NOTICE

The Urban Community Development Commission (UCDC) was established by Ordinance August 15, 1975 to function as the governing body of the Community Redevelopment Agency. Its purpose is to aid in planning and implementing projects in the City of Compton.

URBAN COMMUNITY DEVELOPMENT COMMISSION
AGENDA
Thursday, May 08, 2008
4:40 PM

WORKSHOP(S)

HEARING(S)

4:55 P.M. - JOINT PUBLIC HEARING - CONSIDER DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND GOLDEN PACIFIC PARTNERS, LLC TO PURCHASE AND DEVELOP CERTAIN AGENCY-OWNED PROPERTY IN CONNECTION WITH A PROPOSED MIXED-USE DEVELOPMENT IN THE REDEVELOPMENT PROJECT AREA

OPENING

ROLL CALL

APPROVAL OF MINUTES

1. April 1, 2008
   April 8, 2008
   April 15, 2008

ORAL AND WRITTEN COMMUNICATION

UNFINISHED BUSINESS

NEW BUSINESS

2. A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, AUTHORIZING THE EXECUTIVE SECRETARY TO ENTER INTO A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND GOLDEN PACIFIC PARTNERS, LLC FOR THE DISPOSITION OF CERTAIN AGENCY-OWNED PROPERTY

AUDIENCE COMMENTS

COMMISSION COMMENTS

ADJOURNMENT

APRIL 1, 2008

The Public Finance Authority meeting was called to order at 7:09 p.m., in the Council Chambers of City Hall by Chairperson Eric Perrodin.

Roll Call

Board Members Present: Calhoun, Dobson, Arceneaux, Hall, Perrodin
Board Members Absent: None

Other Officials Present: C. Cornwell, A. Godwin, C. Evans

APPROVAL OF MINUTES There were no minutes to be approved.

UNFINISHED BUSINESS There was no Unfinished Business.

NEW BUSINESS There was no New Business.

AUDIENCE COMMENTS There were no Audience Comments.

AUTHORITY COMMENTS There were no Authority Comments.

On motion by Arceneaux, seconded by Calhoun, the meeting was adjourned at 7:09 p.m., by the following vote on roll call:

AYES: **Board Members - Calhoun, Dobson, Arceneaux, Hall, Perrodin**
NOES: **Board Members - None**
ABSENT: **Board Members - None**

Clerk of the Public Finance Authority Commission	**Chairman of the Public Finance Authority Commission**

1.

APRIL 8, 2008

The Public Finance Authority meeting was called to order at 3:24 p.m., in the Council Chambers of City Hall by Chairperson Pro-Tem Barbara Calhoun. The Pledge of Allegiance was led by Chairperson Pro-Tem Barbara Calhoun.

Roll Call

Board Members Present: Dobson, Arceneaux, Hall, Calhoun
Board Members Absent: Perrodin

Other Officials Present: C. Cornwell, A. Godwin, C. Evans

APPROVAL OF MINUTES On motion by Arceneaux, seconded by Hall, the minutes of **March 11, 2008** and **March 18, 2008** were approved, by the following vote on roll call:

AYES: Board Members - Dobson, Arceneaux, Hall, Calhoun
NOES: Board Members - None
ABSENT: Board Members - Perrodin

UNFINISHED BUSINESS There was no Unfinished Business.

NEW BUSINESS There was no New Business.

AUDIENCE COMMENTS There were no Audience Comments.

AUTHORITY COMMENTS There were no Authority Comments.

On motion by Arceneaux, seconded by Hall, the meeting was adjourned at 3:24 p.m., by the following vote on roll call:

AYES: Board Members - Dobson, Arceneaux, Hall, Calhoun
NOES: Board Members - None
ABSENT: Board Members - Perrodin

Clerk of the Public Finance Authority Commission	**Chairman of the Public Finance Authority Commission**

APRIL 15, 2008

The Public Finance Authority meeting was called to order at 7:12 p.m., in the Council Chambers of City Hall by Chairperson Eric Perrodin. The Pledge of Allegiance was led by Chairperson Eric Perrodin.

Roll Call

Board Members Present: **Dobson, Arceneaux, Hall, Perrodin**
Board Members Absent: **Calhoun**

Other Officials Present: **L. Clegg, A. Godwin, C. Evans**

APPROVAL OF MINUTES There were no minutes to be approved.

