

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF FRESNO**

848 M Street, 3rd Floor / Fresno, CA 93721
(559) 621-7600
(559) 498-1870 (Fax)

Oversight Board to the
Successor Agency to the Redevelopment Agency
of the City of Fresno

Executive Director
Marlene Murphey

Chair
Alan Hofmann

Members
Jeff Becker
Larry Hodges
Doug Vagim
Rene Watahira
Larry Westerlund

AGENCY BRIEFING REPORT

Date: July 19, 2017
To: Oversight Board Members
From: Enrique Mendez
Through: Marlene Murphey
Subject: Agenda Item IV. - 2.

RECEIVED
2017 JUL 12 PM 4 59
CITY CLERK, FRESNO CA

- **PROPERTY:** LRPMP #16 is approximately 0.25 acres located at 2115 Monterey Street (APN 468-271-09T). The property was previously appraised in August 2014 for \$87,000. The updated recent appraisal also values the property at \$87,000.
- The subject parcel was previously auctioned with a sale price of \$93,000 that was approved by the Oversight Board on August 24, 2016. Due to Buyer default, the parcel was again marketed for auction. The property was auctioned on April 4, 2017 at full appraised value of \$87,000.
- **BACKGROUND:** Updated appraisals were obtained for parcels with value above \$30,000. Environmental Assessments were obtained pursuant to the Property Disposition Guidelines (PDG). On February 5, 2016 the property was listed on LoopNet.com, the leading online commercial real estate marketing website. The disposition method was changed to Auction (method C) in accordance with the direction given by the Board at the meeting of June 8, 2016. Also, by February 5, 2016 a freestanding highly visible billboard sign was placed on the site. The LoopNet



rpa Wakefield & Hopper, Inc.
6740 N. West Avenue, Suite 107
Fresno, California 93711
(559) 261-9136 FAX (559) 261-9165
E-Mail rpa@rpaappraisal.com

March 15, 2016

Marlene Murphey
Executive Director
Successor Agency to the Redevelopment Agency of the City of Fresno
2344 Tulare Street
Fresno, California 93721

RE: Vacant Lot
NEC Van Ness Avenue and Monterey Street
Fresno, California 93721
Fresno County APN(s) 468-271-09T

Dear Ms. Murphey:

In fulfillment of the agreement outlined in the letter of engagement dated March 1, 2016, we are pleased to present the attached report of our appraisal of the Fee Simple interest in the referenced parcel of real estate, as of March 9, 2016. This appraisal report was prepared on March 15, 2016.

The report sets forth our opinion of market value along with supporting data and reasoning which form the basis of our opinion. The value reported is qualified by the certification set forth on pages 3 and 4, and by the certain definitions, limiting conditions and the scope of work set forth on pages 8 through 13 of this report.

As a result of our analysis, we have formed an opinion that the market value (as defined in the Report), subject to the definitions, certifications, extraordinary assumptions, hypothetical conditions, and limiting conditions set forth in the attached Report, was:

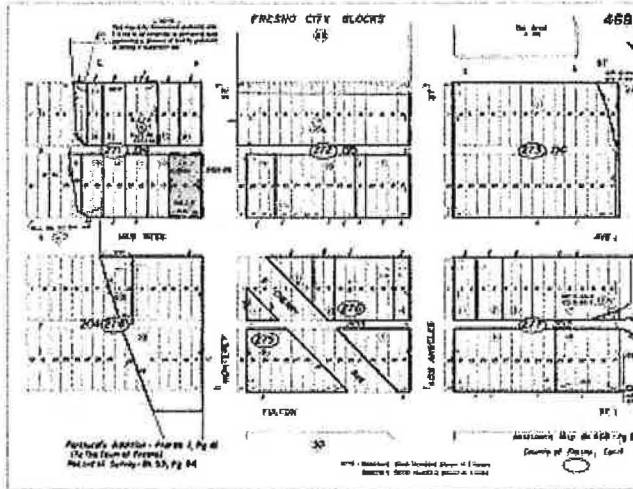
Valuation & Exposure Time	
As-Is Value (March 9, 2016):	\$87,000
Exposure Time:	3 to 9 Months

THIS LETTER MUST REMAIN ATTACHED TO THE REPORT, WHICH CONTAINS 36 PAGES PLUS RELATED EXHIBITS, IN ORDER FOR THE VALUE OPINIONS SET FORTH ABOVE TO BE CONSIDERED VALID.

