

1 RESOLUTION NO. _____

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3 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
4 RIALTO, ACTING AS THE SUCCESSOR AGENCY TO THE
5 REDEVELOPMENT AGENCY OF THE CITY OF RIALTO,
6 DECLARING CERTAIN REAL PROPERTY EXEMPT SURPLUS
7 PURSUANT TO THE SURPLUS LAND ACT; AND APPROVING
8 A PURCHASE AND SALE AGREEMENT FOR THE
9 DISPOSITION OF REAL PROPERTY BY THE SUCCESSOR
10 AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY
11 OF RIALTO IN ACCORDANCE WITH ITS APPROVED LONG
12 RANGE PROPERTY MANAGEMENT PLAN TO NEWMARK
13 MERRILL COMPANIES, INC.

14 WHEREAS, the Successor Agency to the Redevelopment Agency of the City of Rialto
15 ("Successor Agency") have been established to oversee the wind down of the affairs of the
16 former Redevelopment Agency of the City of Rialto in accordance with California Health and
17 Safety Code ("HSC") Section 34179; and

18 WHEREAS, the Successor Agency received a Finding of Completion on May 9, 2013
19 from the California Department of Finance ("DOF"); and

20 WHEREAS, as a result of its receipt of a Finding of Completion, the Successor
21 Agency was required to (i) prepare a "Long Range Property Management Plan" ("LRPMP") in
22 accordance with the requirements of HSC Section 34191.5(c), and (ii) submit the LRPMP to
23 the Oversight Board and DOF for approval within six (6) months of the date of the Finding of
24 Completion; and

25 WHEREAS, the Successor Agency prepared its LRPMP in accordance with HSC
26 Section 34191.5(c) and submitted to the Oversight Board for approval; and

27 WHEREAS, on December 3, 2014, the Oversight Board approved the LRPMP, as
28 amended by Amendment No. 1 and Amendment No. 2 and directed that it be submitted to
DOF for approval in accordance with HSC Section 34191.5(b); and

WHEREAS, the Successor Agency submitted the LRPMP, as amended, to DOF on
December 8, 2014; and

1 WHEREAS, the Successor Agency received notice of DOF's approval of the LRPMP
2 on March 10, 2015; and

3 WHEREAS, as required by HSC Section 34191.5(a), the Successor Agency
4 established a "Community Redevelopment Property Trust Fund" ("CRPTF") to serve as a
5 repository for the real property held by the Successor Agency; and

6 WHEREAS, the LRPMP provides that the Successor Agency shall have the right to
7 market Successor Agency Disposition Properties for development for not less than five (5)
8 years following DOF approval of the LRPMP or until January 1, 2019, whichever occurs later
9 ("Initial Marketing Period"); and

10 WHEREAS, the initial five-year Initial Marketing Period would have terminated on
11 March 9, 2020; and

12 WHEREAS, the LRPMP provides further that the Successor Agency shall have the
13 right, at its sole and absolute discretion, to extend the Initial Marketing Period by an
14 additional five (5) years (for a total of ten (10) years) by submitting written notice to the
15 Oversight Board stating the Successor Agency's election to extend the Initial Marketing
16 Period; and

17 WHEREAS, the Successor Agency previously determined to elect to extend the Initial
18 Marketing Period by an additional five (5) years; and

19 WHEREAS, concurrent with submittal of this Resolution to the Countywide Oversight
20 Board, the Successor Agency will provide to the Countywide Oversight Board written notice
21 reaffirming its election to extend the Initial Marketing Period for an additional five (5) years,
22 such extended Initial Marketing Period to terminate on March 9, 2025; and

23 WHEREAS, the LRPMP lists Project #12 – Gateway Commercial/WalMart
24 Supercenter Block as a City Disposition Property (as defined in the LRPMP) consisting of
25 seven (7) parcels; and

26 WHEREAS, the City of Rialto ("City") determined that it was in the best interests of the
27 public and the City to construct Fire Station 205 on property located at 1485 Willow Avenue
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1 rather than on property located at 2530 South Lilac Avenue as originally contemplated by the
2 LRPMP; and

3 WHEREAS, the City entered into a Compensation Agreement with all affected taxing
4 entities in connection with its acquisition of the property located at 1485 Willow Avenue,
5 Rialto, California, being a portion of Assessor Parcel numbers 0132-161-13 and 0132-202-06
6 (the "Fire Station 205 Property"); and

7 WHEREAS, on September 11, 2018, the Successor Agency approved a Purchase
8 and Sale Agreement with the City providing for the sale of the Fire Station 205 Property to
9 the City for governmental use; and

10 WHEREAS, the City entered into an Exclusive Right to Negotiate Agreement, dated
11 June 27, 2017 (the "2017 ENA"), between the City and NewMark Merrill Companies, Inc.
12 relating to the disposition and development of the Property; and

13 WHEREAS, for the purpose of documenting the ongoing exclusive negotiations with
14 NewMark Merrill Companies, Inc., the City subsequently entered into a new Exclusive Right
15 to Negotiate Agreement, dated December 8, 2020 (the "2020 ENA"), between the City and
16 NewMark Merrill Companies, Inc. relating to the disposition and development of the Property,
17 as amended on June 22, 2021; and

18 WHEREAS, pursuant to the LRPMP, the City may affirmatively decline to acquire one
19 or more City Disposition Properties by written notice to the Successor Agency; and

