City of Culver City, California

Agenda Item Report

Meeting Date: 04/21/2014	Item Number: PH-1
SUCCESSOR AGENCY AGENDA ITEM: PUBLIC HEARING - Adoption of a Resolution Approving and Recommending that the Oversight Board Approve (1) the Sale and Transfer of Real Property at 9300 Culver Boulevard to Combined/Hudson 9300 Culver LLC (Developer) in Accordance with the Terms of the DDA Between the Developer and the City of Culver City Pursuant to the State Department of Finance Approved Long Range Property Management Plan, (2) the Related Grant Deed, (3) the Successor Agency's Remittance of the Net Purchase Price Proceeds Received by the Successor Agency after Close of Escrow to the Los Angeles County Auditor-Controller for Distribution to Taxing Entities, and (4) Related Actions.	
Contact Person/Dept.: Glenn Heald Todd Tipton / CDD	Phone Number: 310-253-5752 310-253-5783
Fiscal Impact: Yes [] No [X]	
Public Hearing: [X] Action Item: []	Attachments: [X]
Public Notification: (E-Mail) Meetings and Agendas –Successor Agency (04/17/2014); Published in the Culver City News (04/10/2014).	
Departmental Approval: Sol Blumenfeld: (04/17/14)	Successor Agency General Counsel: Carol Schwab (by H. Baker) (04/17/14) Successor Agency Special Counsel Approval: Murray Kane (04/17/14)
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (04/17/14)	Executive Director Approval: John M. Nachbar (04/17/14)

RECOMMENDATION:

Staff recommends the Successor Agency to the Culver City Redevelopment Agency Board (Successor Agency Board) adopt a proposed resolution approving, and recommending to its Oversight Board the approval of (1) the sale and transfer of certain real property at 9300 Culver Boulevard (Property) to Combined/Hudson 9300 Culver LLC (Developer) in accordance with the terms of that certain Disposition and Development Agreement (DDA) between the Developer and the City of Culver City (City) dated January 31, 2012, pursuant to the Long Range Property Management Plan approved by the California Department of Finance (DOF) on March 18, 2014, (2) a Grant Deed to effectuate said disposition of the Property, (3) the Successor Agency's remittance of the net purchase price proceeds received by the Successor Agency after the Close of Escrow to the Los Angeles County Auditor-Controller for distribution to taxing entities, and (4) related actions.

PROCEDURE (Noticed Public Hearing):

1. The Chair seeks a motion from the Successor Agency Board to receive and file the affidavits of publication and posting of notices and correspondence received in response to the public hearing notices; and

2. The Chair calls for a staff report and the Board Members may pose questions to staff as desired; and,
3. Chair seeks a motion to open the public hearing; and,
4. Chair seeks a motion to close the public hearing after all public testimony has been presented; and,
5. Successor Agency Board discusses the item and arrives at its decision.

BACKGROUND:

On June 28, 2011, the Governor of California signed into law Assembly Bill No. X1 26 (2011-2012 1st Ex. Sess.) (referred to herein as the Dissolution Act), making certain changes to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the Redevelopment Law) and to the California Health and Safety Code (H&S Code) including adding Part 1.8 (commencing with Section 34161) (Part 1.8) and Part 1.85 (commencing with Section 34170) (Part 1.85) to Division 24 of the H&S Code.

The Property is proposed to be sold by the Successor Agency to the Developer in accordance with the terms of the DDA and consistent with the Long Range Property Management Plan approved by the DOF on March 18, 2014 (LRPMP) and in accordance with H&S Code Section 34181.

DISCUSSION:

The Property, APN 4206-029-934, is a 50,727 square foot (1.16 acres) parcel in downtown Culver City, bordered by Culver Boulevard to the north, Washington Boulevard to the east, the Culver Studios to the south, and Town Plaza to the west. The Property is zoned Commercial Downtown (CD). The Property is included in the LRPMP submitted to the DOF in July 2013 (and revised and resubmitted to the DOF in accordance with DOF's guidance in March, 2014) as "Property to be Sold," reflecting the Property's intended sale from the Successor Agency to the Developer for the development of Parcel B.

Should the Successor Agency Board adopt the proposed resolution (Attachment 1), a separate resolution directing the sale of the Property will be submitted to the Oversight Board for consideration at their next regular meeting to be held on May 8, 2014. Should the Oversight Board adopt the proposed resolution, such resolution would be presented to the DOF for review and approval.

The Grant Deed, in substantial form as attached, will effectuate the disposition of the Property from the Successor Agency to the Developer (Attachment 2).

FISCAL ANALYSIS:

The proposed sale will generate land sale proceeds in excess of the $2 million appraised fair market value of the Property. Pursuant to the Dissolution Act, net land sale proceeds received by the Successor Agency will be remitted to the Los Angeles County Auditor-Controller for distribution to the taxing entities. The Successor Agency may seek reimbursement of the incidental costs associated with the proposed sale of the Property through the escrow process or future Recognized Obligations Payment Schedule (ROPS) submissions to the DOF.

ENVIRONMENTAL REVIEW:

A Final Supplemental Environmental Impact Report ("FSEIR") was certified by the City on May 3, 1999, which identified and analyzed the potential environmental impacts associated with the Project. This activity has been determined to be adequately addressed in the FSEIR for the Project, and there is no substantial change in circumstances, new information of substantial importance, or project changes which would warrant additional environmental review; therefore, no further environmental review is required under CEQA pursuant to CEQA Guidelines Section 15162.

ATTACHMENTS:

1. Proposed Resolution.
2. Grant Deed.

MOTIONS:

That the Successor Agency Board:

> Adopt a resolution approving, and recommending to its Oversight Board the approval of, (1) the sale and transfer of certain real property at 9300 Culver Boulevard to Combined/Hudson 9300 Culver LLC (Developer) in accordance with the terms of the Disposition and Development Agreement (DDA) between the Developer and the City of Culver City dated January 31, 2012, pursuant to the Long Range Property Management Plan approved by the California Department of Finance on March 18, 2014, (2) the Grant Deed to effectuate said disposition of said property, (3) the Successor Agency's remittance of the net purchase price proceeds received by the Successor Agency after the Close of Escrow to the County for distribution to taxing entities, and (4) related actions.