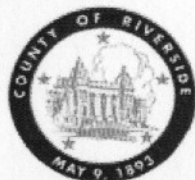


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SUBMITTAL TO THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FROM: Redevelopment Agency

SUBMITTAL DATE:
September 10, 2007

SUBJECT: Adoption of RDA Resolution Number 2007-037, Authorization to Purchase Real Property – APNs 443-050-002, 003, 004, 021, 022, 023, 024, 027, 028, 029, and 031 – 3rd Supervisorial District

RECOMMENDED MOTION: That the Board of Directors:

1. Adopt RDA Resolution No. 2007-037, Authorization to Purchase Real Property, APNs 443-050-002, 003, 004, 021, 022, 023, 024, 027, 028, 029, and 031;
2. Allocate the sum of \$3,270,000 for the purchase of the real property, option and extension fees, and estimated transaction fees;
3. Authorize the Clerk of the Board to certify acceptance of any documents pertaining to this transaction; and
4. Authorize the Executive Director of the Redevelopment Agency or designee to execute a "Memorandum of Understanding Including Exclusive Right to Negotiate in exchange for Agreement to Assign Purchase and Sale/Escrow" Agreement and to take all necessary steps including executing associated documents in order to complete these purchases.

Continued on page 2

RZ:DL:TE:JP:AG:CW:kw

Robin Zimpfer
Robin Zimpfer, Executive Director

S:\RealProperty\Real Property\DIST3\07-3-057.fm11.doc

FINANCIAL DATA

Current F.Y. Total Cost:	\$ 3,270,000	In Current Year Budget:	YES
Current F.Y. Net County Cost:	\$ -0-	Budget Adjustment:	NO
Annual Net County Cost:	\$ -0-	For Fiscal Year:	2007/2008

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: NO

SOURCE OF FUNDS: Mid-County Project Area – Redevelopment Housing Set-Aside Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE
BY: *Jennifer L. Sargent*
Jennifer L. Sargent

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: *Michelle Clack* 9/10/07
DATE
MICHELLE CLACK

Dep't Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 7/31/07 #4.8

District: 3

Agenda Number:

4.2

September 5, 2007

Page 2

BACKGROUND:

The proposed transaction will provide for the acquisition of approximately 6.52 acres of unimproved real property at fair market value, located in the North Hemet area. It is intended that sufficient land be assembled to develop affordable housing on this site. The proposed site is unimproved land located on Alessandro Street and State Street, between Oakland Avenue and Menlo Avenue.

On July 31, 2007, the Board of Directors approved RDA Resolution 2007-034, Notice of Intent to Purchase Real Property for APNs 443-050-002, 443-050-003, 443-050-004, 443-050-021, 443-050-022, 443-050-023, 443-050-024, 443-050-027, 443-050-028, 443-050-029 and 443-050-031. The contemplated project is a mixed use development consisting of predominately affordable multi-family units. The project scope and development budget have not yet been fully developed. The development of the project will be contingent upon full California Environmental Quality Act (CEQA) compliance and development review.

