OVERSIGHT BOARD
OF THE SUCCESSOR AGENCY
TO THE PASADENA COMMUNITY DEVELOPMENT COMMISSION

December 8, 2022

TO: Members of the Los Angeles County Fifth District Consolidated Oversight Board ("Consolidated Oversight Board")

FROM: Successor Agency to the Pasadena Community Development Commission ("Successor Agency")

SUBJECT: **Disposition of Successor Agency Owned Asset – APN 5848-028-900 1383 Prime Court, Pasadena, CA.**

RECOMMENDATION:

It is recommended that the Consolidated Oversight Board take the following action:

1. Find that pursuant to the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"), the action of the Consolidated Oversight Board authorizing the Successor Agency to sell the above-described property to the purchaser pursuant to the Purchase and Sale Agreement substantially in the form attached to the resolution accompanying this Staff Report will not result in any significant adverse impact on the environment and is exempt from the CEQA environmental review requirements pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

2. Adopt a resolution approving the sale of the property located at 1383 Prime Court, Pasadena, CA (APN 5848-028-900) to Jacobs Ladder, LLC.

BACKGROUND:

This Successor Agency owned property is listed on the Department of Finance (DOF) approved Long Range Property Management Plan (LPRMP) as a "For-Sale" property. In 1997, the Pasadena Community Development Commission (Pasadena's former Redevelopment Agency) acquired 1383 Prime Court to eliminate a blighted structure. Now, under the ownership of the Successor Agency, the Successor Agency is required to sell the property in accordance with State law.

On November 23, 2020, the Successor Agency directed the City Manager to enter into an Exclusive Negotiating Agreement (ENA) regarding the property with Jacobs Ladder,

LLC, the owner of the adjacent property. The ENA was executed on December 11, 2020 and will expire after December 31, 2022.

As the ENA was entered into prior to December 31, 2020, and it is the Successor Agency's intent to sell the property not later than December 31, 2022, the proposed sale is exempt from the disposition process in the Surplus Land Act (Act), as amended effective January 1, 2020. However, if the sale is not completed by December 31, 2022, the Act will apply to the future sale of the property.

Section 34181(f) of the Health and Safety Code requires that the actions taken under the resolution approving the sale of the property are required to be made at public meeting of the Consolidated Oversight Board after at least 10 days' notice to the public of the specific proposed actions. The Successor Agency provided evidence of compliance with the requirements of Section 34181(f) of the Health and Safety Code, by submitting a copy of the published notice required thereunder. The notice was published on November 24, 2022, in the Pasadena Press (in print and on-line edition), and posted on the bulletin boards located on the ground floor of Pasadena City Hall rotunda, and the one outside of the City Council Chambers, located on the second floor of Pasadena City Hall.

Financial Consideration for the Parcel

In April 2022, Successor Agency staff engaged the appraisal firm of Norris Realty Advisors (Appraiser) to appraise the parcel to determine fair market value. The subject property contains an area of 0.156 acres or approximately 6,811 square feet. The property is zoned RM-32-PK – Multi-Family Residential, Parking Overlay. The property is located on the west side of Prime Court, south of Rio Grande Street and north of Washington Boulevard. The property is vacant, and there are no improvements other than perimeter fencing. The property is currently in use as a staging area for construction on the adjacent Washington Theater re-development. The Appraiser provided the Agency with an appraisal that determined the fee interest fair market value for the parcel to be $650,000 ("Appraisal").

Disposition Process

The State Law that governs the dissolution of redevelopment states in part that the successor agencies must dispose of their properties in an expeditious manner that maximizes value. The Jacobs Ladder, LLC. purchase offer comports with the State Law and therefore, staff recommends that the Consolidated Oversight Board adopt the resolution accompanying this staff report approving the sale of the 1383 Prime Court to Jacobs Ladder, LLC (Purchaser) and the execution and delivery by the Successor Agency of the Purchase and Sale Agreement in substantially the form as shown in Attachment "A" to the Consolidated Oversight Board resolution.

ENVIRONMENTAL

Pursuant to the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"), the Consolidated Oversight Board evaluated the action of authorizing the Successor Agency to sell the property to the Purchaser. The Consolidated Oversight Board's authorization is a procedural step required by the Dissolution Act when the Successor Agency wishes to dispose of land for the purposes of winding down the former Pasadena Community Development Commission. This act of authorizing the Successor Agency to sell the property does not approve any new development or construction of buildings, nor does it authorize any new land uses. For this reason, it can be seen with certainty that authorizing the Successor Agency to sell the property to the Purchaser pursuant to the Purchase and Sale Agreement substantially in the form as shown in Attachment A to the Consolidated Oversight Board resolution will not result in any significant adverse impact on the environment. Thus, said Consolidated Oversight Board authorization is exempt from the CEQA environmental review requirements pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

CONCLUSION

The Consolidated Oversight Board's approval of the sale of the property pursuant to the Purchase and Sale Agreement is the administrative step necessary to complete the obligations of the Successor Agency.

FISCAL IMPACT

The total purchase price for the subject property (as described in the Purchase and Sale Agreement) is $650,000. The sales proceeds, net of normal and customary closing costs, will be remitted to the County Auditor-Controller for distribution to the affected taxing entities.

Respectfully submitted,

David Sinclair
Project Manager

Attachment A: Resolution No. OB-22-02