



AGENDA

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

JOINT SPECIAL MEETING
Council Chamber
440 Harcourt Avenue
Thursday, December 21, 2017
5:30 PM

PLEASE TURN OFF YOUR CELL PHONES UPON ENTERING THE MEETING

1. **CALL TO ORDER**

Ralph Rubio	Mayor/Chair
Dennis Alexander	Mayor Pro Tem/Vice Chair
Jason Campbell	Council/Agency Member
David R. Pacheco	Council/Agency Member
Kayla Jones	Council/Agency Member

2. **PLEDGE OF ALLEGIANCE**

3. **PUBLIC COMMENT**

Members of the public wishing to address the City Council 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. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9

1. Keep Fort Ord Wild VS. City of Seaside Case Number 16Cv003795
2. LandWatch Monterey County VS. City of Seaside (Real Party: Monterey Downs, LLC) Case Number 16CV003793

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8:

Seaside Senior Living Village -Property: “The Shoppette” at Monterey Road and Coe Avenue (APN 031-141-004) Negotiator for the City: Craig Malin, City Manager, Negotiator for Developer: Rick de la Cruz, Seasons Management, LLC. Under Negotiation: Instructions to negotiator will concern price, terms of payment or both.

Concourse Auto Center at First Avenue and Lightfighter Drive in the former Fort Ord. Negotiator for the City: Craig Malin, City Manager, Negotiator for Developer: MidCoast Holdings Under Negotiation: Instructions to negotiator will concern price, terms of payment or both.

5. CONSENT AGENDA

A. APPROVE AND FILE SUCCESSOR AGENCY CHECKS

PURPOSE: It is requested that the Agency Board approve and file the accounts payable and wired payments made during the period of November 25, 2017 through December 8, 2017. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of December 7, 2017 is requested. Total Accounts Payable and Payroll for the above referenced period is \$7,558.82.

RECOMMENDATION:

B. APPROVE MINUTES OF NOVEMBER 16, 2017 AND DECEMBER 7, 2017

RECOMMENDATION: It is recommended that the minutes be reviewed and approved.

6. BUSINESS ITEMS

A. CONSIDER A SECOND AMENDMENT TO A EXCLUSIVE NEGOTIATING AGREEMENT WITH MID COAST HOLDINGS GROUP, LLC TO EXTEND THE DEADLINE TO AGREE TO TERMS FOR A PURCHASE AND SALE AGREEMENT FROM DECEMBER 21, 2017 TO JULY 1, 2017.

PURPOSE: The current Exclusive Negotiating Agreement with Mid Coast Holdings, LLC, which contemplates a luxury automall on approximately 25 acres of land in the former Fort Ord expires on December 21, 2017. Due to an unexpected family issue for the president of the development company, the project is roughly six months behind the previous schedule. This amendment will extend the deadlines by approximately six months.

RECOMMENDATION: It is recommended that City Council execute the amendment to the Exclusive Negotiating Agreement extending remaining deadlines by six months.

B. CONSIDER AN AMENDED AND RESTATED DEVELOPMENT AND DISPOSITION AGREEMENT BETWEEN THE CITY OF SEASIDE AND SEASIDE SENIOR LIVING, LLC, TO ALLOW PURCHASE OF THE PROPERTY TO PRECEDE ISSUANCE OF BUILDING PERMITS.

PURPOSE: To amend and restate the Development and Disposition Agreement between the City of Seaside and Seaside Senior Living, LLC, allowing the developer to purchase the subject property prior to issuance of building permits in order to speed completion of the construction project and to allow an early start of development.

RECOMMENDATION: It is recommended that City Council approve the amended and restated Development and Disposition agreement allowing the developer to purchase the land prior to the issuance of building permits.

7. ADJOURNMENT

Next Regularly Scheduled Meeting:
January 4, 2017
Seaside City Hall
5:30 PM

The City of Seaside is committed to providing accessible facilities and accommodating people with disabilities in all of its services programs and activities. If special considerations are needed by any person to fully participate in this meeting, they are asked to contact the City Clerk at 899-6707 no fewer than two business days prior to the meeting to allow reasonable arrangements. The City Council chamber is equipped with a portable microphone and assisted listening devices are available at all meetings.

