

SPECIAL EL CERRITO MUNICIPAL SERVICES CORPORATION MEETING

AGENDA

Tuesday, September 20, 2016 – 6:45 p.m.
City Council Chambers

Meeting Location
El Cerrito City Hall
10890 San Pablo Avenue, El Cerrito

Greg Lyman – Chairperson

Vice Chairperson Janet Abelson
Boardmember Mark Friedman
Boardmember Scott Hanin

Boardmember Jan Bridges
Boardmember Gabriel Quinto
Boardmember Karen Pinkos

ROLL CALL

CONVENE SPECIAL MUNICIPAL SERVICES CORPORATION MEETING

1. **BOARD / STAFF COMMUNICATIONS**
2. **ORAL COMMUNICATIONS FROM THE PUBLIC**

All persons wishing to speak should sign up with the Board Secretary. Remarks are limited to 3 minutes per person and are limited to items listed on this special Municipal Services Corporation meeting agenda only.

3. **PRESENTATIONS – None**
4. **ADOPTION OF THE CONSENT CALENDAR – Item No. 4**

Approve the May 17, 2016 Special Municipal Services Corporation meeting minutes.

5. **POLICY MATTERS**

- A. Conveyance of Certain Redevelopment Agency Properties to the Successor Agency to the El Cerrito Redevelopment Agency**

Adopt a resolution approving the conveyance of the following former Redevelopment properties to the Successor Agency to the El Cerrito Redevelopment Agency: 1) Mayfair Block – 1925 Kearney Street, 11690 San Pablo Avenue; 11600 San Pablo Avenue; 2) Eastshore Block – 11335-41 San Pablo Avenue, 6111 Potrero Avenue, 1718 Eastshore Boulevard; and 3) Government Purpose Property – Civic Center 10930/10940 San Pablo Avenue. *Exempt from CEQA.*

ADJOURN SPECIAL MUNICIPAL SERVICES CORPORATION MEETING

This meeting will not be televised. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk, (510) 215-4305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title I).

SPECIAL EL CERRITO MUNICIPAL SERVICES CORPORATION MEETING

MINUTES

Tuesday, May 17, 2016 – 6:30 p.m.
City Council Chambers

Meeting Location
El Cerrito City Hall
10890 San Pablo Avenue, El Cerrito

Greg Lyman – Chairperson

Vice Chairperson Janet Abelson
Boardmember Mark Friedman
Boardmember Scott Hanin

Boardmember Jan Bridges
Boardmember Gabriel Quinto
Boardmember Karen Pinkos

ROLL CALL

Present: Boardmembers Abelson, Friedman, Hanin, Pinkos, Quinto and Chair Lyman

Absent: Boardmember Bridges

CONVENE SPECIAL MUNICIPAL SERVICES CORPORATION MEETING

Chair Lyman convened the Special Municipal Services Corporation meeting at 6:36 p.m.

1. **BOARD / STAFF COMMUNICATIONS** – No announcements.
2. **ORAL COMMUNICATIONS FROM THE PUBLIC** – No speakers.
3. **PRESENTATIONS** – *None*
4. **ADOPTION OF THE CONSENT CALENDAR – Item No. 4**

Approve the October 7, 2014 Special Municipal Services Corporation Closed Session minutes.

Action: Moved, seconded (Friedman/Pinkos; Ayes – Boardmembers Abelson, Friedman, Hanin, Pinkos, Quinto and Chair Lyman; Noes – None; Abstain – None; Absent – Boardmember Bridges) and carried to approve the minutes.

5. POLICY MATTERS

A. Loan Agreement with the City of El Cerrito

Adopt a resolution authorizing a short-term loan to the City of El Cerrito.

Presenter: Melanie Mintz, Community Development Director.

Action: Moved, seconded (Friedman/Abelson; Ayes – Boardmembers Abelson, Friedman, Hanin, Pinkos, Quinto and Chair Lyman; Noes – None; Abstain – None; Absent – Boardmember Bridges) and carried to adopt Resolution No. 2016-01.

