



Agenda Report

18-695

Agenda Date: 5/18/2018

REPORT TO OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARA

SUBJECT

Update on the Sale of the North-South Parking Parcel located at 4911 Great America Parkway (APN: 104-43-051)

BACKGROUND

The State of California dissolved all redevelopment agencies in California effective February 1, 2012. At the time of dissolution, the Santa Clara Redevelopment Agency and following, the Successor Agency to the Former Redevelopment Agency of the City of Santa Clara (Successor Agency) owned a number of parcels of land in north Santa Clara. In accordance with Dissolution Statutes (AB1x 26, AB 1484 and SB 107) and the Settlement Agreement entered into by the City, the Successor Agency and the County of Santa Clara et al, the Successor Agency is required to sell all its properties. The proceeds from the initial sale of properties, after deduction of costs of sale, were used to pay the Successor Agency's enforceable obligations.

The Successor Agency has sold two properties: Santa Clara Gateway Parcel 2 located at 5451-5455 Great America Parkway and Santa Clara Hilton parcel located at 4949 Great America Parkway. The proceeds from these sales were used to fully repay all of the Successor Agency's obligations. Proceeds from the sale of any of the remaining Successor Agency properties will be distributed to the taxing entities.

In February 2018, the Oversight Board authorized the Successor Agency to engage the services of Eastdil Secured to provide brokerage and real estate advisory services related to the sale of the North South Parcel and the Great America Theme Park Parcel.

The North South Parcel (Property) is a 9.4-acre parcel currently used as a portion of the surface parking for Great America Theme Park and Levi's Stadium. In March 2018, Eastdil prepared an Offering Memorandum and solicited interest from more than 30 capital sources to seek offers from qualified investors. Offers were tendered during three rounds of bidding. The Evaluation Team selected a buyer based upon the best offer with a combination of the highest purchase price and with competitive terms.

DISCUSSION

On May 8, 2018, a request for the approval of the sale of the North South Parcel to Jamestown Realty Co., LLC was made to the Santa Clara City Council acting as the Successor Agency governing body. At the meeting, the Council referred the item back to staff indicating concern about the price of the property and an interest in the City making an offer to purchase.

Staff will return to the Oversight Board with additional information on the City's interest in the

purchase of the property at a subsequent Oversight Board meeting.

ENVIRONMENTAL REVIEW

This is an information report only and no action is being taken by the Oversight Board and no environmental review under the California Environmental Quality Act ("CEQA") is required.

FISCAL IMPACT

There is no fiscal impact associated with this informational report other than administrative time and expense

COORDINATION

This item has been coordinated with the City Attorney's Office and the Oversight Board Counsel.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Note and File a report of the Successor Agency regarding the Sale of the North-South Parking Parcel located at 4911 Great America Parkway (APN: 104-43-051).

Reviewed by: Ruth Shikada, Assistant City Manager

Approved by: Deanna J. Santana, City Manager/Executive Officer

ATTACHMENTS

1. May 8, 2018 Agenda Report to Santa Clara City Council regarding Sale of the North-South Parking Parcel