



**SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY
SPECIAL MEETING AGENDA
NOVEMBER 8, 2018 9:00 A.M.**

Chairman Mark D. Radecki
Vice Chair Cory C. Moss
Board Member Abraham Cruz
Board Member Catherine Marcucci
Board Member Newell Ruggles

Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California

Addressing the Agency:

- **Agenda Items:** *Members of the public may address the Successor Agency on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the Successor Agency is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the Secretary prior to the Agenda item being called and prior to the individual being heard by the Successor Agency.*
- **Public Comments (Agenda Items Only):** *During oral communications, if you wish to address the Agency Board during this Special Meeting, under Government Code Section 54954.3(a), you may only address the Agency Board concerning any item that has been described in the notice for the Special Meeting.*

Americans with Disabilities Act:

- *In compliance with the ADA, if you need special assistance to participate in any meeting (including assisted listening devices), please contact the Office of the Secretary to the Successor Agency (626) 333-2211. Notification of at least 72 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.*

Agendas and other writings:

In compliance with Government Code Section 54957.5(b), staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the Secretary of the Successor Agency during regular business hours, Monday through Thursday, 8:00 a.m. to 5:00 p.m., Friday, 8:00 a.m. to 4:00 p.m.

1. Call to Order
2. Flag Salute
3. Roll Call
4. Public Comments

5. **BOARD MATTERS**

- 5.1 Consideration of the minutes of October 25, 2018 regular meeting

RECOMMENDED ACTION: Approve as submitted.

- 5.2 Consideration of Resolution No. SA 2018-18 -- A RESOLUTION OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, RESCINDING RESOLUTION No. SA 2018-15 AND APPROVING A REVISED PURCHASE AND SALE AGREEMENT BETWEEN THE AGENCY AND P.T. ENTERPRISES, LLC, FOR 17647 GALE AVENUE, CITY OF INDUSTRY, AND MAKING THE REQUISITE CEQA FINDINGS

RECOMMENDED ACTION: Adopt Resolution No. SA 2018-18

6. Adjournment. Next regular Successor Agency meeting will be on Thursday, December 13, 2018 at 8:30 a.m.

SUCCESSOR AGENCY

ITEM NO. 5.1

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CALL TO ORDER

The Special Meeting of the Successor Agency to the Industry Urban-Development Agency was called to order by Chairman Radecki at 8:32 a.m. in the City of Industry Council Chamber, 15651 East Stafford Street, California.

FLAG SALUTE

The flag salute was led by Chairman Radecki.

ROLL CALL

PRESENT: Mark Radecki, Chairman
Cory Moss, Vice Chair
Abraham Cruz, Board Member
Catherine Marcucci, Board Member
Newell Ruggles, Board Member

STAFF PRESENT: Troy Helling, Acting City Manager; Bing Hyun, Assistant City Manager; Jamie M. Casso, Legal Counsel; Joshua Nelson, Contract City Engineer; and Julie Gutierrez-Robles, Assistant Secretary.

PUBLIC COMMENTS

There were no public comments.

CONSIDERATION OF THE MINUTES OF OCTOBER 25, 2018 SPECIAL MEETING

MOTION BY VICE CHAIR MOSS, AND SECOND BY BOARD MEMBER RUGGLES TO APPROVE THE MINUTES. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:	CRUZ, MARCUCCI, RUGGLES, VC/MOSS, C/RADECKI
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	NONE
ABSTAIN:	BOARD MEMBERS:	NONE

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CLOSED SESSION

Assistant Secretary Gutierrez-Robles announced there was a need for Closed Session as follows:

- 6.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): One potential case

- 6.2 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
Case: Skyscraper Brewing Company, Inc. v. Successor Agency to the Industry Urban-Development Agency, City of Industry, *et al.*
Superior Court of California, County of Los Angeles Pomona Courthouse South
Case No. KC068505

There were no public comments on the Closed Session item.

Chairman Radecki recessed the meeting into Closed Session at 8:34 a.m.

RECONVENE CITY COUNCIL MEETING

Chairman Radecki reconvened the meeting at 10:13 a.m. All members of the Successor Agency were present.

Legal Counsel Casso reported out of Closed Session.

With regard to Closed Session item 6.1, direction was given to the City Attorney's office and no further action was taken.

In regards to item 6.2, this item is settled, all claims will be waived, and full and final releases will be made across the board. A payment of \$500,000.00 will be paid to the Plaintiffs.

ADJOURNMENT

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There being no further business, the Successor Agency to the Industry Urban-Development Agency adjourned.

Mark D. Radecki, Chairman

Julie Gutierrez-Robles, Assistant Secretary

SUCCESSOR AGENCY

ITEM NO. 5.2

RESOLUTION NO. SA 2018-18

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY RESCINDING SUCCESSOR AGENCY RESOLUTION NO. 2018-15 AND APPROVING A REVISED PURCHASE AND SALE AGREEMENT BETWEEN THE AGENCY AND P.T. ENTERPRISES, LLC FOR 17647 GALE AVENUE, CITY OF INDUSTRY AND NOTICE OF EXEMPTION REGARDING SAME

WHEREAS, on December 29, 2011, the California Supreme Court delivered its decision in *California Redevelopment Association v. Matosantos* (“*Matosantos*”), finding Assembly Bill X1 26 (the “Dissolution Act”) largely constitutional; and