B. Approval of the El Cerrito Municipal Services Corporation of Conveyance of Certain Redevelopment Agency Properties to the City of El Cerrito

Staff requests that the El Cerrito Municipal Services Corporation adopt a Resolution approving the conveyance of certain former Redevelopment Agency properties to the City of El Cerrito in accordance with the Successor Agency to the El Cerrito Redevelopment Agency Long Range Property Management Plan.

Presenter: Melanie Mintz, Community Development Director.

Action: Moved, seconded (Quinto/Abelson; Ayes – Boardmembers Abelson, Friedman, Hanin, Pinkos, Quinto and Chair Lyman; Noes – None; Abstain – None; Absent – Boardmember Bridges) and carried to adopt Resolution No. 2016-02.

ADJOURNED SPECIAL MUNICIPAL SERVICES CORPORATION MEETING at 6:45 p.m.



AGENDA BILL

Agenda Item No. 5

Date: September 20, 2016
To: Board of Directors, El Cerrito Municipal Services Corporation
From: Melanie Mintz, Community Development Director
Subject: Conveyance of certain Redevelopment Agency properties to the Successor Agency to the El Cerrito Redevelopment Agency

ACTION REQUESTED

Adopt a resolution approving the conveyance of the following former Redevelopment properties to the Successor Agency to the El Cerrito Redevelopment Agency: 1) Mayfair Block – 1925 Kearney Street, 11690 San Pablo Avenue; 11600 San Pablo Avenue; 2) Eastshore Block – 11335-41 San Pablo Avenue, 6111 Potrero Avenue, 1718 Eastshore Boulevard; and 3) Government Purpose Property – Civic Center 10930/10940 San Pablo Avenue.

BACKGROUND

Prior to the dissolution of the El Cerrito Redevelopment Agency, the Redevelopment Agency entered into conveyance agreements with the El Cerrito Municipal Services Corporation (MSC) whereby the former Redevelopment Agency agreed to convey to the MSC properties owned by the former Redevelopment Agency and the MSC agreed to accept the properties and to use the properties in a manner consistent with the Redevelopment Plan. (Resolutions 2011-03 and Redevelopment Resolution 612.) The properties conveyed to the MSC were the Mayfair Block properties (11600 and 11690 San Pablo Avenue and 1925 Kearney), the Eastshore Block Properties (1133-041 San Pablo Avenue, 6111 Potrero, and 1718 Eastshore), the Civic Center Property (10930-10940 San Pablo Avenue) and the Cerrito Theater property (10066-72 San Pablo Avenue). Subsequent to the dissolution of the Redevelopment Agency, the State Controller's Office and the California Department of Finance ordered the reversal of the transfer of the properties to the MSC, claiming that the transfers violated the Redevelopment Dissolution Laws. The City, the MSC and the Successor Agency to the former Redevelopment Agency dispute the State's determination regarding the validity of the transfers of the property and currently have pending an appeal with the California Court of Appeal on this matter.

In an effort to move forward with the potential development of the former Redevelopment Agency properties, the Successor Agency in December prepared and the Department of Finance approved a Long Range Property Management Plan (LRPMP) related to the former Redevelopment Agency properties (SA Resolution 2015-03 and Oversight Board Resolution 2015-04 and 2015-06). The LRPMP calls for the Mayfair Block and the Eastshore Block to be transferred to the City for future development. The LRPMP calls for the Civic Center Property to be transferred to the City as a government purpose property. The LRPMP calls for the Cerrito Theater to be

sold with the sales proceeds to be distributed to the taxing entities and allows for the City to acquire the property pursuant to a compensation agreement with the taxing entities. The action before the Municipal Services Corporation Board tonight is to approve conveyance of the Eastshore and Civic Center properties. The theater will come before the Board at a future date.

The MSC in May approved conveyance of the Properties to the City which is consistent with the ultimate destination for the Properties under the LRPMP. After discussions with the title company that will be handling the transfer of the properties, it has been determined that in order to ensure that as the properties are conveyed to private parties, title insurance can be obtained, the MSC needs to convey the properties to the Successor Agency who will in turn convey the properties to the City in accordance with the LRPMP.

