

**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: April 4, 2017
To: Oversight Board Members
From: Andrew Sanchez
Through: Marlene Murphey
Subject: Agenda Item V. – 1.

- **PROPERTY:** LRPMP #9 is approximately 3.7 acres located at 46 E. Florence Ave. (APN 477-161-16T). The property was previously appraised in September 2014 for \$140,000. The updated recent appraisal values the property at \$81,000.
- The property was previously auctioned June 8, 2016 and August 24, 2016 at full appraised value of \$81,000 and on November 16, 2016 at the reduced (25%) minimum bid price of \$60,750.
- **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 listing contained an excerpt from the PDG which describes the auction process. In

addition, each LoopNet listing contains attachments that include the PDG, draft PSA, environmental documents, and location map.

- Sealed Bids for the subject property were due by 5:00 PM April 3, 2017. As of that date, the property had been listed on LoopNet and had highly visible on-site signage for approximately 424 days. The Successor Agency's website also provided information including the PDG and Long Range Property Management Plan (LRPMP). The properties were posted in the local newspaper once a week for six successive weeks prior to the April auction date. The notice (see attached) identified bid submission time and place and the time and place of the auction. As of March 31, 2017, the Agency had responded to over five hundred inquiries on all properties including those in the current group of properties slated for the auction of April 4, 2017. On March 17, 2017 an email was sent to area commercial real estate brokers that provided the newspaper auction listing including a link to the Agency website, the LoopNet listing of all Agency property for sale and links to the individual properties to be auctioned on April 4, 2017. In addition, on March 10, 2017 the Agency sent to all interested parties a courtesy email notice identical to that sent to area brokers. Subsequently, on March 17, 24, and 31, 2017 additional courtesy reminders were sent to all area brokers and all interested parties.

Attachments: Summary Appraisal
LoopNet Listing
Newspaper Notice
Draft PSA
Draft Resolution
Bidders List Spreadsheet
Oral Bids Spreadsheet

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AGENCY BRIEFING REPORT

Date: April 4, 2017
To: Oversight Board Members
From: Andrew Sanchez
Through: Marlene Murphey
Subject: Agenda Item V. – 2.

- **PROPERTY:** LRPMP #15 is approximately 0.25 acres located at 315 L Street (APN 468-271-06T). The property was appraised in September 2014 for \$15,000.
- The subject parcel was auctioned with a sale price of \$36,500 that was approved by the Oversight Board on August 24, 2016. Due to Buyer default, the parcel was relisted on LoopNet.
- **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 Open Market Solicitation method A was used. Also, by February 5, 2016 a freestanding highly visible billboard sign was placed on the site. On June 8, 2016 the Board directed that the property be marketed through Method C: Auction. On June 9, 2016 the LoopNet listing was revised to reflect the auction process. Sealed Bids were due by 5:00 PM August 23, 2016. As of that date, the property had been listed on LoopNet and had highly visible on-site signage for approximately 201 days (120 days as Open

Market Solicitation, 81 days as Auction). The Successor Agency's website also provided information including the PDG and Long Range Property Management Plan (LRPMP).

- The property was posted in the local newspaper once a week for six successive weeks prior to the April auction date. The notice (see attached) identified bid submission time and place and the time and place of the auction. As of March 31, 2017, the Agency had responded to over five hundred inquiries on all properties including those in the current group of properties slated for the auction of April 4, 2017. On March 17, 2017 an email was sent to area commercial real estate brokers that provided the newspaper auction listing including a link to the Agency website, the LoopNet listing of all Agency property for sale and links to the individual properties to be auctioned on April 4, 2017. In addition, on March 10, 2017 the Agency sent to all interested parties a courtesy email notice identical to that sent to area brokers. Subsequently, on March 17, 24, and 31, 2017 additional courtesy reminders were sent to all area brokers and all interested parties.

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Date: April 4, 2017
To: Oversight Board Members
From: Andrew Sanchez
Through: Marlene Murphey
Subject: Agenda Item V. – 3.

- **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 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 relisted on LoopNet.
- **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 Open Market Solicitation method A was used. Also, by February 5, 2016 a freestanding highly visible billboard sign was placed on the site. On June 8, 2016 the Board directed that the property be marketed through Method C: Auction. On June 9, 2016 the LoopNet listing was revised to reflect the auction process. Sealed Bids were due by

5:00 PM August 23, 2016. As of that date, the property had been listed on LoopNet and had highly visible on-site signage for approximately 201 days (120 days as Open Market Solicitation, 81 days as Auction). The Successor Agency's website also provided information including the PDG and Long Range Property Management Plan (LRPMP).

- The property was posted in the local newspaper once a week for six successive weeks prior to the April auction date. The notice (see attached) identified bid submission time and place and the time and place of the auction. As of March 31, 2017, the Agency had responded to over five hundred inquiries on all properties including those in the current group of properties slated for the auction of April 4, 2017. On March 17, 2017 an email was sent to area commercial real estate brokers that provided the newspaper auction listing including a link to the Agency website, the LoopNet listing of all Agency property for sale and links to the individual properties to be auctioned on April 4, 2017. In addition, on March 10, 2017 the Agency sent to all interested parties a courtesy email notice identical to that sent to area brokers. Subsequently, on March 17, 24, and 31, 2017 additional courtesy reminders were sent to all area brokers and all interested parties.

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Date: April 4, 2017
To: Oversight Board Members
From: Andrew Sanchez
Through: Marlene Murphey
Subject: Agenda Item V. – 4.