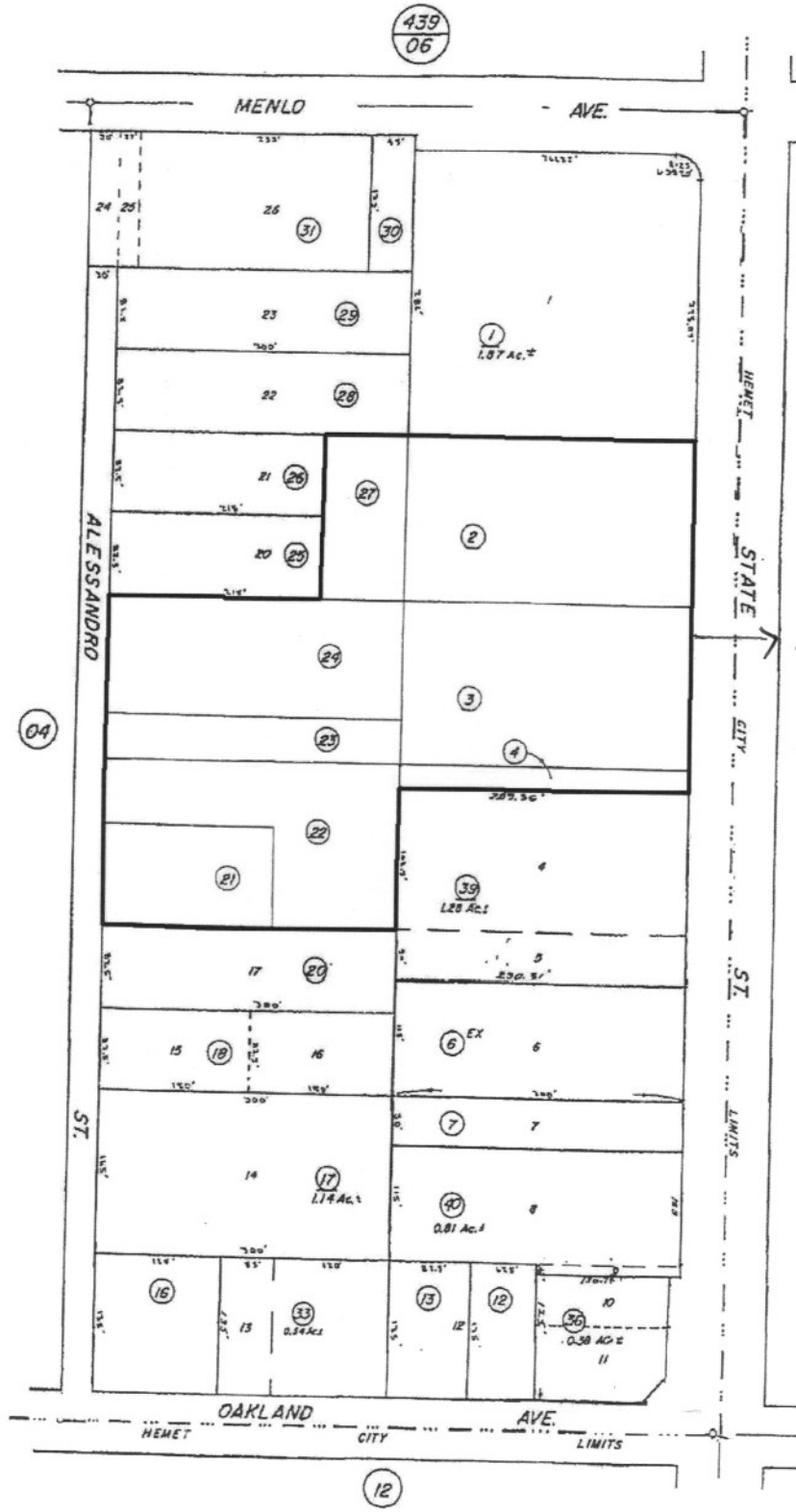
The following summarizes the costs necessary to purchase the subject properties.

*Purchase Price of the Barnhart Properties (APNs 443-050-002, 003, 004, 021, 022, 023, 024 and 027)	\$2,185,682
*Option and Extension Fees for the Barnhart Properties	\$100,000
*Barnhart Estimated Transaction Fees	\$30,000
*Purchase Price of Wessman Properties (APNs 443-050-028, 029 and 031)	\$850,000
*Option and Extension Fee for the Wessman Properties	\$75,000
*Wessman Estimated Transaction Fees	\$30,000
TOTAL:	\$3,270,682
ROUNDED:	\$3,270,000

Any overages in the budget will be refunded to the Mid-County Project Area – Redevelopment Housing Set-Aside subsequent to the closing of escrows. Note that APN 443-050-021 was inadvertently omitted when references to the APNs were made on the related Notice of Intent, previously heard July 31, 2007 as Agenda Item 4.8. However it was included in the legal descriptions.

Guided by Government Code Section 7267: "In order to encourage and expedite the acquisition and relieve congestion in the courts, to assume consistent treatment for owners in the public programs, and to promote public land acquisition practices, public entities shall, to the greatest extent practicable be guided by the provision of Section 7267.1: 'The public entity shall make every reasonable effort to acquire expeditiously real property by negotiation.'"

