

**RESOLUTION NO. OB-2017 - \_\_\_\_**

**RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF DESERT HOT SPRINGS APPROVING THE PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS BETWEEN THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF DESERT HOT SPRINGS AND ARSHAD MOHAMMAD ABID WITH RESPECT TO THE REAL PROPERTY LOCATED AT 66036 PIERSON BOULEVARD, DESERT HOT SPRINGS, CALIFORNIA (APNS 639-232-026, -027, -028) AND APPROVING CERTAIN RELATED ACTIONS**

**WHEREAS**, pursuant to Health and Safety Code (the “HSC”) § 34172 (a) (1), the Redevelopment Agency of the City of Desert Hot Springs dissolved February 1, 2012; and

**WHEREAS**, consistent with the provisions of the HSC, the City Council of the City of Desert Hot Springs (the “City”) previously elected to serve in the capacity of the Successor Agency to the Redevelopment Agency of the City of Desert Hot Springs (the “Successor Agency”); and

**WHEREAS**, the Oversight Board for the Successor Agency (“Oversight Board”) has been established pursuant to HSC § 34179 to assist in the wind-down of the dissolved redevelopment agency; and

**WHEREAS**, pursuant to HSC § 34191.5 (c), the Successor Agency previously prepared and filed with the Department of Finance (“DOF”) its Oversight Board-approved Long Range Property Management Plan (“LRPMP”); and

**WHEREAS**, on May 15, 2015, the DOF approved the Successor Agency’s LRPMP and notified the Successor Agency that pursuant to HSC § 34191.3, the approved LRPMP shall govern, and supersede all other provisions relating to the disposition and use of all the real property assets of the former redevelopment agency; and

**WHEREAS**, the approved LRPMP, which addresses the disposition and use of the real property assets held by the Successor Agency, includes 44 parcels of land grouped into sixteen (16) separate sites, of which four (4) sites have already been sold or transferred to the City, leaving twelve (12) sites (3 sites zoned general commercial and 9 sites located within the City’s Vortex Specific Plan) to be sold; and

**WHEREAS**, in addition to these twelve (12) sites, the Successor Agency has two (2) surplus residential properties that are required to be sold, thereby creating a total of fourteen (14) sites to be sold (the “Successor Agency Properties”); and

**WHEREAS**, the Successor Agency is the owner of that certain real property consisting of approximately 0.45 acre of vacant land located at 66036 Pierson Boulevard, Desert Hot Springs, California (APNs 639-232-026, -027, -028) (the “Property”); and

**WHEREAS**, the Property, which is one of the Successor Agency Properties, is: (i) identified as Site No. 9 in the LRPMP; (ii) described as three (3) parcels of vacant land zoned Public Facility in Planning Area 1.01 of the Vortex Specific Plan; (iii) designated for future

development; and (iv) more fully described in Exhibit "A" attached hereto, which is an excerpt from the LRPMP; and

**WHEREAS,** on November 15, 2016, the Successor Agency approved an agreement with NAI Capital (the "NAI Agreement") to list and sell certain real property assets of the Successor Agency, all of which were subsequently listed for sale; and

**WHEREAS,** as a part of the NAI Agreement, NAI Capital has agreed to prepare a Broker's Opinion of Value (the "BOV") for each Successor Agency property that is sold; and

**WHEREAS,** in response to NAI Capital's listing, on October 18, 2017, Dr. Arshad Mohammad Abid, represented by Chaudhry Sharjeel, offered to purchase the Property for \$69,195.00 (a copy of the offer letter (the "Offer Letter") is attached to this Resolution as Exhibit "B"); and

**WHEREAS,** in the Offer Letter, Mr. Sharjeel provided the Successor Agency with certain information concerning plans to develop the Property for food service and retail sales; and

**WHEREAS,** to determine whether the purchase price offered by Dr. Abid is fair and reasonable, the Successor Agency requested NAI Capital to prepare a BOV for the Property; and

**WHEREAS,** based on past practice, the DOF has acknowledged that BOVs are an acceptable method and basis for confirming that the value of real property being sold by a successor agency is fair and reasonable; and

**WHEREAS,** on October 27, 2017, the Successor Agency received the BOV from NAI Capital indicating its opinion that the market value of the Property is currently \$69,195 (the "BOV Market Value"); and

