

RESOLUTION NO. OB-07-17

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER EL CAJON REDEVELOPMENT AGENCY TO AUTHORIZE THE MODIFICATION OF A DISPOSITION AND DEVELOPMENT AGREEMENT TO, AND THE EXECUTION AND DELIVERY OF, A PURCHASE AND SALE AGREEMENT AND SUCH OTHER DOCUMENTS NECESSARY TO SELL SUCCESSOR AGENCY PROPERTY LOCATED AT 100 FLETCHER PARKWAY (APN 483-071-52-00).

WHEREAS, on January 15, 2014, the Oversight Board approved the Amended Long Range Property Management Plan ("Amended Plan") pursuant to Resolution No. OB-07-14; and

WHEREAS, the California Department of Finance ("DOF") approved the Amended Long Range Property Management Plan on February 21, 2014; and

WHEREAS, the El Cajon City Council, acting solely in its capacity as Successor Agency to the El Cajon Redevelopment Agency (the "Successor Agency"), approved the Amended Plan on March 11, 2014; and

WHEREAS, the disposal strategy of the Amended Plan for Site No. 15, APN 483-071-52-00, located at 100 Fletcher Parkway (the "Property"), authorizes the sale of the Property; and

WHEREAS, following offers to sell the property by soliciting proposals for the development of the property, the Successor Agency entered into an Exclusive Negotiating Agreement with Brixton Capital and Excel Hotel Group to negotiate a Disposition and Development Agreement (the "DDA") for the sale of the property for the purpose of developing an upscale Hampton Inn Hotel and potential secondary retail and office uses; and

WHEREAS, at its July 11, 2017 meeting the City Council, acting solely in its capacity as the legislative body for the Successor Agency to the El Cajon Redevelopment Agency, approved the DDA for the sale of the Successor Agency's parcel to Brixton Fletcher, LLC, and

WHEREAS, following that approval, the DDA was approved by the Oversight Board on July 19, 2017, and thereafter sent to the Department of Finance (the "DOF") for its review; and

WHEREAS, on August 23, 2017, the DOF notified the Successor Agency that it conducted its review and would not approve the DDA, on the basis that it creates a new,

continuing, obligation on the part of the Successor Agency, which is prohibited by the Dissolution Law and directed the Successor Agency to transfer the property through a purchase and sale agreement; and

WHEREAS, in order to complete the transaction with Brixton, staff has negotiated a modification of the DDA to create a standard purchase and sale agreement (the "Agreement") with the Developer, which allows the sale of the Successor Agency parcel in conjunction with the City's sale of its parcel to allow the development of a Hampton Inn hotel and associated retail uses on the combined parcels; and

WHEREAS, the changes between the DDA and the Agreement are to remove any continuing obligations and duties on the part of the Successor Agency, leaving those to be included in, and enforceable by, the City as a part of its DDA; and

WHEREAS, the City Council, acting in its capacity as the Successor Agency, approved execution of the Agreement and related documents at its regularly scheduled meeting held on November 14, 2017; and

WHEREAS, a Mitigated Negative Declaration ("MND") was adopted by the City Council on March 27, 2012 by Resolution No. 33-12, which included an evaluation of the land use changes and the potential future development of the property consistent with the regional commercial land use and zoning; and on July 11, 2017, an Addendum to the MND was prepared for the Hampton Inn project, and approved by the City Council at the time that the DDA was initially approved; and

WHEREAS, the proposed sale would be in the best interests of the Successor Agency, the City of El Cajon, and all affected taxing entities by disposing of properties in an expeditious manner, as approved in the Amended Plan by the DOF; and

WHEREAS, proceeds from the sale of the Property will be remitted by the Successor Agency to the San Diego County Auditor-Controller's Office for distribution to the affected taxing entities, which include the City of El Cajon.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER CITY OF EL CAJON REDEVELOPMENT AGENCY AS FOLLOWS:

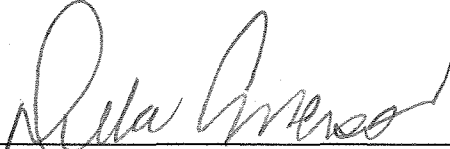
- A. The Oversight Board finds that:
 - 1. The recitals above are true and correct and have been incorporated herein by reference.
 - 2. The proposed sale would be in the best interest of the taxing entities because it will dispose of the property in an expeditious manner, as approved in the Amended Plan by the DOF.

3. The proposed modification and purchase and sale agreement between the Successor Agency and the Developer for the sale of the Successor Agency-owned property located at of 100 Fletcher Parkway (APN 483-071-52-00), is hereby approved with such non-substantive changes as approved by the Executive Director, or his designee.
4. The Executive Director, or his designee, is authorized to execute all documents necessary to implement approved terms and conditions and complete the sale upon approval by the Oversight Board.

[The remainder of this page intentionally left blank.]

PASSED AND ADOPTED by the Oversight Board of the Successor Agency of the former El Cajon Redevelopment Agency at a regularly-scheduled meeting held this 15th day of November 2017, by the following vote to wit:

AYES: CHADWICK, DAVIES, EMERSON, PAVAO, REARIC
ABSTAIN: NONE
ABSENT: BUXBAUM, NGUYEN



Debra Emerson, Chairperson

ATTEST:



Anthony Shute, Oversight Board Secretary