City Council Meetings that are held in the City Council Chambers are broadcast live to all Seaside residents on Comcast Channel 25 and U-verse Channel 99. Meetings are also available through live streaming at:
<http://cvp.telvue.com/player?id=T01629&video=52314&noplaylists=1&width=400&height=300>
Videos of past meetings are available on demand through the City's website: <http://www.ci.seaside.ca.us>

Agenda-related writings or documents provided during public meetings are available for public inspection during the meeting or from the office of the City Clerk. This agenda is posted in compliance with California Government Code Section 54954.2(a) or Section 54956.



**CITY OF SEASIDE
STAFF REPORT**

Item No.: 5.A.

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

FROM: Craig Malin, City Manager

BY:

DATE: December 21, 2017

SUBJECT: APPROVE AND FILE SUCCESSOR AGENCY CHECKS

PURPOSE

It is requested that the Agency Board approve and file the accounts payable and wired payments made during the period of November 25, 2017 through December 8, 2017. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of December 7, 2017 is requested. Total Accounts Payable and Payroll for the above referenced period is \$7,558.82.

RECOMMENDATION

That the item is approved and filed.

BACKGROUND

In accordance with Government Code Section 37208, at each Agency Board 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, the above referenced, and linked list of checks conforms to the approved budget and has been paid. These checks are submitted to the Agency Board for inspection and confirmation.

A description of the checks and wires exceeding \$10,000.00 is as follows:

There were no checks or wires exceeding \$10,000.00 for the period covering November 25, 2017 through December 8, 2017.

The Checks report is available on the City's website here:
<http://www.ci.seaside.ca.us/194/Check-Draft-Register>

FISCAL IMPACT

ATTACHMENTS

1. The Checks report is available on the City's website here:
<http://www.ci.seaside.ca.us/194/Check-Draft-Register>
-

Reviewed for Submission to the
City Council by:



Craig Malin, City Manager



DRAFT MINUTES

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

JOINT SPECIAL MEETING
COUNCIL CHAMBER
Thursday, November 16, 2017
5:30 PM

1. **CALL TO ORDER**

Mayor Rubio called the meeting to order at 5:30 PM.

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

PRESENT: Alexander, Campbell, Jones, Pacheco, Rubio

ABSENT: None

2. **PLEDGE OF ALLEGIANCE**

Council Member Campbell led the Pledge of Allegiance.

3. **PUBLIC COMMENT**

Mayor Rubio invited comments from the public as well as comments on the Closed Session Items and had no requests to speak.

4. **CLOSED SESSION**

The City Council adjourned to Closed Session at 5:33 PM.

A. **PURSUANT TO GOVERNMENT CODE 54957.7 -PUBLIC EMPLOYEE PERFORMANCE
EVALUATION**

B. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO
GOVERNMENT CODE SECTION 54956.8:**

C. **CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
PURSUANT TO GOVERNMENT CODE SECTION 54956.9**

D. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (2) (d) -
ANTICIPATED LITIGATION**

5. **CONSENT AGENDA**

The City Council reconvened to open session at 6:07 PM. There were no announcements for the public.

Mayor Rubio invited comments on the Consent Agenda and had no requests to speak. The Council agreed that Item C be continued to the next meeting.

On motion by Council Member Jason Campbell and seconded by Mayor Pro Tem Dennis Alexander and passed by the following vote the City Council approved Items A and B.

RESULT: **Approved**

MOVER:	Council Member Jason Campbell
SECONDER:	Mayor Pro Tem Dennis Alexander
AYES:	Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES:	None
ABSENT:	N

A. APPROVE MINUTES OF NOVEMBER 2, 2017 JOINT SPECIAL MEETING

Action: Approved

B. APPROVE AND FILE SUCCESSOR AGENCY CHECKS

Action: Approved and Filed

C. AUTHORIZATION FOR THE RETAIL SALE OF CHRISTMAS TREES BY HOME DEPOT ON A PORTION OF THE LAGUNA GRANDE SHOPPING CENTER PARKING LOT OWNED BY THE PARKING AUTHORITY.