**WHEREAS,** in consideration that the \$69,195 purchase price offered by Dr. Abid is the same as the BOV Market Value, it may be concluded that the purchase price offered by Dr. Abid for the Property is fair and reasonable, as more fully described within the BOV for the Property, a copy of which is attached to this Resolution as Exhibit "C"; and

**WHEREAS,** during its meeting of December 5, 2017, the Successor Agency Board approved the Purchase and Sale Agreement and Joint Escrow Instructions (the "Purchase and Sale Agreement") for sale of the Property to Dr. Abid at a price of \$69,195, and authorized certain related actions; and

**WHEREAS,** approval of this Resolution will approve the Purchase and Sale Agreement between the Successor Agency and Dr. Abid with respect to the Property, the form of which is attached to this Resolution as Exhibit "D," and authorize certain related actions; and

**WHEREAS,** consistent with the provisions of the HSC and the LRPMP, the effectiveness of the Purchase and Sale Agreement is subject to the approval of the Oversight Board and review by DOF; and

**WHEREAS,** subject to approval of the Oversight Board and DOF review, the Successor Agency intends to distribute the land sale proceeds to the Riverside County Auditor-Controller for distribution to the taxing entities; and

**WHEREAS,** all of the prerequisites with respect to the approval of this Resolution have been met.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF DESERT HOT SPRINGS AS FOLLOWS:**

**Section 1. Recitals**

That the Recitals set forth above are true and correct.

**Section 2. Approval of Agreement and Related Approvals**

That the Oversight Board hereby approve the Purchase and Sale Agreement and authorize the City's City Manager, acting for the Successor Agency, to (i) execute the same, (ii) make ministerial revisions to the Purchase and Sale Agreement which do not increase the Successor Agency's obligations or materially reduce the consideration payable to the Successor Agency; (iii) sign a grant deed and any other documents the execution of which is necessary or appropriate to carry out and implement the Purchase and Sale Agreement; (iv) administer the Successor Agency's obligations under the Purchase and Sale Agreement; and (v) take such other actions and execute such other documents as are necessary as may otherwise be required to fulfill the intent of this Resolution.

**Section 3. Declaration**

That the purchase price for the Property is determined to be fair and reasonable.

**Section 4. CEQA**

That the proposed sale of the Property is exempt under CEQA, the Guidelines and the City's environmental guidelines, as a "common sense exemption," which provides that activities that cannot possibly have a significant effect on the environment are exempt from CEQA, 14 Cal Code Regs. §15061(b)(3).

**Section 5. Severability**

That if any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

**Section 6. Effective Date**

That this Resolution shall take effect immediately upon adoption.

**Section 7.     Certification**

That the City Clerk acting for the Successor Agency's Oversight Board shall certify to the passage of this Resolution and enter it into the book of original resolutions.

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**PASSED, APPROVED, AND ADOPTED** by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Desert Hot Springs at a meeting held on the \_\_\_\_\_ day of December 2017, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**ATTEST:**

**APPROVED:**

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Jerryl Soriano, City Clerk  
acting for Oversight Board

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Russ Martin  
Oversight Board Chair

**APPROVED AS TO FORM:**

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Barry J. Shultz  
Oversight Board Legal Counsel

**EXHIBIT "A"**

**Narrative for Site No. 9  
66036 Pierson Boulevard  
(APNs 639-232-026, -027, -028)  
Excerpted from the  
Long-Range Property Management Plan  
(Pages 40-44)  
  
(See Attachment)**

**EXHIBIT “B”**

**October 18, 2017 Offer Letter to Purchase Property  
By Dr. Arshad Mohammad Abid's  
Representative, Chaudhry Sharjeel**

**(See Attachment)**

**EXHIBIT “C”**

**October 27, 2017  
Broker’s Opinion of Value  
Prepared by  
NAI Capital**

**(See Attachment)**



**EXHIBIT “D”**

**Purchase and Sale Agreement and Joint Escrow Instructions  
between the  
Successor Agency to the Redevelopment Agency  
of the City of Desert Hot Springs  
and  
Dr. Arshad Mohammad Abid**

**(See Attachment)**