Land For Sale

2115 Monterey St, Fresno, CA 93721

2115 Monterey St, Fresno, CA 93721



Price: \$87,000
 Lot Size: 0.25 AC
 Property Type: Land
 Property Sub-type: Commercial/Other (land)
 Zoning Description: DTN - Downtown
 Listing ID: 20129295
 Last Updated: 19 days ago
[Find Out More...](#)

1 Lot Available

Lot 1	Price:	\$87,000
	Lot Size:	0.25 AC
	Price/AC:	\$348,000
	Lot Type:	Commercial/Other (land)
	APN/Parcel ID:	468-271-09T

Description

APN 468-271-09T

Zoning: DTN - Downtown

This property is being offered through: AUCTION

*** NOTE: Auction will be held at 1:30 PM on Wednesday, July 19, 2017 in City Hall Meeting Room C (2120). Sealed bids will be due to the Fresno City Clerk no later than 5:00 PM on Tuesday, July 18, 2017.

TERMS: The reserve (minimum bid) price for the Property shall be not less than fair market value established by an appraisal. Purchase price shall be all cash at closing, no seller financing.

GENERAL PROCEDURES: Written bids will be submitted to the City Clerk's Office no later than 5 pm one business day prior to the auction in a sealed envelope labeled with the Assessor Parcel Number(s) with a certified or cashier's check in the sum of 5% of the reserve price payable to the Successor Agency.

Upon opening the bids, the City Clerk will call for oral bids. All oral bidders who have not made a deposit must present a certified or cashier's check in the sum of 5% of the reserve price prior to

PUBLIC NOTICE

#3118567

NOTICE OF PUBLIC SALE OF REAL PROPERTY

Notice is hereby given that the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO, 848 M STREET, 3RD FLOOR PH: 559-621-7600 will sell, real property at public sale. Property will be sold through public auction with bids due no later than 5:00 PM on Tuesday, July 18, 2017. Sealed bids are to be submitted to the Fresno City Clerk's Office at 2600 Fresno Street, second floor, Fresno, CA 93721. Bid envelopes shall be labeled with the Assessor Parcel Number(s) and include a certified or cashier's check in the sum of 5% of the reserve (minimum bid) price payable to the Successor Agency. When submitting the written bid, the bidder must provide the Clerk with the correct legal entity name, address and phone contact to be used in the Purchase and Sale Agreement. Bids will be opened at 1:30 PM on Wednesday, July 19, 2017 in City Hall Meeting Room C (2120).

Upon opening the bids, the City Clerk will call for oral bids. All oral bidders who have not made a deposit must present a certified or cashier's check in the sum of 5% of the reserve (minimum bid) price prior to making a bid and must provide the Clerk with the correct legal entity name, address and phone contact to be used in the Purchase and Sale Agreement. The starting oral bid must be at least 5% over the highest written bid accepted. All unsuccessful bidders will have checks returned by the City Clerk at completion of bidding.

The deposit by the successful bidder is nonrefundable. The successful bidder will pay the entire remaining balance of the purchase amount within 30 calendar days after acceptance of the highest bid. In the event the successful bidder cannot meet the requirements and deadlines of the sale, the bidder forfeits the deposit.

All costs associated with submitting a bid shall be borne solely by the party submitting such bid. Nothing in the Disposition Guidelines shall obligate the Successor Agency or Oversight Board to select a bid. The Agency and Oversight Board may, in the exercise of their discretion, accept, conditionally accept or reject any or all bids submitted.