Action: Continued.

6. STUDY SESSION

A. RECEIVE A PRESENTATION ON THE PROGRESS OF THE OAK WOODLAND CONSERVATION PLAN (OWCP) PROJECT ON FORMER FORT ORD AND DISCUSS CONCEPTS FOR THE NEXT PUBLIC WORKSHOP.

Economic Development Manager Stearns introduced the draft concept for the Oak Woodlands Conservation Plan along with the project partners from the Fort Ord Reuse Authority and Denise Duffy and Associates. Ms. Stearns clearly indicated that what was presented is a draft to receive public feedback on the draft concepts. She also noted that the packet version contained an error which has been corrected as it related to the Veteran's Cemetery parcel. She also noted that there is a large biological, scientific report, that will be forthcoming in the near future which supports the item.

Consultant Erin Harway provided the results of the work that has been done on the Oak Woodland Conservation Plan project. She poked to the background, the project overview, the location and introduced the draft concepts. She provided an introduction of the project and three preliminary concepts to consider moving forward noting that two prelim concepts were the result of previous public meetings and that this project is part of the base reuse plan requirement; to establishment of a OWCP with specific development parcels. To date, the field work has been completed, mapped the various habitat types, erosion features and biological nonnatives and the population, health and land marking of oak trees has also been completed, pursuant to code. All the data is compiled into the baseline biological report, currently in review and almost finalized. She affirmed that the three areas were developed based on key conservation objectives with the recommended minimum size is 162 acres.

The City Council discussed three concepts. Ms. Harway concluded by saying that moving forward Monterey County and City staff have the following considerations:

- Coordination and compatibility with existing and future proposed roadway and trail projects
- determine standards and costs for maintenance and identify funding sources
- consistency with BRP, HMP and county Fort Ord Master Plan
- existing utility easements and agreements on county property
- consistency with General plan

Discussion: looking for selection of a preferred concept to use as the basis for the next collaborative planning steps then prepare a management and monitoring plan to present in a public workshop.

Mayor Rubio invited comments from Council. The Council Discussed the different concepts and debated the merits of each and provided direction that they prefer larger contiguous parcels and with better north-south connectivity and to ensure that it does not include the Veteran's Cemetery parcels as discussed at the beginning of the item.

7. **ADJOURNMENT**

On motion, the meeting was adjourned at 7:05 PM.

Respectfully submitted,

Lesley Milton-Rerig, City Clerk

Ralph Rubio, Mayor/Chair



DRAFT MINUTES

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

JOINT SPECIAL MEETING
COUNCIL CHAMBER
Thursday, December 7, 2017
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, Jones, Pacheco, Rubio

ABSENT: None The City Council reconvened to open session at 6:20 PM.

2. **PLEDGE OF ALLEGIANCE**

Council Member Jones led the Pledge of Allegiance.

3. **PUBLIC COMMENT**

Mayor Rubio invited comments from the public.

- Ed Sawhney expressed concern about the SRD project because it looks like a good tax break to a developer and wondered why it needed to be community subsidized. He believed the vote would expose the City to \$72 million in liability and puts a large burden on the community and not on the developer or the resort. How will the agreement impact the city 15 to 20 years in the future and requested to understand the basis for the analysis.
- LisAnne Sawhney echoed Mr. Sawhney's comments, and was disappointed that nothing was being done over the last 10 years and the extent of the rebate to the developer. Often these mechanisms are used when there are infrastructure and development challenges and if there are already entitlements, this is unnecessary to offset costs to the developer. She requested the city to solicit and RFP for a new development proposal so the city could get a better deal and profit from the sale.
- Raul Jojibrandus did speak to the article in the Newspaper explaining that it was a revenue sharing agreement not a subsidy or a rebate, where the city was to receive \$69 million and cost share for the \$72 million dollars. If there is a great need for the developer to give that rebate, and if there are good reasons. He is in support of the project and the projected revenues that it will bring for city enhancements.
- Sara McDermot Senior Research Associate from Unite Here, Local 19 working on new hotel development in many municipalities. She believes the agreement does not guarantee labor peace, and urged strengthening the language to assure labor peace prior to approval.