UNFINISHED BUSINESS There was no Unfinished Business.

NEW BUSINESS There was no New Business.

AUDIENCE COMMENTS There were no Audience Comments.

AUTHORITY COMMENTS There were no Authority Comments.

On motion by Hall, seconded by Dobson, the meeting was adjourned at 7:12 p.m., by the following vote on roll call:

AYES: **Board Members - Dobson, Arceneaux, Hall, Perrodin**
NOES: **Board Members - None**
ABSENT: **Board Members - Calhoun**

Clerk of the Public Finance Authority Commission	**Chairman of the Public Finance Authority Commission**

May 8, 2008

TO: **CHAIRMAN AND COMMISSIONERS**

FROM: **EXECUTIVE SECRETARY**

SUBJECT: **AUTHORIZING THE EXECUTIVE SECRETARY TO ENTER INTO A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND GOLDEN PACIFIC PARTNERS, LLC FOR THE DISPOSITION OF CERTAIN AGENCY-OWNED PROPERTY IN CONNECTION WITH A PROPOSED MIXED-USE DEVELOPMENT IN THE REDEVELOPMENT PROJECT AREA**

SUMMARY

Requesting Commission authorization to enter into a Disposition and Development Agreement with Golden Pacific Partners (GPP), LLC for the sale of the 6.7 acre Agency-owned parcel located at 1420 North McKinley Avenue, in connection with the proposed construction of retail and residential mixed-use development to be located at the southeast corner of Rosecrans Avenue and McKinley Avenue, in the Redevelopment Project Area.

BACKGROUND

On October 17, 2006, the Commission, pursuant to Resolution No. 1,662, authorized the Executive Secretary to enter into an Exclusive Negotiation Agreement (ENA) with Golden Pacific Partners, LLC (Redeveloper) to facilitate the assembly of 15 acres (comprising of 6.7 acres of an Agency owned parcel and 8.3 acres of privately owned parcels) at a total acquisition and relocation cost of $13,250,000. The land assembly would facilitate the construction of a proposed mixed-use development at the southeast corner of Rosecrans Avenue and McKinley Avenue.

The proposed project will consist of approximately 11.7 acres consisting of 284 townhomes and 25,000 square feet of community-serving retail space. As of this date, GPP has consummated the negotiation process with the Agency for acquisition of the Agency owned property. Currently, the Redeveloper is also in negotiations with private owners (Allied Waste and other private owners) for the acquisition of the remaining parcels.

STATEMENT OF THE ISSUE

In accordance with Section 33433 of the California Redevelopment Law Health and Safety Code, any lease or sale of Agency owned property, purchased utilizing tax increment funds, requires a joint public hearing of both the Agency and the legislative body for public input. Subsequent to the hearing, the Commission and City Council must consider and approve a resolution authorizing the real estate sale transaction.

2.

The Agency acquired the 6.7 acres vacant lot site located at 1420 North McKinley Avenue in August 2007 from the Compton Unified School District for a purchase price of $5,253,000. The fair market appraisal of the property, conducted by DMD Appraisals Inc. in August 2006, determined the value at $5,253,000. The Agency's site control of the subject property enhances its power to leverage with prospective developers for the implementation of a preferred land use development, in accordance with the proposed Redevelopment Specific Plan for the Atkinson Brickyard area.

In compliance with Redevelopment Law, the Commission on April 15, 2008, set a joint public hearing (by minute motion) for May 6, 2008, to consider a resolution authorizing the disposition and development of the property located at 1420 North McKinley Avenue. The notice of the joint public hearing was published in the *Compton Bulletin* on April 23, 2008 and April 30, 2008. A copy of the DDA and Summary Report was also placed in the City Clerk's Office on April 23, 2008 for public review in accordance with Redevelopment Law.

ECONOMIC BENEFITS

The proposed development offers several benefits to the City. Based on the GPP's pro-forma analysis, the entire development would generate a projected value of $120 million dollars, resulting in projected annual tax increment revenues of $1,000,000 for the Agency. Currently, the subject site is burdened with non-conforming land uses including the proliferation of decrepit and unsightly non-conforming industrial activities. The planned residential and retail development would visually enhance the neighborhood and become a major catalyst for further economic revitalization of the Atkinson Brickyard area. On the basis of the foregoing, Commission approval of the DDA will advance the revitalization objectives for the area.