Bidders who wish to bid on multiple parcels must submit a separate bid for each parcel.

Prospective purchasers are urged to examine the title, location and desirability of the properties available to their own satisfaction prior to the sale. ALL PROPERTIES ARE SOLD AS IS. The Successor Agency makes no guarantee, expressed or implied, relative to the title, location or condition of the properties for sale. The Successor Agency and its employees acting in their official capacity are not liable for any known or unknown conditions of the property. Successful bidders will be required to enter into a Purchase and Sale Agreement, the form of which may be obtained from the Agency.

For more information visit our website at: <http://www.fresnorda.com/> and view property listings on LoopNet.com

- 46 E. Florence Ave (APN 477-161-16T),
Reserve (Minimum Bid) Price - \$40,000
- 2115 Monterey Street (APN 468-271-09T),
Reserve (Minimum Bid) Price - \$87,000
- 3000 E. Butler Ave (APN 468-030-04T),
Reserve (Minimum Bid) Price - \$772,500
- 310 S. West (APN 458-060-25T & -26T),
Reserve (Minimum Bid) Price - \$261,750
- 4898 E. Shields (APN 494-081-13T & -14T),
Reserve (Minimum Bid) Price - \$125,250

AGREEMENT

1. **Purchase and Sale.** Seller will sell the Property to Buyer, and Buyer will purchase the Property from Seller on the terms and conditions set forth in this Agreement. Sale of these Property is subject to compliance with Community Redevelopment Law of the State (California Health and Safety code Sections 33000 *et seq*),
2. **Conditions Precedent.** Closing shall be conditioned upon performance of all of obligations in this Agreement and satisfaction of the conditions listed in Sections 2.1, 2.2, and 2.3, provided that Seller may, in Seller's sole discretion, elect to waive any such condition of Closing.
 - 2.1 **Compliance with CEQA.** This is not a project for the purposes of California Environmental Quality Act (CEQA) Guidelines section 15178.
 - 2.2 **Environmental Assessment.** The Property is being sold in an "As is" condition. The Buyer may perform a Phase 1 Environmental Site Assessment at Buyer's cost. Seller shall provide Buyer with any copies of environmental reports pertaining to the Property in Seller's possession without any warranty as to their accuracy.
 - 2.3 Approval of this Agreement by Successor Agency and Oversight Board.
3. **Purchase Price.** The purchase price for the Property is _____ ("Purchase Price"). The Purchase Price, subject to adjustments provided in this Agreement (if any), will be paid by Buyer in cash or by wire transfer of immediately available funds at the Closing.
4. **Seller's Warranties.** Seller represents and warrants that: (a) Seller owns the Property, free and clear of all liens, licenses, claims, encumbrances, easements, leases, encroachments on the Property from adjacent Property, encroachments from the Property onto adjacent Property, and any rights of way, other than those disclosed by the public record; (b) Seller has no knowledge of any pending litigation involving the Property; (c) Seller has no knowledge of any violations of, or notices concerning defects or noncompliance with any code, statute, regulation, ordinance, judicial order, judicial holding, or other applicable law concerning the Property; (d) Seller has no knowledge of any hazardous materials or substances (as now or hereafter defined in any law, regulation, or rule) stored, discharged, or otherwise present in, on, or affecting the Property; (e) Seller has no knowledge of any material defects in the Property; (f) the Property is currently vacant.

Seller's authority to sell the property may be subject to approval of the Oversight Board of the Successor Agency and subject to the timelines set forth in California Health and Safety Code section(s) 34170-34191.

