

RESOLUTION NO. 12-009

APPROVING THE NOVEMBER 13, 2012 ACTION OF THE HERCULES CITY COUNCIL AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE A PURCHASE AND SALE AGREEMENT WITH CITY VENTURES, LLC FOR THE SALE OF A CITY OWNED SITE (APN 404-020-062-6) COMMONLY KNOWN AS "VICTORIA CRESCENT" LOCATED ON THE EAST SIDE OF SAN PABLO AVENUE SOUTH OF VICTORIA CRESCENT EAST FOR A PRICE OF APPROXIMATELY \$2,125,000 BASED ON THE CONDITIONS SET IN THE PURCHASE AND SALE AGREEMENT, WHICH IS TO BE ASSIGNED TO THE CITY AS SUCCESSOR AGENCY TO THE HERCULES REDEVELOPMENT AGENCY OF NON-HOUSING ASSETS.

WHEREAS, the City of Hercules (Seller) is the owner of the Site (APN 404-040-062-6) on the east side of San Pablo Avenue and south of Victoria Crescent East commonly referred to as "Victoria Crescent" (Site), more particularly described in the Purchase and Sale Agreement ("PSA"), which is an Attachment 2 to the Staff Report accompanying this Resolution; and

WHEREAS, after an extensive marketing effort and the review of multiple offers, and having one PSA with a higher offer fall through, Seller desires to sell the Site to City Ventures, LLC ("City Ventures" or "Buyer") and Buyer desires to purchase the Site from Seller at a price of \$2,125,000 based on conditions set forth in the Purchase and Sale Agreement, which is attached to this Resolution, and is substantially complete; and

WHEREAS, the purchase and sale of the Site on conditioned on the Buyer receiving entitlements to build a detached single-family residential project; and

WHEREAS, the proposed project specifics have not been determined, in that no site plan has been submitted, and there has been no determination regarding the total number of residential units to be built or whether retail and commercial development will be constructed, so that a review of environmental impacts pursuant to the California Environmental Quality Act (CEQA) at this stage would be premature and speculative; and

WHEREAS, entering into a Purchase and Sale Agreement with City Ventures does not constitute a project approval within the meaning of Public Resources Code Sections 21100 and 21151, because the proposal is not well enough defined to provide meaningful information for environmental assessment; and

WHEREAS, the City as Seller, in approving the Purchase and Sale Agreement with City Ventures, is not warranting final approval by the City as land use regulator, but is asserting that any proposed Project will require a full and adequate CEQA review before the Project can be considered for approval, and retains its power to consider the full range of alternatives and mitigation measures required by CEQA; and

WHEREAS, no proposed development will proceed unless and until the parties have negotiated, executed, and delivered mutually acceptable agreements based upon information produced from the CEQA environmental review process and on other public review and hearing processes and subject to all applicable government approvals.

WHEREAS, the Site is to be transferred from the City of Hercules to the City as Successor Agency to the Hercules Redevelopment Agency for Non-Housing Assets in accordance with a directive from the State Controller under ABx1 26; and

WHEREAS, the Redevelopment Oversight Board has oversight responsibility for the City as Successor Agency to the Hercules Redevelopment Agency for Non-Housing Assets.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board for the City of Hercules as the Successor Agency to the Hercules Redevelopment Agency as follows:

1. That the Board hereby approves the November 13, 2012 action of the Hercules City Council, which authorized the City Manager to finalize and execute the Purchase and Sale Agreement in the amount of \$2,125,000 with City Ventures, LLC; and
2. That the Board hereby authorizes the Executive Director of the City as Successor Agency to the Hercules Redevelopment Agency for Non-Housing Assets to accept assignment of the Purchase and Sale Agreement from the City and to take all appropriate actions and execute all necessary documents to implement to intent of the PSA and this resolution and close escrow on the transaction.

The foregoing Resolution was duly and regularly adopted at a meeting of the Oversight Board for the Successor Agency to the Hercules Redevelopment Agency held on the 19th day of November, 2012 by the following vote of the Redevelopment Oversight Board:

AYES: Gamba, Reber, Romero, Tong, Wilkins


NOES: None

ABSENT: Mitchell, Van de Brooke



Dan Romero, Chair

ATTEST:



Doreen Mathews, City Clerk