RECOMMENDATION

That the attached resolution authorizing the Executive Secretary to enter into a Disposition and Development Agreement with Golden Pacific Partners, LLC be adopted.

KOFI SEFA-BOAKYE
DIRECTOR OF REDEVELOPMENT

CHARLES EVANS
EXECUTIVE SECRETARY

RESOLUTION NO. __________

A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, AUTHORIZING THE EXECUTIVE SECRETARY TO ENTER INTO A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND GOLDEN PACIFIC PARTNERS, LLC FOR THE DISPOSITION OF CERTAIN AGENCY-OWNED PROPERTY

WHEREAS, the Community Redevelopment Agency of the City of Compton (the "Agency") is carrying out the Redevelopment Plan for the Compton Redevelopment Project Area, as merged and amended by Ordinance No. 2,114 adopted by the City Council on November 16, 2004; and

WHEREAS, pursuant to the direction of the Commission and City Council, the Agency and Golden Pacific Partners, LLC (Redeveloper) have negotiated the terms and conditions of a Disposition and Development Agreement (the "DDA") for the disposition of certain Agency-owned property located at 1420 North McKinley Avenue, Exhibit A of the DDA (Map of the Site) and as legally described in Exhibit B of the DDA (Legal Description of the Site); and

WHEREAS, in August 2006, an appraisal was conducted on the property by DMD Appraisals, Inc. to determine the fair market value of the land; and

WHEREAS, the Agency has negotiated the proposed DDA with the Redeveloper to purchase the property as part of a site assembly strategy to construct 284 townhome units and 25,000 square feet of community serving retail on a 15 acre site; and

WHEREAS, in accordance with the Community Redevelopment Law, Health and Safety Code Section 33433, notice of a joint public hearing by the Commission and City Council was published in the *Compton Bulletin* on April 23, 2008 and April 30, 2008 and a copy of the DDA and Summary Report was placed in the City Clerk's Office on April 23, 2008 for public review; and

WHEREAS, the Commission and City Council held a joint public hearing on Tuesday, May 8, 2008, in the City Council Chambers to consider and act upon the disposition of certain real property pursuant to the DDA.

NOW, THEREFORE, THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That the Urban Community Development Commission hereby approves the terms and conditions of the Disposition and Development Agreement between the Community Redevelopment Agency and Golden Pacific Partners, LLC for the disposition of certain Agency-owned property at 1420 North McKinley Avenue in connection with the proposed development of a mixed used development located on the southeast corner of Rosecrans Avenue and McKinley Avenue.

Section 2. That the Commission hereby finds that the disposition of such properties pursuant to the proposed Disposition and Development Agreement (i) will assist in the elimination of blight due to the obligation of the Redeveloper to construct 284 townhome units and community serving retail; and (ii) is consistent with the Redevelopment Plan and Implementation Plan for the Compton Redevelopment Project Area (the "Project Area") adopted pursuant to Health and Safety Code Section 33490.

2.

<u>Section 3</u>. That DMD Appraisers Inc. conducted an appraisal in August 2006 to determine the fair market value of the Agency-owned property located at 1420 North McKinley Avenue.

<u>Section 4</u>. That the disposition price of the subject property to Golden Pacific Partners, LLC shall be $5,253,000, and such price is not less than the fair market value of the subject property at its highest and best use in accordance to the Redevelopment Plan.

<u>Section 5</u>. That the Executive Secretary is hereby authorized and directed to execute any necessary documents upon the advice of the Agency's Legal Counsel.

<u>Section 6</u>. That a certified copy of this resolution shall be filed in the offices of the Executive Secretary, Agency's Legal Counsel, City Controller, Community Redevelopment Agency, and Clerk.

<u>Section 7</u>. That the Chairman shall sign and the Clerk shall attest to the adoption of this resolution.

ADOPTED this _____ day of ___________, 2008.

____
CHAIRMAN OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION

ATTEST:

____
CLERK OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, Clerk of the Urban Community Development Commission of the City of Compton, hereby certify that the foregoing resolution was adopted by the Commission, signed by the Chairman, and attested by the Clerk at the regular meeting thereof held on the _____ day of __________, 2008.