SAMPLE PURCHASE AGREEMENT (1/13/17)

shall terminate if Closing does not occur within sixty (60) days following final execution of this Agreement (including attestation by the Clerk) (the "Outside Closing Date"). Seller's Executive Director is authorized to agree to administratively extend this Agreement as necessary to accommodate satisfaction of conditions precedent. Upon termination of the escrow, the Title Company will return all funds and documents to the respective depositor, including deposit if Seller defaults under section 8.16, and this Agreement will be of no further effect except as herein provided. If Buyer defaults under section 8.17 deposit is nonrefundable, and this Agreement will be of no further effect except as herein provided.

- 5.6 **Recordation.** At Closing, Title Company shall date the grant deed, and all other undated documents in escrow, with the date of Closing, and the Title Company shall record the grant deed, performance deed of trust and all other documents necessary to the Closing.
- 5.7 **Disbursements.** At Closing, Title Company shall disburse the Purchase Price, less Seller's costs to clear title (placing it in the condition set forth in Section 5.3), prorations, and other costs, if any, to Seller, when Title Company is committed to issue a standard CLTA or ALTA owner's title insurance policy to Buyer insuring its fee title in the condition set forth in Section 5.3, above, for the Purchase Price or such lesser amount as Buyer may designate.
- 5.8 **Risk of loss.** Any loss or damage, to the Property or any improvements on it, before Closing is at Seller's risk.
- 5.9 **Broker.** Neither party engaged a broker for this transaction.
6. **Delivery of Possession.** Seller shall deliver exclusive possession of the Property at Closing.
7. **Buyer's Right to Enter and Inspect the Property.** Buyer shall have the right to enter, inspect, and conduct any due diligence tests on the property that Buyer deems advisable. Seller grants Buyer, and/or Buyer's agents, the right, upon 24 hours notice, to enter onto the Property to conduct tests and investigations, if all the following occur: (a) Buyer conducts tests and investigations at its sole cost and expense; (b) the tests and investigations do not unreasonably interfere with Seller's possession.
8. **Miscellaneous Provisions.**
- 8.1 **Further Assurances.** Each party will sign and deliver further documents, or take any further actions required to complete the purchase and sale described herein.
- 8.2 **Notices.** All notices and other communications required or permitted under this Agreement shall be in writing and shall be deemed delivered: (a) on the date of service if served personally on the person to receive the notice, (b) on the date

SAMPLE PURCHASE AGREEMENT (1/13/17)

action, proceeding, or arbitration arising out of this Agreement, then as between Buyer and Seller, the prevailing party shall be entitled to receive from the other party, besides any other relief that may be granted, its reasonable attorneys' fees, costs, and expenses incurred in the action, proceeding, or arbitration.

- 8.8 **Governing Law.** This Agreement and the legal relations between the parties shall be governed by and construed according to California law. Venue for the filing of any action to enforce or interpret this Agreement or any rights and duties hereunder shall be in Fresno, California.
- 8.9 **Headings.** The section headings in this Agreement are for convenience only. The headings are not part of this Agreement and shall not be used to construe it.
- 8.10 **Waiver.** If Buyer or Seller waives a breach of any provision herein, the waiver will not be a continuing waiver. The waiver will not constitute a waiver of any subsequent breach, or a waiver of a breach of any other provision hereof.
- 8.11 **Severability.** The provisions of this Agreement are severable. The invalidity or unenforceability of any provision in this Agreement will not affect the other provisions.
- 8.12 **Interpretation.** This Agreement is the result of the combined efforts of the parties. If any provision of this Agreement is found ambiguous, the ambiguity will not be resolved by construing this Agreement in favor or against any party, but by construing the terms according to their generally accepted meaning.
- 8.13 **Precedence of documents.** If any conflict exists between the body of this Agreement and any Exhibit or Attachment to it, the provisions of the body of this Agreement will control and take precedence over the Exhibit or Attachment.
- 8.14 **Counterparts.** This Agreement may be executed in counterparts, each of which when executed and delivered will be deemed an original, and all of which together will constitute one instrument. Facsimile or electronic copy signatures shall be deemed as valid and binding as original signatures.
- 8.15 **Survival.** All representations and warranties, indemnifications, and other provisions which, by their nature are intended to continue, shall survive Closing and delivery of the grant deed.
- 8.16 **Seller's Default and Buyer's Remedies.** If the sale of the Property is not consummated due to Seller's material default hereunder that is not cured within five (5) business days of Notice from Buyer of Default, then Buyer shall have the right, to elect, as its sole and exclusive remedy, to either (a) terminate this Agreement by written notice to Seller, promptly after which the Deposit shall be returned to Buyer, (b) waive the default and proceed to close the transaction contemplated herein. Notwithstanding anything to the contrary contained herein,