Public Comment was closed and the City Council adjourned to closed session at 5:15 PM.

4. **CLOSED SESSION**

A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (2) (d) - ANTICIPATED LITIGATION

Conference with legal counsel regarding significant exposure to litigation (eight potential cases).

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8:

Properties Under Discussion: Seaside Resort Development: 1 McClure Way
Negotiator for the City: Craig Malin, City Manager.
Under Negotiation: Price, Terms of Payment or both.

C. PURSUANT TO GOVERNMENT CODE 54957.7 -PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Position Title: City Attorney

D. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (2) (d) - ANTICIPATED LITIGATION

Conference with legal counsel regarding significant exposure to litigation (one potential case).

E. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9

1. Keep Fort Ord Wild VS. City of Seaside Case Number 16Cv003795
2. LandWatch Monterey County VS. City of Seaside (Real Party: Monterey Downs, LLC) Case Number 16CV003793

5. CONSENT AGENDA

City Attorney Freeman reported on Closed Session that there were no announcements for the public. Mayor Rubio invited comments from the public on the Consent Agenda and had no requests to speak

On motion by Council Member Campbell and seconded by Council Member Pacheco and passed unanimously the City Council approved the Consent Calendar with the exception of item 8A.

RESULT:	Adopted
MOVER:	Council Member Jason Campbell
SECONDER:	Council Member Dave Pacheco
AYES:	Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES:	None
ABSENT:	None

A. APPROVE MINUTES OF NOVEMBER 16, 2017

Action: Approved

B. ACCEPT AND FILE THE CASH AND INVESTMENT REPORT FOR THE CITY OF SEASIDE AND THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE FOR THE QUARTER ENDING SEPTEMBER 30, 2017

Action: Approved

C. APPROVE AND FILE SUCCESSOR AGENCY CHECKS

Action: Approved

D. AUTHORIZATION FOR THE RETAIL SALE OF CHRISTMAS TREES BY HOME DEPOT ON A PORTION OF THE LAGUNA GRANDE SHOPPING CENTER PARKING LOT OWNED BY THE PARKING AUTHORITY.

Action: Approved

6. PUBLIC HEARING

A. CITY AND SUCCESSOR AGENCY ACTIONS TO IMPLEMENT THE SEASIDE RESORT PROJECT

Action: Approved and passed Resolutions 17-03 SA, 17-04 SA and 17-89

Larry Seeman, Seaside's Consultant in charge of the Seaside Resort Project presented regarding the Seaside Resort and Golf Course Property. Mr. Seeman defined the difference in the three property locations and explained the project and the proposed changes as a result of the new developer taking over. The Developer is a limited liability company called Monterey Bay Resort LLC, and the Principals are experienced land developers. A key provision of the deal is that the City would provide TOT subsidy of 80% for the first 5 years and years 6 through 20, 65% TOT subsidy. This strategy moves the project forward sooner, which has been stalled and on hold since 2008. This project expedite the project completion by 3 - 4 years. Mr. Seeman spoke to the financial project details and outlined the significant element changes to the project including: 1) Authorizing an economic development subsidy, 2) Authorizes developer to purchase the golf club house parcel and add to resort hotel land and 3) Authorizes use of certificates of compliance to transfer hotel and golf clubhouse phases requiring the developer to purchase with cash, not credits by February 28, 2018.

The golf course lease changes include: 1) Lease term extends to 75 years (from opening of the hotel) 2) Conform lease to 2007 Seaside Basin adjudication, 3) Reduces maximum irrigation use from 540 AFY to 500 AFY and 4) Authorizes the 2018 Fourth of July City Fireworks display.

Mr. Seeman explained the actions that are necessary to be taken to move the project forward on behalf of both the Successor Agency as well as the City Council as it pertains to land transfers and he affirmed that the final EIR was certified for the Seaside Resort, however some portions have been updated and need to be amended. Tonight's actions are mostly administrative and do not result in any new or increased environmental impacts that are not originally considered. The Certified EIR and addendum are all posted on the City's website.

for review. Mr. Seeman answered questions from the Council.