443-05



SUBJECT PROP.

BARNHART PROPERTIES

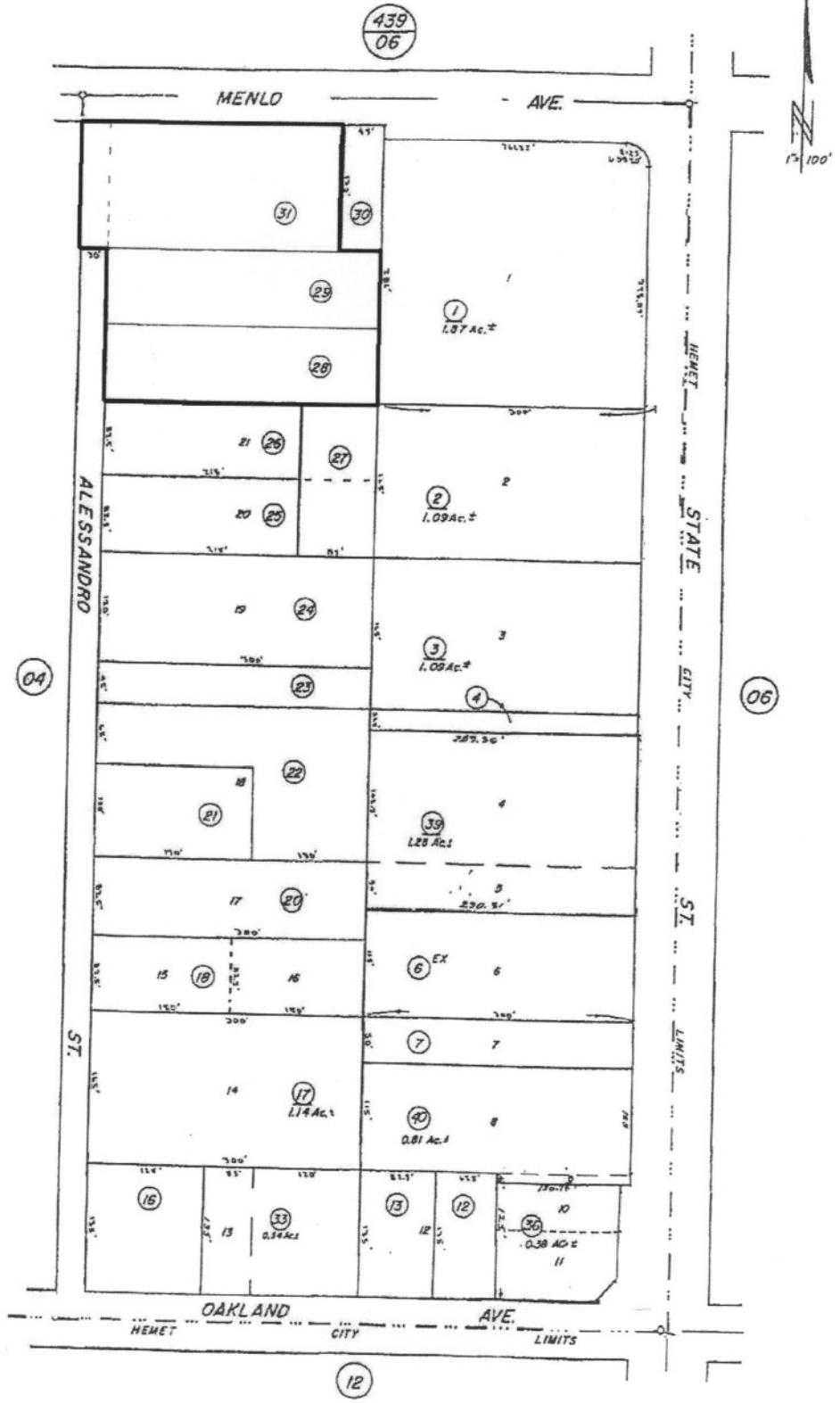
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443-05

