

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

From: David C. Moe II, Redevelopment Manager *Dem**

Date: November 19, 2007 (City Council Meeting of 12/5/07)

Subject: Consider Resolution Approving Sale of Property Owned by the Redevelopment Agency of the City of Moorpark, located at 192 High Street, to Aszkenazy Development, Inc.

BACKGROUND AND DISCUSSION

The Redevelopment Agency of the City of Moorpark ("Agency") acquired a 2.34 acre site, located at 192 High Street ("Property"), from the Ventura County Transportation Commission on August 8, 1993, at a cost of \$393,451.34. An aerial of the Property is attached as EXHIBIT A. This Property was part of a 4.77 acre purchase for \$800,000.00. Since the acquisition, the Property has been leased to a variety of commercial tenants.

The Agency has negotiated a Disposition and Development Agreement with Aszkenazy Development, Inc. ("Developer") to construct two, two story, commercial buildings totaling 67,103 square feet. The proposed project would be built in two phases under separate Disposition and Development Agreements.

The first phase of the project would be sold under this Disposition and Development Agreement and include the land from east of the site leased to the Chamber of Commerce location to about Bard Street. The Developer would construct a 39,916 square foot building to include about 10,000 square feet (ground level) for restaurant uses.

The second phase would include the land from Bard Street to the north Metrolink parking lot. The Agency will sell the land for the second phase under a second Disposition and Development Agreement after phase I has been 90% leased. The building in this phase would consist of about 27,187 square feet.

The Agency will subdivide the Property into three parcels. Parcel one would be the property leased by the Chamber of Commerce, which is not included in this project. Parcel two is the first phase of this project. Parcel three is phase II, which will be held

by the Agency for future development. Developer will have a three year option (from execution of Disposition and Development Agreement for phase I) to purchase parcel three at fair market price.

The Developer offered to purchase parcel two (phase I) for \$1,123,414.00. The Agency hired Ventura Appraisal Consulting Corporation ("VACC") to verify that the purchase price reflected the fair market price of the land in phase I. VACC's letter dated September 5, 2007, stated that the negotiated price is within the range of fair market price.

California Community Redevelopment Law ("CCRL") Section 33433 requires that the legislative body approve, by resolution and after a public hearing, any agency sale or lease of property which was acquired with tax increment funds. Said resolution must also include the following three findings:

1. The sale of property will assist in the elimination of blight in the Moorpark Redevelopment Project Area.
2. The sale of property is consistent with the goals and objectives in the 2005-2009 Implementation Plan for the Moorpark Redevelopment Project pursuant to Section 33490 of the CCRL.
3. The property is being sold to the Developer at the fair market price at the highest and best use in accordance with the Moorpark Redevelopment Plan.

Therefore, since the Agency did acquire the Property with tax increment funds, the City Council will need to approve the proposed sale and make the three required findings.

The Section 33433 Summary Report (Exhibit B) summarizes all Agency's cost associated with the acquisition, holding and sale of the Property; states that the Property is being sold for the fair market value; and describes how the sale of the Property will assist with the elimination of blight and is consistent with the 2005-2009 Five Year Implementation Plan.

The Agency will consider the proposed Disposition and Development Agreement for phase I at its meeting of January 16, 2008.

STAFF RECOMMENDATION

- 1) Open public hearing, take public testimony, and close the public hearing; and

- 2) Approve Resolution No. 2007 - _____ approving sale of Property between the Agency and Developer subject to Disposition and Development Agreement approval by the Agency.

Exhibit "A" Aerial
Exhibit "B" Section 33433 Summary Report
Exhibit "C" Resolution