The Council questioned and discussed the length of time this project has been under review, the timing of the project completion, the TOT projections which are based on a minimum of 275 rooms, the developer's reputation and staff's perception of their commitment, the type, number and quality of jobs to be created by the project.

On question, Mr. Seeman indicated that the Projected Tax Revenue during the subsidy period is projected at \$3.7 million for the City and after the 20 year subsidy period it would be \$8.9 million annual average.

Mr. Seeman closed by speaking to the economic development subsidy and that it is an industry practice. City Manager Malin further explained the idea of the need for the subsidy in that high level of hotels require more employees, must pay higher wages per employee, thus the subsidy helps address some of those costs. Establishing Seaside as a world class destination as a four star resort is not inexpensive. This project will bring quality jobs to our workforce residents.

Jim Scott spoke on behalf of the developer addressing the Council, explaining the amount of invested capital to get this off the ground is more so than 10 times to what is in the newspaper, there will be a substantial debt costs to be built into the project. In order to be able to finance and recover that, it takes 5 - 7 year to be at a break even position. The projections put forward, is based on a percentage of actual occupancy, which are conservative at 70% range. If the property becomes a destination resort, the capacity should increase, equivalent to other 4-5 star properties.

The Council questioned Mr. Scott again regarding the number and quality of jobs to be created and the compensation. Mr. Scott projected that the project should be opening 30 months from now and he spoke to the business incentive to get it done quickly. He further explained that this project started in 2000, and after the long entitlement process, and the economic devastation, people have been working on this since 2000, and the financing of this has been attempted for years but only in the last few years that the financing has been available.

Mayor Rubio spoke to the labor language that is included within the document and he requested assurance that the developer affirms the council's demand for fair labor practices. Mr. Scott responded that once we have an agreement with a flag hotel, they will reach out to the local union. We can't negotiate the terms of a contract without ownership of a flag. On question by the Council, City Attorney Freeman indicated that the enforceability of the ordinance is solid.

Mayor Rubio opened the public hearing.

- Kay Cline requested clarification that the golf courses were leased and the land for the housing is sold and if 20% will be affordable housing.
- Hector Raquel, spoke representing Unite Here Local 43 Hospitality Workers Union, expressed concern that the project is moving forward without agreement with labor unions. He is happy that the City Council will bring jobs to Seaside, but there is a concern of all union members that it will provide jobs with unlivable wages. Please

bring good jobs with quality wages and quality benefits.

- Beltran Depress this deal has been around a long time, but the latest rendition is moving too fast. Concerned that there are loose ends not addressed in this deal. Please require labor peace for this project.
- Lee Streib, National Association Unite Here Labor Association, the role with the union is to work on hotel development deals that are good for the city, the developer and the residents who work for the hotel. This is a big decision and the Seaside Resort has a potential to be a great project, He requested to get clarity on this issue and secure a Labor Peace agreement to protect against labor disputes.
- Hector Aspigueta spoke representing Local 43 supporting 1,300 members locally. Expressed they have not had the opportunity to meet with the new team coming in and have no knowledge of how it will impact future workers of the hotel. Please make a labor peace agreement specific for this project.
- Sarah McDermot Unite Here tried to correct the record that you can enter into agreements with developers prior to establishment with a Flag, and it's better to have this agreement up front while you are negotiating with a flag, otherwise you are changing your aspect with a deal. Please be up front and confirm that requirement. Being a five star hotel does not tell us anything about a risk of a labor dispute. She discouraged approval.
- John Wizard spoke to the CSUMB Sustainable Hospitality program and that it could be a great opportunity to work between the University and the Hotel. He requested clarity about Municipal Code 17.32.040 regarding the 20% exclusionary housing requirements.
- Dick Fitzgerald spoke to provide historical reference, explaining that in the 2005 original DDA the labor peace issue was an important issue for the City and the developer and they engaged with Unite Here even before the City had any regulations, which resulted in the City passing a labor ordinance, with SRD in agreement tied to the ordinance. The developer said they understand and are aware of the provision and the spirit of the understanding is in place and should stay as the agreement is drafted. He spoke in support of working to move this project forward. It would be a huge step forward for the City and its residents and requested approval of the item.

