



Agenda Report

18-701

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

Adoption of a Resolution requesting that Countywide Oversight Board appoint a Property Disposition Subcommittee

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. The Successor Agency prepared and the Oversight Board and the California Department of Finance, approved a Long Range Property Management Plan (LRPMP), setting forth the process for the disposition of the properties. In accordance with Dissolution Statutes (AB1x 26, AB 1484 and SB 107), the Settlement Agreement entered into by the City, the Successor Agency and the County of Santa Clara et al and the LRPMP, the Successor Agency is required to sell all its properties.

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 and is in the process of selling two other properties, the North South Parcel and the Great America Theme Park Parcel. The Successor Agency holds several other parcels at the Santa Clara Convention Center Complex that are also to be sold.

To assist with the property disposition process, the approved LRPMP for the Successor Agency called for the creation of an evaluation team composed of Oversight Board members, including a representative from the City, to work with the Successor Agency and to evaluate offers received for the properties. The Evaluation Team has provided valuable input in the sales process for the properties sold to date.

Effective July 1, 2018, the Oversight Board for the Santa Clara Successor Agency will cease to exist and there will be a single oversight board for all of the successor agencies in the County of Santa Clara. The Successor Agency is recommending that the Oversight Board request that the Countywide Oversight Board appoint the evaluation team as an ad hoc subcommittee to the Countywide Oversight Board to continue to provide guidance and recommendations on the property disposition process.

DISCUSSION

The process of disposing of the former Santa Clara Redevelopment Agency properties is complicated because all of the properties are subject to long term leases. Through the use of the Evaluation Team and working with the broker approved by the Oversight Board, the Successor Agency has been

able to sell the first two properties for higher than expected purchase prices. The Evaluation Team has provided the Successor Agency with an informal forum to address issues that arise with the sale of the properties and has expedited the sales process.

The Successor Agency believes that continuation of the evaluation team as an ad hoc subcommittee of the Countywide Oversight Board will facilitate the sale of the remaining properties and result in the sales being accomplished expeditiously and for maximum value. Two of the current members of the Evaluation Team, Glen Williams and Ed Maduli have been appointed to the Countywide Oversight Board and could continue to assist in the disposition of Santa Clara properties.

Consistent with the LRPMP, the Successor Agency is recommending that the ad hoc subcommittee be composed of these two Countywide Oversight Board members. The functions of the Evaluation Team would remain the same as it currently is, with the evaluation team providing guidance to the Successor Agency on the sales process and recommendations to the Oversight Board.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b) in that it is a governmental organization or administrative activity that will not result in direct or indirect change in the environment.

FISCAL IMPACT

There is no fiscal impact associated with this item other than administrative time and expense.

COORDINATION

This item has been coordinated with the City Attorney’s Office.

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

Adopt a Resolution requesting that the Santa Clara County Oversight Board appoint an ad hoc subcommittee to oversee the disposition of the former Santa Clara Redevelopment Agency properties in accordance with the Long Range Property Management Plan.

Reviewed by: Ruth Shikada, Assistant City Manager

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

ATTACHMENTS

1. Resolution - Request to Santa Clara County Oversight Board to Appoint an Ad Hoc Subcommittee