SAMPLE PURCHASE AGREEMENT (1/13/17)

IN WITNESS WHEREOF the Seller and Buyer have signed this Agreement on the dates set forth below.

BUYER:

By: _____

Dated: _____, 20__

SELLER:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
OF FRESNO, a public body corporate and politic

By: _____
Marlene Murphey, Executive Director

Dated: _____, 20__

The Successor Agency to the Redevelopment Agency of the City of Fresno has signed this Agreement pursuant to authority granted on _____, 20__

ATTEST:
YVONNE SPENCE, CMC
Ex-officio Clerk

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
Ex-officio Attorney

By _____
Deputy

By _____
Deputy

Dated: _____, 20__

Dated: _____, 20__

Attachments:
Exhibit A: Legal Description

OVERSIGHT BOARD RESOLUTION NO. _____

A RESOLUTION OF THE OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF FRESNO APPROVING THE
SALE OF APPROXIMATELY _____ ACRES AT
_____ (APN(s) _____) (LRPMP #____)
TO _____

WHEREAS, pursuant to AB X1 26 (which became effective at the end of June 2011), as modified by the California Supreme Court's decision in *California Redevelopment Association, et. al. v. Matosantos, et. al.* (53 Cal. 4th 231 (2011)), the Redevelopment Agency of the City of Fresno ("Former RDA") was dissolved as of February 1, 2012 and the Successor Agency was constituted; and

WHEREAS, AB 1484 (which became effective at the end of June 2012) amended and supplemented AB X1 26 (AB X1 26 and AB 1484, together, being referred to below as the "Dissolution Act"); and

WHEREAS, pursuant to the Dissolution Act, all non-housing assets, properties, contracts, leases, books and records, buildings, and equipment of the Former RDA have been transferred to the control of the Successor Agency; and

WHEREAS, pursuant to Section 34191.5(b) of the Dissolution Act, the Successor Agency prepared a long-range property management plan (the "Plan") which addresses the disposition and use of the real properties of the Former RDA, and the Plan was adopted by the Oversight Board on July 7, 2014, and submitted to the State Department of Finance ("DOF") for approval on July 9, 2014, and was approved by DOF December 16, 2015; and

WHEREAS, _____ wishes to purchase _____ acres of real property which is identified in the Plan as Line #____, APN(s) _____ (the "Property") for a total price of \$_____ cash at close of escrow. Appraised value for the Property is \$_____.

NOW THEREFORE BE IT RESOLVED BY OVERSIGHT BOARD AS FOLLOWS:

Section 1. The Oversight Board hereby approves the Purchase and Sale Agreement, substantially in the form attached hereto as Exhibit A, and directs the Executive Director to execute the Purchase and Sale Agreement on behalf of the Successor Agency, and to take all such actions as may be required to close escrow and convey the Property pursuant to the Purchase and Sale Agreement.

Section 2. Pursuant to Health and Safety Code Section 34180(j), staff of the Successor Agency is hereby authorized and directed to transmit the Purchase and Sale

I. BIDDERS LIST - 2115 Monterey Street (APN 468-271-09T)

Min Bid \$87,000

Min Deposit (5%) - \$4,350

	BIDDER'S NAME	Deposit Y/N	WRITTEN * BID AMOUNT
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			

* Highest written bid + 5% is starting point for the oral bid process.