20 WHEREAS, in the event the City declines to acquire one or more City Disposition
21 Properties from the Successor Agency, such City Disposition Properties shall thereafter be
22 treated as Successor Agency Disposition Properties; and

23 WHEREAS, the City has delivered such written notice to the Successor Agency
24 declining to purchase the remaining parcels described in the LRPMP as Project #12 –
25 Gateway Commercial/WalMart Supercenter Block, being APNs 0132-101-07, 0132-101-08,
26 0132-101-15, 0132-101-16, 0132-111-03, and portions of APNs 0132-161-13 and 0132-202-
27 06 (the "Property"), for the purpose of facilitating the sale of the Property by the Successor
28 Agency as described hereinbelow; and

1 WHEREAS, the Successor Agency has received an offer to purchase the Property for
2 a purchase price of \$3,508,758, based on an MAI appraisal with a date of valuation of June
3 27, 2021, a copy of which is on file in the Office of City Manager; and

4 WHEREAS, the Successor Agency believes the offer represents the fair market value
5 of the Property; and

6 WHEREAS, the Successor Agency desires to accept the offer and enter into a
7 Purchase and Sale Agreement with NewMark Merrill Companies, LLC, for the sale of the
8 Property in accordance with the LRPMP and direct certain other actions related thereto;

9 **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIALTO, ACTING AS**
10 **THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF**
11 **RIALTO, DOES HEREBY FIND, DETERMINE, AND RESOLVE AS FOLLOWS:**

12 **Section 1:** The Recitals set forth above are true and correct and incorporated
13 herein by reference.

14 **Section 2:** The Successor Agency hereby finds, determines and declares as follows:

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16 A. The Property is held in the Community Redevelopment Property Trust Fund
17 established by the Successor Agency and is designated in the Successor Agency to the
18 Redevelopment Agency of the City of Rialto Long Range Property Management Plan, as
19 approved by the California Department of Finance on March 10, 2015.

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21 B. The Property has been the subject of continuous and ongoing negotiations
22 between the City and NewMark Merrill Companies Inc. pursuant to the 2017 ENA and the
23 2020 ENA, contemplating its disposition and development.

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25 C. The Purchase and Sale Agreement between the Successor Agency and
26 NewMark Merrill Companies, Inc. that is the subject of this Resolution provides for an outside
27 closing date of December 31, 2022.

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1 **Section 3:** Based on the findings of fact set forth in Section 2 hereof, the Successor
2 Agency hereby declares that the Property is “exempt surplus” property pursuant to the Surplus
3 Land Act, being Government Code, Title 5, Division 2, Part 1, Chapter 5, Article 8,
4 commencing with Section 54220.

5 **Section 4:** The Purchase and Sale Agreement by and between the Successor
6 Agency and NewMark Merrill Companies, LLC, is approved in substantially the form attached
7 hereto. The Successor Agency will utilize the proceeds of the sale to make payments on the
8 enforceable obligations listed on the ROPS approved by DOF, with excess proceeds (if any) to
9 be distributed to other taxing entities in accordance with HSC Section 34179.5(c)(2).

10 **Section 5:** The Successor Agency staff are directed to promptly submit the fully
11 executed Purchase and Sale Agreement to the Countywide Oversight Board for review and
12 approval.

13 **Section 6:** The Successor Agency staff are directed to submit a certified copy of this
14 Resolution to the California Department of Housing and Community Development in
15 accordance with the Surplus Land Act Guidelines dated April 2021.

16 **Section 7:** The Successor Agency governing board and the Successor Agency staff
17 are authorized and directed to do any and all things, and to execute any and all documents,
18 including, without limitation, a Purchase and Sale Agreement substantially in the form attached
19 hereto, which upon consultation with Successor Agency legal counsel they may deem
20 necessary or advisable to effectuate the transactions contemplated by this Resolution. Any
21 previously taken acts or previously executed documents in furtherance of the subject matter
22 hereof are hereby ratified.

23 **Section 8:** If any provision of this Resolution or the application thereof to any person
24 or circumstance is held invalid, such invalidity shall not affect other provisions or applications
25 of this Resolution which can be given effect without the invalid provision or application, and to
26 this end the provisions of this Resolution are severable. The Successor Agency governing
27 board hereby declares that it would have adopted this Resolution irrespective of the invalidity
28 of any particular portion thereof.

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Section 9: This Resolution shall take effect from and after the date of its adoption.

PASSED APPROVED AND ADOPTED this _____ day of _____, 2021.

DEBORAH ROBERTSON, Mayor

ATTEST:

BARBARA MCGEE, City Clerk

APPROVED AS TO FORM:

ERIC S. VAIL, City Attorney

1 **STATE OF CALIFORNIA**)
2 **COUNTY OF SAN BERNARDINO**) ss
3 **CITY OF RIALTO**)

4 I, Barbara McGee, City Clerk of the City of Rialto, do hereby certify that the foregoing
5 Resolution No.____ was duly passed and adopted at a regular meeting of the City Council of
6 the City of Rialto held on the ____ day of _____, 2021.

7 Upon motion of Council Member _____, seconded by Council Member
8 _____, the foregoing Resolution No. ____ was duly passed and adopted.

9 Vote on the motion:

10 AYES:

11 NOES:

12 ABSENT:

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14 IN WITNESS WHEREOF, I have hereunto set my hand and the Official Seal of the
15 City of Rialto this ____ day of _____, 2021.

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18 _____
19 BARBARA MCGEE, CITY CLERK
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