The Public Hearing was closed.

Staff explained that the affordable housing was an integral part of the deal and the affordable housing was required in the Fort Ord base reuse plan and will be honored. Mr. Seeman addressed the history that the affordable housing was achieved with the 125 residential units at the Sun Bay Apartment Complex. The project involved contributions from the City and the Developer. There is potential for additional requirements but the base requirement has been satisfied.

The Council discussed the ordinance language as well as language proposed by the Unite Here supporters and the consensus of the Council was to move this process forward with the existing ordinance in place as it is enforceable and does address the concern expressed to require working with local unions. The Council reaffirmed to the developer the City's position that it is important to secure good jobs at good wages with good benefits as imperative so our citizens can be comfortable and afford to live on our city.

Mayor Rubio entertained a motion for each of the Resolutions, one at a time.

On motion by Council Member Alexander and seconded by Council Member Pacheco and passed unanimously, the Successor Agency Board approved Resolution 17-03 SA requesting the Oversight Board to make findings to provide for the repayment to the City of Seaside of the loan made by the City pursuant to the 2005 Conveyance Agreement between the City and the Redevelopment Agency of the City of Seaside, and taking certain related actions.

On motion by Council Member Alexander and seconded by Council Member Pacheco and passed unanimously the Board of Directors of the Successor Agency to the Redevelopment Agency of the City of Seaside passed Resolution 17-04 (I) authorizing the conveyance of an approximately 70-acre site located at the northwest corner of General Jim Moore Boulevard and Coe Avenue in the City of Seaside to the City pursuant to the Successor Agency's Long Range Property Management Plan, (II) authorizing the Successor Agency to enter into an Assignment, Assumption and Administration Agreement with the City in connection with an Amended and restated Disposition and Development Agreement with respect to the site, (III) approving Addendum No. 4 to the Final Environmental Impact Report prepared for the underlying project, and alternatively, finding the actions exempt from the California Environmental Quality Act, and (IV) taking certain related actions.

On motion by Council Member Alexander and seconded by Council Member Jones and passed unanimously the City Council of the City of Seaside adopted Resolution 17-89 (I) authorizing the acceptance of an approximately 70-acre site located at the northwest corner of General Jim Moore Boulevard and Coe Avenue in the City of Seaside from the Successor Agency to the Redevelopment Agency of the City of Seaside Pursuant to the Successor Agency's Long-Range Property Management Plan, (II) authorizing the City to enter into a Master Taxing Entity Agreement with respect to the site, (III) authorizing the City to enter into an Assignment, Assumption and Administration Agreement in connection with an Amended and Restated Disposition and Development Agreement with respect to the site, (IV) authorizing the City to enter into a Second Amended and Restated Disposition and Development Agreement with respect to the site, which agreement includes provisions for the sharing of Transient Occupancy Tax revenues generated by development on the site, (V) authorizing the City to enter into a Second Amended and Restated Ground Lease with respect to the Black Horse and Bayonet Golf Courses, (VI) approving an Addendum pursuant to the California Environmental Quality Act, and (VII) taking certain related actions. Approve resolution to the Successor Agency requesting the Oversight Board to Make findings to provide for the repayment to the City of the loan made by the City pursuant to the 2005 Conveyance Agreement between the City and the redevelopment agency of the City of Seaside and taking certain related actions to include the modified.

7. STUDY SESSION

A. WATER STUDY SESSION

The Study session was continued to another meeting and will be rescheduled to a meeting likely in January

8. ADJOURNMENT

On motion, the Meeting was adjourned at 7:48 PM.

