

RESOLUTION NO. SA 2024-XXX

A RESOLUTION OF THE SUCCESSOR AGENCY OF THE CITY OF FULLERTON, CALIFORNIA, APPROVING THE TRANSFER FROM THE FULLERTON SUCCESSOR AGENCY AND ACCEPTANCE BY THE CITY OF FULLERTON OF TITLE OWNERSHIP FOR REAL PROPERTY LOCATED AT PARCEL NUMBER 032-212-15

WHEREAS, the State Legislature passed Assembly Bill x1 26 (Stats. 2011, 1st Ex. Sess., Ch. 5) (AB 26) on June 15, 2011, signed by the Governor on June 28, 2011 and later upheld by the California Supreme Court.

WHEREAS, the State Legislature passed Assembly Bill 1484 (Stats. 2012, Ch. 26) (AB 1484), substantially amending AB 26 and the Governor signed on June 27, 2012 (AB 26, AB 1484, Senate Bill No. 107 (Stats. 2015, Ch. 325) (SB 107) and other amendments to Health and Safety Code, Division 24, Part 1.85 collectively referred to as the “Dissolution Law”).

WHEREAS, the Fullerton Redevelopment Agency (RDA) dissolved February 1, 2012, pursuant to the Dissolution Law, Health and Safety Code Section 34173 and Fullerton City Council Resolution No. 2012-04. The Successor Agency to the Fullerton Redevelopment Agency (Successor Agency) is the RDA successor-in-interest upon the Agency dissolution on February 1, 2012.

WHEREAS, the Successor Agency had and has the obligation to annually prepare a Recognized Obligation Payment Schedule (ROPS) to submit for Orange County Oversight Board (Oversight Board) and California Department of Finance (DOF) approval pursuant to the Dissolution Law, wherein the ROPS lists “enforceable obligations” that DOF approved as binding and valid agreements with the RDA that must continue and funded by former RDA tax increment funds, which pursuant to the Dissolution Law, the Redevelopment Property Tax Trust Fund (RPTTF) now funds, administered by the Orange County Auditor- Controller’s Office with twice-yearly distributions to pay for DOF-approved enforceable obligations.

WHEREAS, the RDA executed two separate but inter-related agreements on July 6, 2004: (1) an agreement to lease and (2) a purchase and sale agreement, both with contracting party Ronald F. Miller and Ronnie D. Miller, co-trustees of the Miller Family Trust (the Lease Agreement and Purchase and Sale Agreement, respectively); The DOF determined both the Lease Agreement and Purchase and Sale Agreement as “enforceable obligations” under the Dissolution Law and listed in the Successor Agency ROPS as Line-item No. 62.

WHEREAS, the Lease Agreement, among other provisions, granted a 20-year lease from the Millers, as “Landlord,” to the Redevelopment Agency, as “Tenant,” for the property located at 127 West Chapman Avenue, a 1.2-acre parking lot, Assessor’s Parcel Number 032-212-15 (property) and the lease term expires July 31, 2024.

WHEREAS, among other provisions, the Purchase and Sale Agreement sets forth the terms and conditions for the RDA (now Successor Agency) to acquire the property upon the termination of the Lease Agreement. The agreement has a process to establish a "Purchase Price" by mutual party consent in selection of a professional appraisal service provider, as well as designating a closing date.

WHEREAS, the Successor Agency retained CBRE to complete a fair market value appraisal of the property to establish the "Purchase Price". CBRE completed its property appraisal with a \$5,200,000 fair market value which the Millers have agreed to as the "Purchase Price". Parties have opened escrow and obtained a title officer to facilitate property acquisition with a targeted July 31, 2024 closing date.

WHEREAS, the Oversight Board and DOF recently approved RPTTF funding not to exceed \$6,000,000 for the Successor Agency to purchase the property which covers the agreed-upon Purchase Price and costs and fees associated with the property acquisition, with any balance remaining from the \$6,000,000 returned to the Orange County Auditor-Controller pursuant to the "true-up" process integrated into the Dissolution Law.

WHEREAS, the City maintains the property and has retained responsibility during its use. Additionally, the Public Works department completed LED light replacements. Public Works will continue to maintain the site as a City-owned real estate asset with the property purchase.

WHEREAS, the Purchase and Sale Agreement specifically provides that the RDA (now Successor Agency) may assign its interest under that agreement to the City as a matter of right and instruct the escrow holder servicing the property acquisition to close escrow by vesting fee title of the property in the City pursuant to the Successor Agency right to so assign.

NOW, THEREFORE, THE FULLERTON SUCCESSOR AGENCY TO THE FULLERTON REDEVELOPMENT AGENCY RESOLVES AS FOLLOWS:

1. In all respects, as set forth above, the Recitals of this Resolution are correct and constitute the findings of the Board of Directors for the Successor Agency.
2. The Successor Agency approves transferring the property at 127 West Chapman Avenue, APN No. 032-212-15, from the Successor Agency to the City of Fullerton, as allowed pursuant to the Purchase and Sale Agreement, for public parking lot use.
3. The Executive Director, or authorized designee, shall have the authority to execute a Quit Claim Deed or similar conveyance instrument, including a Certificate of Acceptance, and any additional implementing agreements or documents (including recorded instruments and escrow instructions) to effectuate and complete property acquisition pursuant to the Purchase and Sale Agreement.

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ADOPTED BY THE FULLERTON SUCCESSOR AGENCY TO THE FULLERTON REDEVELOPMENT AGENCY ON JULY 16, 2024.

Nicholas Dunlap
Chair

ATTEST:

Lucinda Williams, MMC
Secretary

Date