FINANCIAL CONSIDERATIONS

The transfer of the properties to the Successor Agency will relieve the MSC of the continued obligation to pay property taxes for the former Redevelopment Agency properties.

LEGAL CONSIDERATIONS

These actions are consistent with the Dissolution Law and the Long Range Property Management Plan and have been reviewed by the MSC Counsel.

Reviewed by:



Scott Hanin
Executive Director

Attachments:

1. Resolution

RESOLUTION NO. 2016-XX

A RESOLUTION OF THE EL CERRITO MUNICIPAL SERVICES CORPORATION
AUTHORIZING CONVEYANCE OF CERTAIN PROPERTIES TO THE SUCCESSOR
AGENCY TO THE EL CERRITO REDEVELOPMENT AGENCY

WHEREAS, prior to the dissolution of the El Cerrito Redevelopment Agency (the "Dissolved RDA"), the Dissolved RDA owned certain properties (the "Properties") located within the City of El Cerrito Redevelopment Project Area (the "Project Area") and more particularly described on Exhibit A attached hereto and incorporated herein; and

WHEREAS, prior to dissolution of the Dissolved RDA, the Dissolved RDA transferred the Properties to the El Cerrito Municipal Services Corporation ("MSC") pursuant to certain conveyance agreements; and

WHEREAS, upon dissolution of the Dissolved RDA in accordance with California Law, the Successor Agency to the El Cerrito Redevelopment Agency (the "Successor Agency") succeeded to all the rights and obligations of the Dissolved RDA; and

WHEREAS, the Successor Agency has been ordered by the California State Controller's Office and the California Department of Finance to reverse the transfers of the Properties to the MSC; and

WHEREAS, the City, the MSC and the Successor Agency continue to dispute the Controller's and the Department of Finance's orders and the validity of those orders is the subject of a pending appeal with the California Court of Appeal; and

WHEREAS, notwithstanding the ongoing dispute over the validity of the transfers of the Properties to the MSC, the Successor Agency, in accordance with Health and Safety Code Section 34191.5 prepared and the Department of Finance approved a Long Range Property Management Plan ("LRPMP") including the Properties which calls for the Properties to be transferred to the City for future development and governmental purposes; and

WHEREAS, notwithstanding the MSC's ongoing dispute over the validity of the transfers of the Properties to the MSC, the MSC has agreed to convey the Properties to the Successor Agency; and

WHEREAS, pursuant to Section 15061(b)(3) of the CEQA Guidelines, CEQA review of the conveyance of the Properties is not required because it can be seen with certainty that conveyance of the Properties will not alter the existing use of the Properties and that prior to any development of the Properties compliance with CEQA will be required.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Board of Directors of the MSC finds that the above recitals are accurate.
2. The Board of Directors of the MSC hereby approves the conveyance of the Properties to the Successor Agency and approves the execution of any documents necessary to convey the Properties to the Successor Agency by the Executive Director, including grant deeds, quitclaim deeds, reconveyances and all ancillary documents.

**Agenda Item No. 5
Attachment 1**

3. This Resolution shall take immediate effect upon its adoption.

I CERTIFY that at a special meeting on September 20, 2016 the Board of Directors of the El Cerrito Municipal Services Corporation passed this resolution by the following vote:

AYES: Directors
NOES: Directors
ABSTAIN: Directors
ABSENT: Directors

IN WITNESS of this action, I sign this document on September XX, 2016.

Cheryl Morse, Board Secretary

APPROVED:

Gregory B. Lyman, Mayor

**EXHIBIT A
PROPERTIES**

Future Development Properties:

1. Mayfair Block :
 - a. 1925 Kearny St.;
 - 11690 San Pablo Avenue;
 - 11600 San Pablo Avenue
 - b.
2. Eastshore Block
 - a. 11335-41 San Pablo Ave.
 - b. 6111 Potrero
 - c. 1718 Eastshore

Government Purpose Property:

3. Civic Center
 - a. 10930/10940 San Pablo Ave.