

IN THE CITY COUNCIL OF THE CITY OF SAN LEANDRO

RESOLUTION NO. 2022-

RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN LEANDRO AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A FIFTH AMENDMENT TO THE PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS BETWEEN THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN LEANDRO, THE CITY OF SAN LEANDRO, AND BEAM DEVELOPMENT, LLC, FOR SALE OF REAL PROPERTY OWNED BY THE SUCCESSOR AGENCY

WHEREAS, on February 1, 2012, the Redevelopment Agency of the City of San Leandro (“redevelopment Agency”) was dissolved pursuant to Assembly Bill 1 26; and

WHEREAS, on February 1, 2012, the City of San Leandro became the Successor Agency to the Redevelopment Agency (“Successor Agency”); and

WHEREAS, the Redevelopment Dissolution Law (AB 1X 26, enacted June 28, 2011, as amended by AB 1484, enacted June 27, 2012 and SB 107, enacted on September 22, 2015) and Section 34177 of the Health and Safety Code (“HSC”) required the successor agencies, among other things, to expeditiously wind down affairs of each former redevelopment agency (“RDA”), while continuing to meet the former RDA’s enforceable obligations, and overseeing completion of redevelopment projects and disposing of the assets and properties of the former RDA, all as directed by the successor agencies’ oversight boards pursuant to HSC Section 34179(a); and

WHEREAS, HSC Section 34179(j) provided for the creation of the County of Alameda Countywide Oversight Board (“Countywide Oversight Board”) commencing on and after July 1, 2018; and

WHEREAS, pursuant to Section 34181(e) of the HSC, the oversight board shall direct the Successor Agency to determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the Countywide Oversight Board for its approval. The Countywide Oversight Board may approve any amendments to or early termination of those agreements if it finds that amendments or early termination would be in the best interests of the taxing entities; and

WHEREAS, pursuant to Health and Safety Code Section 34191.5(c), property shall not be transferred to a successor agency, city, county or city and county, unless the Long Range Property Management Plan has been approved by the Oversight Board to the Successor Agency (the “City Oversight Board”) and the California Department of Finance; and

WHEREAS, the Long Range Property Management Plan was approved by the City Oversight Board on November 5, 2015 and by the California Department of Finance on December 30, 2015; and

WHEREAS, the Long Range Property Management Plan establishes a plan for transferring or selling the real property assets that were owned by the former Redevelopment Agency; and

WHEREAS, the City of San Leandro (“City”) is the owner of certain real property with

the address of 262 Davis Street, San Leandro, California, also known as Alameda County Parcel Number APN: 075-0001-009-02 (the “City Property”); and

WHEREAS, the Successor Agency is the owner of certain real properties located adjacent to the City Property with addresses of 290 Davis Street, 250 Davis Street, 222 Davis Street, 212 Davis Street, and 1199 E. 14th Street, San Leandro, California, also known as Alameda County Parcel Numbers APN: 075-0001-010-02; APN: 075-0001-008-02; APN: 075-0001-006-00; APN: 075-0001-005-00; and APN: 075-0001-004-00 (the “Successor Agency Properties”, together with “City Property” as “Properties”); and

WHEREAS, the Successor Agency Properties are included as “for sale” properties in the Long Range Property Management Plan prepared by the Successor Agency and approved by the City Oversight Board and the California Department of Finance; and

WHEREAS, the Successor Agency previously issued a public request for proposals (the “RFP”) for the purchase and development of the Successor Agency Properties; and

WHEREAS, the Successor Agency specified that as part of the RFP the Properties will only be sold concurrently with the City Property; and

WHEREAS, Beam Development, LLC. (“Buyer”) submitted a proposal to the Successor Agency offering to pay Two Million One Hundred Thousand Dollars (\$2,100,000.00) for the combined purchase of the Properties and the City Property (“Purchase Price”); and

WHEREAS, Successor Agency staff determined that Buyer possesses the resources and experience necessary to complete a successful development at the Properties consistent with the Long Range Property Management Plan; and

WHEREAS, the Successor Agency and City reviewed the sales price of comparable properties, as well as other responses to the RFP, and determined that the Purchase Price represented the fair market value of the Successor Agency Properties and the City Property; and

WHEREAS, a Purchase and Sale Agreement and Joint Escrow Instructions (the “Original Agreement”) were approved by the City of San Leandro City Council (“City Council”) and the Successor Agency to the Redevelopment Agency of the City of San Leandro (“Successor Agency”) for the sale of City Property and Successor Agency Properties on November 6, 2017 by City Resolution No. 2017-155 and Successor Agency Resolution No. 2017-006; and

WHEREAS, Buyer, Successor Agency and City entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of December 7, 2017 (the “Original Agreement”), as amended by that certain First Amendment to Purchase and Sale Agreement dated as of December 4, 2018 (the “First Amendment”), that certain Second Amendment to Purchase and Sale Agreement dated as of January 30, 2020 (the “Second Amendment”), that certain Third Amendment to Purchase and Sale Agreement dated as of January 31, 2022 (the “Third Amendment”) and that certain Fourth Amendment to Purchase and Sale Agreement dated as of May 31, 2022 (the “Fourth Amendment”, and collectively with the Original Agreement, First Amendment, Second Amendment, Third Amendment and Fourth Amendment, the “Purchase Agreement”); and

WHEREAS, such Amendments did not change the economic terms of the Purchase

Agreement, but provided only for the extension of the Due Diligence Period and timing of the close of escrow for the sale of the Properties, and such Amendments were approved pursuant to Section 10.16 of the Original Agreement, which permits the Seller's Executive Director to approve, waive or extend terms of the Purchase Agreement on behalf of the Successor Agency without further authorization if such changes do not otherwise reduce the Successor Agency's rights under the Purchase Agreement, or waive requirements under the Purchase Agreement; and

WHEREAS, a Fifth Amendment to the Purchase and Sale Agreement (the "Fifth Amendment") has been presented to the Board of Directors of the Successor Agency ("Board of Directors"); and

WHEREAS, the Board of Directors is familiar with the contents thereof; and

WHEREAS, the City Manager, acting as Executive Director of the Successor Agency, recommends approval of the Agreement.

NOW, THEREFORE the Successor Agency to the City of San Leandro Redevelopment Agency hereby RESOLVES as follows:

1. Subject to approval by the Alameda County Oversight Board and subject to the approval by the Successor Agency to the City of San Leandro Redevelopment Agency, the Fifth Amendment to the Purchase and Sale Agreement and Joint Escrow Instructions are hereby approved; and

2. That the Fifth Amendment substantially in the form presented is hereby approved and execution by the Executive Director is hereby authorized; and

3. That the Executive Director is authorized to make non-substantial revisions to the Fifth Amendment, subject to the approval of the Agency Counsel as to form; and

4. That the executed Fifth Amendment shall be attached to and made part of this resolution; and

5. The Executive Director and her designees are authorized and directed to execute all documents and take all actions necessary to implement this Resolution, including without limitation the execution of deeds, certificates of acceptance, and all other necessary instruments, as applicable.

Introduced by _____ and passed and adopted this 18th day of July 2022, by the following vote:

Members of the Council:

AYES:

NOES:

ABSENT:

ATTEST: _____

Kelly B. Clancy, Acting City Clerk