Respectfully submitted,

Lesley Milton-Rerig, City Clerk

Ralph Rubio, Mayor/Chair



**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:

DATE: December 21, 2017

**SUBJECT: CONSIDER A SECOND AMENDMENT TO A EXCLUSIVE
NEGOTIATING AGREEMENT WITH MID COAST HOLDINGS
GROUP, LLC TO EXTEND THE DEADLINE TO AGREE TO TERMS
FOR A PURCHASE AND SALE AGREEMENT FROM DECEMBER
21, 2017 TO JULY 1, 2017.**

PURPOSE

The current Exclusive Negotiating Agreement with Mid Coast Holdings, LLC, which contemplates a luxury automall on approximately 25 acres of land in the former Fort Ord expires on December 21, 2017. Due to an unexpected family issue for the president of the development company, the project is roughly six months behind the previous schedule. This amendment will extend the deadlines by approximately six months.

RECOMMENDATION

It is recommended that City Council execute the amendment to the Exclusive Negotiating Agreement extending remaining deadlines by six months.

BACKGROUND

In April 2014 the City of Seaside entered into an Amended Exclusive Negotiating Agreement(ENA) with Mid Coast Holdings Group, LLC for the purposes of completing due diligence prior to purchasing an ~25 acre parcel located West of 1st Avenue, North of Gigling and South of Lightfighter for the purpose of developing a luxury auto mall. The developer was working diligently towards applying for entitlements when the President of the development company suffered a family loss that necessitated a roughly six month delay in the project. The agreement was extended by the City Manager to expire on December 21st, but an additional extension will be required to July 1, 2018.

Recently the Developer submitted an application for planning approvals and staff is currently

processing this application. The extension will allow staff to complete the processing and to complete the entitlements required to build the project. To date, the developer has maintained their reimbursement account and are not in default of the current ENA. Staff has received the required documentation to process the entitlements and staff is confident that the CEQA work and negotiation of a purchase contract can be completed with the approval of this extension.

FISCAL IMPACT

There is currently no fiscal impact, however, the extension of this ENA could result in the City selling the property which would have a yet to be defined positive fiscal impact.

ATTACHMENTS

Reviewed for Submission to the
City Council by:



Craig Malin, City Manager



**CITY OF SEASIDE
STAFF REPORT**

Item No.: 6.B.

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

FROM: Craig Malin, City Manager

BY:

DATE: December 21, 2017

SUBJECT: CONSIDER AN AMENDED AND RESTATED DEVELOPMENT AND DISPOSITION AGREEMENT BETWEEN THE CITY OF SEASIDE AND SEASIDE SENIOR LIVING, LLC, TO ALLOW PURCHASE OF THE PROPERTY TO PRECEDE ISSUANCE OF BUILDING PERMITS.

PURPOSE

To amend and restate the Development and Disposition Agreement between the City of Seaside and Seaside Senior Living, LLC, allowing the developer to purchase the subject property prior to issuance of building permits in order to speed completion of the construction project and to allow an early start of development.

RECOMMENDATION

It is recommended that City Council approve the amended and restated Development and Disposition agreement allowing the developer to purchase the land prior to the issuance of building permits.

BACKGROUND

In October 2016, the City of Seaside entered into a Development and Disposition Agreement (DDA) with Seaside Senior Living, LLC. This project contemplates reusing the "Shoppette" site located at the intersection of Coe Avenue and Monterey Road for the purpose of an Assisted Living and Memory Care development. The site is currently home to a blighted convenience store. The project is proceeding as expected and the developer has submitted 100% construction documents to proceed with the project. These plans are currently in plan check and are moving through the process.

In order for the developer to secure construction financing and to move forward with the demolition of the existing structures, the developer needs to close on the land sale. The current

DDA requires that the property owner receive all building permits prior to closing escrow, which has become an issue in financing the remaining construction project.

In order to move this project forward, staff recommends that the DDA be amended and restated so that the developer can close upon submission of 100% construction plans (completed), and to require the developer to provide performance/material bonds, construction budgets, GMAX contracts for public improvements, and other minor documentation prior to the issuance of building permits. This will allow the developer to continue to progress and will improve chances that construction on this project will begin in the 2018 construction season.

FISCAL IMPACT

These changes will have no fiscal impact, however, they will result in the City receiving funds from the sale of the property in early 2018 rather than late 2018.

ATTACHMENTS

Reviewed for Submission to the
City Council by:

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke at the end.

Craig Malin, City Manager