WHEREAS, under the Dissolution Act and the California Supreme Court’s decision in *Matosantos*, all California redevelopment agencies, including the Industry Urban-Development Agency of the City of Industry (“Agency”), were dissolved on February 1, 2012, and successor agencies, including the Agency, were designated and vested with the responsibility of winding down the business and fiscal affairs of the former redevelopment agencies; and

WHEREAS, on September 22, 2011, the City Council of the City of Industry (the “City”) adopted Resolution No. 2011-20 accepting for the City the role of Successor Agency, in accordance with the provisions of Health & Safety Code Section 34177(j); and

WHEREAS, under the provisions of Health & Safety Code Section 34191.4, once the Department of Finance (“Department”) issues a finding of completion, successor agencies are provided with additional authority to carry out the wind down process; and

WHEREAS, in accordance with Health & Safety Code Section 34191.5, after the issuance of a finding of completion, successor agencies are required to prepare a Long Range Property Management Plan (“LRPMP”), which must identify all Agency-owned real property, and address the disposition and use of the real properties; and

WHEREAS, the Agency received its Finding of Completion from the Department on April 26, 2013; and

WHEREAS, the LRPMP was submitted to the Department, and was approved by the Department on February 21, 2014; and

WHEREAS, upon approval of the LRPMP by the Department, all Agency property was transferred to the Agency’s Community Redevelopment Property Trust Fund; and

WHEREAS, the Agency owns certain property located at 17647 Gale Avenue, City of Industry, California (Property #34); and

WHEREAS, pursuant to the provisions of the LRPMP, the Agency desires to sell the Property at its highest and best use, maximizing its value, in furtherance of the economic goals and as provided for in the City’s General Plan; and

WHEREAS, the Agency desires to sell the Property to the P.T. Enterprises, LLC, pursuant to a Purchase and Sale Agreement (the “Agreement”), dated November __, 2018, attached hereto as Exhibit A, and incorporated herein by reference. The purchase price is \$6,397,149.00, which represents an amount equal to or greater than the current fair market value of the Property, as determined by an appraisal performed by John P. Laurain, MAI, ASA of R.P. Laurain & Associates, Inc.; and

WHEREAS, the purchase of the Property is exempt from the California Environmental Quality Act (“CEQA”) (Public Resources Code Section 21000 *et seq.*), pursuant to Section 15061(b)(3) of the CEQA Guidelines. Section 15061(b)(3) of the CEQA Guidelines exempts projects covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The sale of the property does not involve any land use entitlements that will allow for development on the property. The sale would not create any public health or safety hazards and would not have a significant impact on the resources or services within the surrounding area, such as water, sanitary services, surrounding roadways and intersections. Any future development at the property will be subject to additional environmental review and independent analysis as required by CEQA; and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed Agreement and believes that the redevelopment of the Property in accordance therewith is in the best interests of the Agency and the health, safety and welfare of its residents, maximizes value, is consistent with the provisions of the LRPMP, and is consistent with the public purposes and provisions of applicable state and local laws and requirements; and.

WHEREAS, on or about June 14, 2018, the Successor Agency adopted Resolution No. 2018-15, approving a Purchase and Sales Agreement with P.T. Enterprises, however, the purchase price exceeded the value for which P.T. Enterprises would be able to secure financing for the construction of the new car dealership. As a result, the Successor Agency and P.T. Enterprises renegotiated the purchase price to \$6,397,149.00 which represents more than any other bid and is an amount equal to or greater than the current fair market value of the Property, as determined by an appraisal performed by John P. Laurain, MAI, ASA of R.P. Laurain & Associates, Inc.

NOW, THEREFORE, THE SUCCESSOR AGENCY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct and are incorporated herein by reference.

SECTION 2. The Successor Agency hereby rescinds Resolution No. 2018-15 in its entirety.

SECTION 3. All necessary public hearings and opportunities for public testimony and comment have been conducted in compliance with State law and the Municipal Code of the City of Industry.

SECTION 4. The purchase of the Property is exempt from the California Environmental Quality Act (“CEQA”) (Public Resources Code Section 21000 *et seq.*), pursuant to Section 15061(b)(3) of the CEQA Guidelines. Section 15061(b)(3) of the CEQA Guidelines exempts projects covered by the

general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The sale of the property does not involve any land use entitlements that will allow for development on the property. The sale would not create any public health or safety hazards and would not have a significant impact on the resources or services within the surrounding area, such as water, sanitary services, surrounding roadways and intersections. Any future development at the property will be subject to additional environmental review and independent analysis as required by CEQA.

Based on these findings, the Agency adopts the Notice of Exemption and direct staff to file same as required by law and affirm their respective approval of the purchase and sale of the Property.

SECTION 5. The Agency Board hereby approves the Purchase and Sale Agreement, attached hereto as Exhibit A.

SECTION 6. The Agency hereby directs staff to comply with all applicable statutes regarding the distribution of the sales proceeds to the Los Angeles County Auditor-Controller for distribution to the taxing entities.

SECTION 7. The Executive Director is hereby authorized to take such further actions as may be necessary to carry out the obligations set forth in this Resolution.

SECTION 8. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

SECTION 9. Certification. The Agency Secretary shall certify to the passage and adoption of this Resolution and enter it into the respective book of original resolutions.

SECTION 10. Effective Date. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 8th day of November, 2018.

Mark D. Radecki, Chairperson

ATTEST:

Julie Gutierrez-Robles, Deputy Agency Secretary