- **PROPERTY:** LRPMP #17 is approximately 11.00 acres located at 3000 E. Butler (APN 468-030-04T). The property was previously appraised in August 2014 for \$960,000. The updated recent appraisal values the property at \$1,030,000.
- The property was previously auctioned October 19, 2016 at full appraised value of \$1,030,000. One sealed bid of \$900,000 was rejected and no oral bids were received.
- **BACKGROUND:** Updated appraisals were obtained for parcels with value above \$30,000. Environmental Assessments were obtained pursuant to the Property Disposition Guidelines (PDG). On June 30, 2016 the property was listed on LoopNet.com, the leading online commercial real estate marketing website. The Auction method C was used in accordance with the direction given by the Board at the meeting of June 8, 2016. Also, by June 30, 2016 a freestanding highly visible billboard sign was placed on the site. The LoopNet listing contained an excerpt from the PDG which describes the auction process. In addition, each LoopNet listing

contains attachments that include the PDG, draft PSA, environmental documents, and location map.

- Sealed Bids for the subject property were due by 5:00 PM April 3, 2017. As of that date, the property had been listed on LoopNet and had highly visible on-site signage for approximately 278 days. The Successor Agency's website also provided information including the PDG and Long Range Property Management Plan (LRPMP). The property was posted in the local newspaper once a week for six successive weeks prior to the April auction date. The notice (see attached) identified bid submission time and place and the time and place of the auction. As of March 31, 2017, the Agency had responded to over five hundred inquiries on all properties including those in the current group of properties slated for the auction of April 4, 2017. On March 17, 2017 an email was sent to area commercial real estate brokers that provided the newspaper auction listing including a link to the Agency website, the LoopNet listing of all Agency property for sale and links to the individual properties to be auctioned on April 4, 2017. In addition, on March 10, 2017 the Agency sent to all interested parties a courtesy email notice identical to that sent to area brokers. Subsequently, on March 17, 24, and 31, 2017 additional courtesy reminders were sent to all area brokers and all interested parties.

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Date: April 4, 2017
To: Oversight Board Members
From: Andrew Sanchez
Through: Marlene Murphey
Subject: Agenda Item V. – 5.

- **PROPERTY:** LRPMP #5 is located at the corner of Ventura and B Street (APN 467-172-23T).
- **BACKGROUND:** This is a remnant parcel located in southwest Fresno that is approximately 20 ft. x 150 ft. Pursuant to the LRPMP, the parcel has been offered to the adjacent property owner. The adjacent owner has agreed to purchase the remnant for \$1.

Attachments: Draft PSA
Draft Resolution

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Date: April 4, 2017
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From: Andrew Sanchez
Through: Marlene Murphey
Subject: Agenda Item V. – 6.

- **PROPERTY:** LRPMP #4 is located at the corner of Ventura and C Street (APN 467-172-21ST).
- **BACKGROUND:** This is a remnant parcel located in southwest Fresno that is approximately 20 ft. x 150 ft. Pursuant to the LRPMP, the parcel has been offered to the adjacent property owner. The adjacent owner has agreed to purchase the remnant for \$1.

Attachments: Draft PSA
Draft Resolution

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AGENCY BRIEFING REPORT

Date: April 4, 2017
To: Oversight Board Members
From: Andrew Sanchez
Through: Marlene Murphey
Subject: VI. Consider Offer Letter

- **PROPERTY:** LRPMP #19 is approximately 1.01 acres located at 4648 E. Kings Canyon (APN 470-081-03T, -04T, -05T, -06T). The property was previously appraised in August 2014 for \$220,000. The updated appraisal values the property at \$240,000. The property has been listed for auction on LoopNet.com since June 9, 2016. *
- **BACKGROUND:** The property came before the Board for auction on September 21, 2016 and November 16, 2016. No bids were received. Pursuant to Board policy, staff reduced the listing price by 25% to \$180,000 and has continued to list the property for auction on LoopNet.
- **CONSIDER REQUEST:** At the November 16th meeting Mr. Negri addressed the Board requesting to purchase the property with conditions. The Board advised Mr. Negri to submit his request in writing and a summary of the request to purchase is as follows. The main points of the offer are as follows:

- Purchase price of \$240,000
 - Deposit of \$2,500
 - Seller shall complete certain site improvements (water, gas, wastewater, storm water, electrical, telephone utilities, interior roadways)
 - Feasibility Period of 150 days with 3 extension periods of 30 days each
 - Closing period of 30 days with 2 extension periods of 30 days each (begins after Buyer obtains all necessary and required building and construction related permits)
 - Purchase contingent upon the ability of Buyer to acquire all City, County and any other governmental approvals necessary to construct and operate a commercial use
 - Seller will be responsible for broker commission of \$20,000
 - Exclusive use agreement with the Seller covering Seller's retained property
- Staff requests direction to further negotiate Mr. Negri's offer or to reject and continue the auction process that is underway.

Attachments: Summary Appraisal
LoopNet Listing

* Updated appraisals were obtained for parcels with value above \$30,000. Environmental Assessments were obtained pursuant to the Property Disposition Guidelines (PDG). On June 3, 2016 the property was listed on LoopNet.com, the leading online commercial real estate marketing website. The Open Market Solicitation method A was used. Also, by June 3, 2016 a freestanding highly visible billboard sign was placed on the site. On June 8, 2016 the Board directed that the property be marketed through Method C: Auction. On June 9, 2016 the LoopNet listing was revised to state the auction process would be used and the LoopNet listing contained an excerpt from the PDG which describes the auction process. In addition, each LoopNet listing contains attachments that include the PDG, draft PSA, environmental documents, and location map.