EXHIBIT A

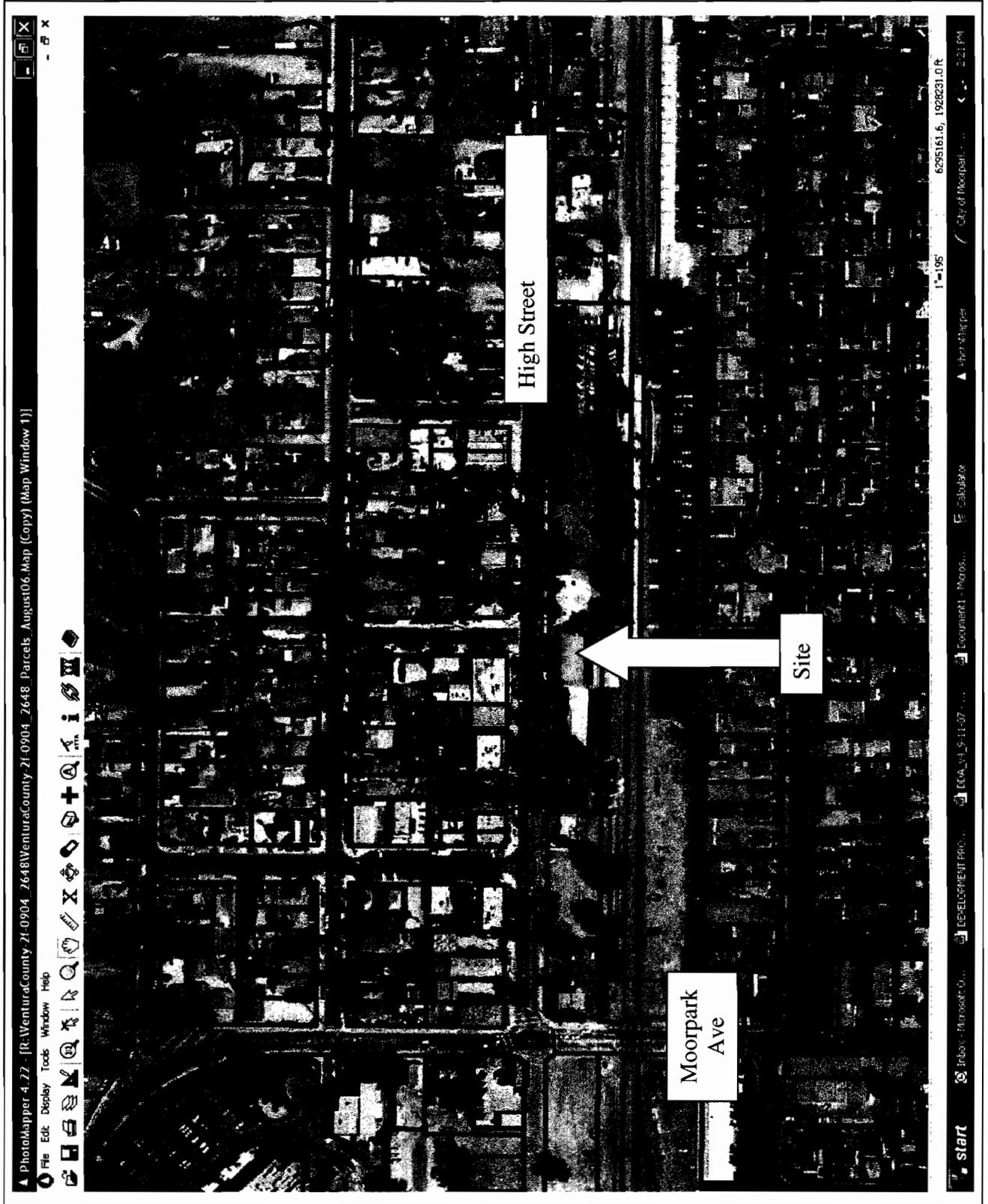


EXHIBIT B
UNDER SEPARATE COVER

Exhibit C

RESOLUTION NO. 2007-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, APPROVING THE SALE OF PROPERTY OWNED BY THE MOORPARK REDEVELOPMENT AGENCY TO ASZKENAZY DEVELOPMENT, INC. AND FINDING SALE CONSISTENT WITH CALIFORNIA REDEVELOPMENT LAW SECTION 33433

WHEREAS, the City Council of the City of Moorpark, adopted the Redevelopment Plan for the Moorpark Redevelopment Project on July 5, 1989, by Ordinance No. 110, in accordance with the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*); and

WHEREAS, the Moorpark Redevelopment Agency ("Agency") purchased the property at 192 High Street ("Property") with tax increment funds; and

WHEREAS, California Community Redevelopment Law ("CCRL") Section 33433 requires that the City Council approve, by resolution and after a public hearing, any Agency sale or lease of property which was acquired with tax increment funds; and

WHEREAS, Section 33433 of CCRL requires that the City Council include the following findings in the resolution approving the sale or lease of Agency property purchased with tax increment:

1. The sale of property will assist in the elimination of blight in the Moorpark Redevelopment Project Area.
2. The sale of property is consistent with the goals and objectives in the 2005-2009 Implementation Plan for the Moorpark Redevelopment Project pursuant to Section 33490 of the CCRL.
3. The property is being sold to the Developer at the fair market price at the highest and best use in accordance with the Moorpark Redevelopment Plan; and

WHEREAS, notice was published in the Ventura Star once a week for two weeks prior to the public hearing; and

WHEREAS, on December 5, 2007, the City Council conducted a public hearing to take public comment on the proposed sale of Agency owned property; and

WHEREAS, the proposed sale will assist with the elimination of blight in the Moorpark Redevelopment Project Area; and

WHEREAS, the proposed sale is consistent with the adopted 2005-2009 Implementation Plan for the Moorpark Redevelopment Project pursuant to Section 33490 of the CCRL; and

WHEREAS, the Property has been appraised and the fair market price, at its highest and best use in accordance with the Moorpark Redevelopment Plan, has been established; and

WHEREAS, on December 5, 2007, the City Council reviewed the proposed sale and determined that it is consistent with Section 33433 of the CCRL.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council approves the sale of Agency owned property to Aszkenazy Development, Inc. subject to approval of the Disposition and Development Agreement by the Agency.

SECTION 2. The City Council determines the proposed sale is consistent with Section 33433 of the CCRL and the following findings are made:

1. The sale of property will assist in the elimination of blight in the Moorpark Redevelopment Project.
2. The sale of property is consistent with the goals and objectives in the 2005-2009 Implementation Plan for the Moorpark Redevelopment Project pursuant to Section 33490 of the CCRL.
3. The property is being sold to the Aszkenazy Development, Inc. at the fair market price at the highest and best use in accordance with the Moorpark Redevelopment Plan.

SECTION 3. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

Resolution No. 2007 - _____
December 5, 2007
Page 3

PASSED AND ADOPTED this 5th day of December, 2007.

Patrick Hunter, Mayor

ATTEST:

Deborah S. Traffenstedt, City Clerk

000028