services as required for each property to be sold.
- Should the following properties not be sold according to the timeline outlined in the long range property plan the Agency shall:

  - **1271 Canyon Del Rey Boulevard [No. 3]- 1271 Canyon Del Rey Boulevard [No. 3] -** The Agency further recommends that it either 1) enter into discussions with the Monterey Regional Parks District, an adjacent land owner, to buy the property, and to identify funding to improve the property for parking and relocated picnic area uses, or 2) determine if the other adjacent property owner, Brinker International, dba Chili's, is interested in acquiring the property for business or parking expansion. The property will be transferred to the City to be retained for future economic development. Should the Agency transfer the property to the City to retain for future development, the City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities. The City will dispose of the 1271 Canyon Del Rey site to a qualified developer who will acquire and develop the property in a timely manner and in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition between the City and the selected developer. The developer will be selected through an application process involving solicitation of interested prospective developers with a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means.

  - **Broadway Avenue and Terrace Street [No. 9] -** the property will be transferred to the City to be retained for future economic development. Should the Successor Agency transfer the property to the City to retain for future economic development, the City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities. The site will be disposed of to a qualified real estate developer to acquire (or ground lease) and develop the property in a timely manner in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition or ground lease between the City and the developer. The Developer will be selected through an appropriate selection process involving solicitation of interested prospective developers through a Request for Qualifications (RFQ), Request for Proposals (RFP), qualified bid or similar selection process.

Figure 1
Location of Properties of the Former Redevelopment Agency of the City of Seaside



1	1350 Del Monte Boulevard	10	1264-1284 Broadway Avenue (Troia Building)
2	1441 Canyon Del Rey Boulevard (Embassy Suites Hotel Property)	11	1600 & 1624 La Salle Avenue
3	1271 Canyon Del Rey Boulevard	12	Seaside Resort Development
4	1380 Canyon Del Rey Boulevard	13	General Jim Moore Blvd. & Eucalyptus (Former First Tee Site)
5	1372 Canyon Del Rey Boulevard	14	Lightfighter Drive between First and Second Avenues (The Projects at Main Gate Site)
6	Seaside Auto Mall Rights of Way	15	First Avenue and Lightfighter Drive (Open Space Parcel)
7	307 Roberts Avenue	16	Surplus II
8	1533-1535 Del Monte Boulevard	17	Tank Site
9	Broadway Avenue & Terrace Street	18	Gigling Road Right of Way
		19	Parker Flats/Normandy Road Right of Way

N W E S

Prepared 5/27/14