WESSMAN PROPERTIES



2 **RDA RESOLUTION NO. 2007-037**
3 **AUTHORIZATION TO PURCHASE REAL PROPERTY**
4 **APNs 443-050-002, 443-050-003, 443-050-004, 443-050-021, 443-050-022, 443-050-**
5 **023, 443-050-024, 443-050-027, 443-050-028, 443-050-029 and 443-050-031**
6 **North Hemet Crossing Project**
7 **(Third Supervisorial District)**

8 **WHEREAS**, the Redevelopment Agency for the County of Riverside is a
9 Redevelopment Agency duly created, established and authorized to transact business
10 and exercise its powers, all under and pursuant to the provisions of the Community
11 Redevelopment Law which is Part 1 of Division 24 of the California Health and Safety
12 Code (commencing with Section 33000 et seq.); and

13 **WHEREAS**, on December 22, 1987, the Riverside County Board of Supervisors
14 adopted a Redevelopment Plan by Ordinance No. 646 for a sub-area in the community
15 of North Hemet; and

16 **WHEREAS**, on May 11, 1999, the Riverside County Board of Supervisors by
17 Ordinance No. 786 merged several sub-areas in and around the Hemet area including
18 the North Hemet sub-area by adopting the Mid-County Redevelopment Plan (the
19 "Plan"), to form the Mid County Project Area, hereinafter referred to as the "Project
20 Area;" and

21 **WHEREAS**, pursuant to Section 33670 of the Health and Safety Code, the
22 Agency began receiving tax increment from the Project Area in January 1989, and
23 continues to receive annual tax increment revenue; and

24 **WHEREAS**, pursuant to the provisions of the Community Redevelopment Law,
25 Section 33391 of the Health and Safety Code, the Agency may acquire, within a survey
26 area or for purpose of redevelopment, any interest in real property; and

27 **WHEREAS**, the Agency desires to assume the collective negotiated purchase
28 price of \$3,035,682 for Assessor's Parcel Numbers 443-050-002, 443-050-003, 443-
050-004, 443-050-021, 443-050-022, 443-050-023, 443-050-024, 443-050-027, 443-
050-028, 443-050-029 and 443-050-031 hereinafter the "Property," more particularly

1 described in Exhibit "A" attached hereto and made a part hereof; and

2 **WHEREAS**, prior to closing escrow, the Agency will substantiate the purchase
3 price by obtaining an independent fee appraisal report from a qualified appraiser
4 retained by the Agency; and

5 **WHEREAS**, based on their own appraisal, Urban Housing Communities has
6 entered into a Standard, Offer, Agreement and Escrow Instructions for Purchase of Real
7 Estate with Ralph L. Barnhart and Dorothy C. Barnhart, Trustees under Declaration of
8 Trust dated May 25, 1988 and an Option Agreement, with John Wessman (collectively
9 the "Acquisition Agreements") at a negotiated purchase price of \$3,035,682 for the
10 Property; and

11 **WHEREAS**, Urban Housing Communities desires to assign said Acquisition
12 Agreements to Agency, in exchange for a Memorandum of Understanding, including
13 Exclusive Right to Negotiate with Agency; and

14 **WHEREAS**, the Property is approximately 6.52 acres of unimproved land,
15 therefore, relocation assistance will not be required; and

16 **WHEREAS**, the Property is located in the North Hemet sub-area of the Project
17 Area; and

18 **WHEREAS**, the Agency is allocating an additional amount of \$60,000 to cover
19 miscellaneous transaction expenses; and

20 **WHEREAS**, the Agency is allocating a \$175,000 extension and/or
21 reimbursement fee to retain the option to purchase in order for Agency to conclude its
22 due diligence; and

23 **WHEREAS**, the purchase of this property will assist the Agency in implementing
24 the Plan and in eliminating economic blighting conditions within the Project Area; and

25 **WHEREAS**, prior to the Agency using the Property for purposes described in the
26 Plan, the Agency agrees to fully comply with the California Environmental Quality Act.

27 **BE IT RESOLVED, DETERMINED, AND ORDERED** by the Board of Directors of
28 the Redevelopment Agency for the County of Riverside, State of California, in regular

1 session assembled on September 18, 2007, as follows:

2 1. That the Board of Directors hereby finds and declares that the above
3 recitals are true and correct.