That said resolution was adopted by the following vote, to wit:

AYES: **COMMISSIONERS -**
NOES: **COMMISSIONERS -**
ABSENT: **COMMISSIONERS -**
ABSTAIN: **COMMISSIONERS -**

____
CLERK OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION

SUMMARY REPORT

DISPOSITION AND DEVELOPMENT AGREEMENT

GOLDEN PACIFIC PARTNERS, LLC

THIS SUMMARY REPORT has been prepared pursuant to Section 33433 of the California Health and Safety Code. This report sets forth certain details of a proposed Disposition and Development Agreement ("Agreement") between the Community Redevelopment Agency of the City of Compton ("Agency") and Golden Pacific Partners, LLC ("Redeveloper") for the purchase and development of Agency-owned property located at 1420 North McKinley Avenue.

This report describes and specifies:

1. The estimated cost of the proposed agreement to the Agency; and
2. The purchase price of the property and the terms of the purchase agreement; and
3. The estimated value of the interest to be conveyed as determined by the highest and best uses permitted under the Redevelopment Plan.

This Report and the proposed Agreement are made available for public inspection prior to the approval of the Agreement.

A. SUMMARY OF TRANSACTION

The Disposition and Development Agreement ("Agreement") between the Agency and the Redeveloper provides that the Agency sell to the Redeveloper an approximately 6.7 acre site for $5,253,000 as a component of a 15 acre development (including developer acquisition of 8.3 acres of privately owned land) resulting in a total acquisition and relocation cost of $13,250,000. The proposed development shall consist of 284 condominium units and 25,000 square feet of community-serving retail space to be located at the southeast corner of Rosecrans Avenue and McKinley Avenue.

B. FINANCIAL SUMMARY OF THE AGREEMENT

1. Cost of the Agreement to the Agency

The Agency acquired subject property in August 2007 as part of the Specific Plan for the Atkinson Brickyard Area. The Agency property located at 1420 North McKinley Avenue was acquired from Compton Unified School District for a purchase price of $5,253,000.

2. **Fair Market Value of the Site**

   In August 2006, an appraisal was conducted by DMD Appraisals Inc. which determined the Fair Market Value of the subject property to be $5,253,000.

3. **Disposition Price**

   The proposed Disposition Price of the Agency property is $5,253,000. The Redeveloper shall pay the Disposition Price to the Agency at the close of escrow.

C. POTENTIAL ECONOMIC IMPACTS

The Agency owned component is currently generating no economic benefit inasmuch as it is not on the tax rolls. The property will be placed back on the tax rolls with stable households of gainfully employed Compton residents who pay property taxes to the City of Compton. The proposed development offers several benefits to the City. Based on the GPP's pro-forma analysis, the entire development would generate a projected value of $120 million dollars resulting in projected annual tax increment revenues of $1,000,000 for the Agency. Currently, the subject site is burdened with non-conforming land uses including the proliferation of decrepit and unsightly non-conforming industrial activities. The planned residential and retail development would visually enhance the neighborhood and become a major catalyst for further economic revitalization of the Atkinson Brickyard area. On the basis of the foregoing, Commission approval of the DDA will advance the revitalization objective for the area. Positive economic returns on the Agency's investment in the proposed development include:

- Significant tax increment revenues to the Agency based on a projected $120,000,000 real property value generating annual tax increment payment to the Agency in the amount $1,000,000 over the life of the Redevelopment Project Area.

- Revenue from utility user taxes for water, electricity and telephones creating additional sources of revenue for the City.

- Fees and permits will generate a source of revenue for the City.

- Creation of temporary jobs during construction and permanent employment opportunities will be available for Compton residents.

D. ELIMINATION OF BLIGHT

The existing property has been vacant for several years. The proposed Disposition and Development Agreement (i) will assist in the elimination of blight due to the obligation of the Redeveloper to construct 284 townhome units and a community serving retail center; (ii) is consistent with the Redevelopment Plan and Implementation Plan for the Compton Redevelopment Project Area (the "Project Area") adopted pursuant to Health and Safety Code Section 33490; and (iii) serve as a catalyst for further realization of the Atkinson Brickyard Specific Plan for the Rosecrans and McKinley Area.