4 2. That the Redevelopment Agency for the County of Riverside is authorized
5 to purchase Property in the Mid-County Project Area at a collective purchase price of
6 \$3,035,682. For the right to acquire Property, Agency is authorized to allocate
7 \$175,000 in extension and/or reimbursement fees; and

8 3. The Agency will assume an existing Standard Offer, Agreement and
9 Escrow Instructions for Purchase of Real Estate and an Option Agreement by and
10 between Urban Housing Communities and Ralph L. Barnhart and Dorothy C. Barnhart,
11 Trustees and John Wessman; and

12 4. Allocate \$60,000 to be earmarked for transaction fees and any additional
13 extension fees if needed. Any remaining funds not used will be refunded back to the
14 Mid-County Project Area Set-Aside funds.

15 5. That the Executive Director of the Redevelopment Agency or designee is
16 hereby authorized to execute a "Memorandum of Understanding Including Exclusive
17 Right to Negotiate in exchange for Agreement to Assign Purchase and Sale/Escrow"
18 Agreement and to take the necessary actions including executing any related
19 documents to complete these acquisitions.

20 ///
21 ///
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FORM APPROVED COUNTY COUNSEL
BY: Michelle Clack 9/18/07
MICHELLE CLACK DATE

Exhibit "A"

BARNHART PROPERTIES

PARCEL 1:

THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY THE SURVEY OF THE PARTITION OF THE RANCHO SAN JACINTO VIEJO AND PLAT OF SAID PARTITION ON FILE IN THE OFFICE OF THE COUNTY CLERK OF THE COUNTY OF SAN DIEGO, CALIFORNIA;

EXCEPT THE EASTERLY 30 FEET FOR ROAD PURPOSES;

ALSO EXCEPT THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 2 AS SHOWN BY ASSESSOR'S MAP NO. 24, ON FILE IN ASSESSOR'S MAP BOOK 1, PAGE 29, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, BEING A POINT ON THE WESTERLY LINE OF STATE STREET AS SHOWN ON SAID MAP; THENCE SOUTH 0° 03' 10" WEST ALONG SAID WESTERLY LINE OF STATE STREET, A DISTANCE OF 352.50 FEET TO THE NORTHERLY LINE OF THE SOUTHERLY RECTANGULAR 142.5 FEET OF LOT 4 AS SHOWN ON SAID ASSESSOR'S MAP NO. 24;

THENCE WESTERLY ALONG SAID NORTHERLY LINE OF LOT 4, A DISTANCE OF 10.64 FEET;

THENCE NORTH 0° 13' 46" WEST, A DISTANCE OF 352.50 FEET TO THE NORTHERLY LINE OF SAID LOT 2;

THENCE EASTERLY ALONG SAID NORTHERLY LINE OF LOT 2, A DISTANCE OF 12.37 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THE EASTERLY 85.00 FEET OF THE SOUTHERLY 82.5 FEET OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER AND THE EASTERLY 85.00 FEET OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS SHOWN BY THE SURVEY OF THE PARTITION OF THE RANCHO SAN JACINTO VIEJO AND PLAT OF SAID PARTITION ON FILE IN THE OFFICE OF THE COUNTY CLERK OF THE COUNTY OF SAN DIEGO, CALIFORNIA.

PARCEL 2:

THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER AND THE NORTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY THE SURVEY OF THE PARTITION OF THE RANCHO SAN JACINTO VIEJO AND PLAT OF SAID PARTITION ON FILE IN THE OFFICE OF THE COUNTY CLERK OF THE COUNTY OF SAN DIEGO, CALIFORNIA;

EXCEPT THE SOUTHERLY 142.5 FEET;

ALSO EXCEPT THE EASTERLY 30 FEET FOR ROAD PURPOSES;

ALSO EXCEPT THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 2 AS SHOWN BY ASSESSOR'S MAP NO. 24, ON FILE IN ASSESSOR'S MAP BOOK 1, PAGE 29, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA BEING A POINT ON THE WESTERLY LINE OF STATE STREET AS SHOWN ON SAID MAP; THENCE SOUTH $0^{\circ} 03' 10''$ WEST, ALONG SAID WESTERLY LINE OF STATE STREET, A DISTANCE OF 352.50 FEET TO THE NORTHERLY LINE OF THE SOUTHERLY RECTANGULAR 142.5 FEET OF LOT 4 AS SHOWN ON SAID ASSESSOR'S MAP NO. 24;

THENCE WESTERLY ALONG SAID NORTHERLY LINE OF LOT 4, A DISTANCE OF 10.64 FEET;

THENCE NORTH $0^{\circ} 13' 46''$ WEST, A DISTANCE OF 352.50 FEET TO THE NORTHERLY LINE OF LOT 2;

THENCE EASTERLY ALONG SAID NORTHERLY LINE OF LOT 2, A DISTANCE OF 12.37 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

THE WEST HALF OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY THE SURVEY OF THE PARTITION OF THE RANCHO SAN JACINTO VIEJO AND PLAT OF SAID PARTITION ON FILE IN THE OFFICE OF THE COUNTY CLERK OF THE COUNTY OF SAN DIEGO, CALIFORNIA; TOGETHER WITH THE SOUTHERLY 45 FEET OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY THE SURVEY OF THE PARTITION OF THE RANCHO SAN JACINTO VIEJO AND PLAT OF SAID PARTITION ON FILE IN THE OFFICE OF THE COUNTY CLERK OF THE COUNTY OF SAN DIEGO, CALIFORNIA;

EXCEPT THE WESTERLY 30 FEET FOR ROAD PURPOSES;

ALSO EXCEPT THE SOUTH 100 FEET OF THE WEST 200 FEET.

PARCEL 4:

THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY THE SURVEY OF THE PARTITION OF THE RANCHO SAN JACINTO VIEJO AND PLAT OF SAID PARTITION ON FILE IN THE OFFICE OF THE COUNTY OF SAN DIEGO, CALIFORNIA;

EXCEPT THE WESTERLY 30 FEET FOR ROAD PURPOSES;

ALSO EXCEPT THE SOUTHERLY 45 FEET.

PARCEL 5:

THE WEST 200 FEET OF THE SOUTH 100 FEET OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, AS SHOWN UPON THE MAP OF THE PARTITION OF RANCHO SAN JACINTO VIEJO MADE UNDER DECREE OF THE SUPERIOR COURT OF THE COUNTY OF SAN DIEGO, DATED MARCH 9, 1882.

APN: 443-050-004 and 443-050-021 and 443-050-022 and 443-050-023 and 443-050-003-5 and 443-050-024 and 443-050-027 and 443-050-002-4

Exhibit "A"

WESSMAN PROPERTIES

PARCEL 1:

THE SOUTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, AS SHOWN BY UNITED STATES GOVERNMENT SURVEY;

EXCEPTING THEREFROM AN EASEMENT IN FAVOR OF THE PUBLIC OVER THE WESTERLY 30 FEET THEREOF INCLUDED IN PUBLIC HIGHWAY.

SAID PROPERTY IS ALSO SHOWN AS LOTS 22 AND 23 ON ASSESSOR'S MAP NO. 24 ON FILE IN BOOK 1 PAGE 29, OF ASSESSOR'S MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2:

THE NORTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, AS SHOWN BY MAP OF PARTITION OF RANCHO SAN JACINTO VIEJO IN THE PARTITION DECREE OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF SAN DIEGO, DATED MARCH 9, 1882 AND RECORDED IN BOOK 43 PAGE 161 OF DEEDS, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA;

EXCEPTING THEREFROM THE EASTERLY 45 FEET;

ALSO EXCEPTING THEREFROM THE NORTHERLY 30 FEET.

SAID PROPERTY IS ALSO SHOWN AS LOTS 24 AND 25 AND A PORTION OF LOT 26 ON ASSESSOR'S MAP NO. 24 ON FILE IN BOOK 1 PAGE 29, OF ASSESSOR'S MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA

APN: 443-050-028-8 (Affects: A portion of Parcel 1), 443-050-029-9 (Affects: A portion of Parcel 1) and 443-050-031-0 (Affects: Parcel 2)