

**OVERSIGHT BOARD FOR SUCCESSOR AGENCY
TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY**

AGENDA

City Council Chambers
Montclair Civic Center
5111 Benito Street
Montclair, CA

Regular Meeting
Wednesday, April 8, 2015
6:00 p.m.

As a courtesy, please silence your cell phones, pagers, and other electronic devices while the meeting is in session. Thank you.

William Ruh – Chairman, Montclair Mayor Paul Eaton Appointee
Tenice Johnson – Vice Chairperson, County of San Bernardino Citizen Appointee
Terry Catlin – Inland Empire Utilities Agency Appointee
Kim Erickson – Chaffey Community College District Appointee
Phil Hillman – Ontario–Montclair School District Appointee
Mike Piotrowski – City of Montclair Employee Organization Alternate
John Richardson – County of San Bernardino Appointee

Page No.

I. PRELIMINARY MATTERS

- A. Call to Order
- B. Roll Call

II. PUBLIC COMMENT

Any person wishing to address the Oversight Board on any matter, whether or not it appears on this agenda, is requested to complete a "Speaker Request" form, available at the door. The form should be completed and submitted to the Secretary prior to the beginning of this meeting or prior to an individual agenda item being heard by the Oversight Board. Each speaker will be afforded five minutes to address the Oversight Board. No action will be taken on any item not listed on the agenda pursuant to the Ralph M. Brown Act.

III. APPROVAL OF MINUTES

- A. Minutes of the Oversight Board Meeting of September 10, 2014
- B. Minutes of the Oversight Board Meeting of February 11, 2015

IV. PUBLIC HEARINGS

- A. Consider Adoption of Resolution No. 15-03, a Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Approving and Authorizing Execution of Agreement No. 15-17, a Purchase and Sale Agreement Between the Successor Agency to the City of Montclair Redevelopment Agency (City of Montclair) and Press On Properties, LLC, Regarding Property Located at 4960 Palo Verde Street, Montclair, CA (1008-332-04)

V. COMMUNICATIONS

A. Staff

B. Chairman and Members

VI. ADJOURNMENT

The above actions of the Oversight Board shall not become effective for three business days, pending any request for review by DOF. If DOF requests review of the above Board actions, it will have ten days from the date of the request to approve the Oversight Board action or return it to the Oversight Board for reconsideration; and the action, if subject to review by DOF, will not be effective until approved by DOF.

The next regularly scheduled Oversight Board meeting will be held on May 13, 2015, at 6:00 p.m. in the City Council Chambers.

Reports, backup materials, and additional materials related to any item on this Agenda distributed to the Successor Agency Board after distribution of the Agenda packet are available for public inspection in the Office of the Secretary located at 5111 Benito Street, Montclair, California, between 7:00 a.m. and 6:00 p.m., Monday through Thursday.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Secretary at (909) 625-9416. 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 II)

I, Andrea M. Phillips, Secretary, hereby certify that I posted, or caused to be posted, a copy of this agenda not less than 72 hours prior to this meeting on the bulletin board adjacent to the north door of Montclair City Hall on April 1, 2015.

AGENDA REPORT

SUBJECT: CONSIDER ADOPTION OF RESOLUTION NO. 15-03, A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY APPROVING AND AUTHORIZING EXECUTION OF AGREEMENT NO. 15-17, A PURCHASE AND SALE AGREEMENT BETWEEN THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY (CITY OF MONTCLAIR) AND PRESS ON PROPERTIES, LLC, REGARDING PROPERTY LOCATED AT 4960 PALO VERDE STREET, MONTCLAIR, CA (1008-332-04)	DATE: April 8, 2015 SECTION: PUBLIC HEARING ITEM NO.: A FILE I.D.: OBO050 DEPT.: OVERSIGHT BOARD
--	--

REASON FOR CONSIDERATION: AB 1X 26 dissolved redevelopment agencies in the State of California as of February 1, 2012. On June 27, 2012, AB 1484 was enacted to make technical and substantive amendments to AB 1X 26. These laws are collectively referred to the "Dissolution Act." One of the responsibilities of the Successor Agency pursuant to the Dissolution Act is to prepare a Long-Range Property Management Plan (LRPMP) that governs the disposition and use of the real properties of the former redevelopment agency. The Successor Agency prepared its LRPMP and submitted it to the Department of Finance (DOF) on November 14, 2013. DOF issued its letter approving the Successor Agency's LRPMP on February 12, 2015. The letter from DOF approving the LRPMP is included as part of this report as Attachment A.

One of the properties proposed for sale in the LRPMP is located at 4960 Palo Verde Street. The property was improved by the former Redevelopment Agency with pavement, landscaping, and lighting. The property was then and is currently leased to Ontario Nissan, Inc. (Metro Nissan), for purposes of new automobile storage and sales. The LRPMP suggested that the property be offered to sale to the tenant. The proposed draft Purchase and Sale Agreement, Agreement No. 15-17, details the terms of sale for the property to the representatives of Metro Nissan. The Purchase and Sale Agreement is attached to Resolution No. 15-03 as Exhibit A.

Legal counsel has advised staff that the Oversight Board should conduct a public hearing regarding the proposed action to consider the Purchase and Sale Agreement. A copy of the notice advertising the public hearing is included as Attachment B.

BACKGROUND: As the Oversight Board will recall, the original plan for the disposition of assets contemplated in AB 1X 26 was the immediate sale and disposition of all redevelopment assets. However, pursuant to AB 1484, the disposition of assets became subject to the preparation of a Long-Range Property Management Plan (LRPMP) that requires the approval of DOF. In general, the LRPMP addresses the disposition and use of the real properties of the former redevelopment agency.

Pursuant to Health and Safety Code Section 34191.5, the LRPMP must be submitted to the Oversight Board and DOF for approval no later than six months following the

issuance to the Successor Agency of the DOF's Finding of Completion. The Successor Agency to the City of Montclair Redevelopment Agency received a Finding of Completion from DOF on May 15, 2013; therefore, the deadline for submitting the LRPMP for the former City of Montclair Redevelopment Agency to DOF was November 14, 2013. The Oversight Board approved the original LRPMP on November 13, 2013.

Successor Agency staff worked with DOF on making certain changes and revisions to the LRPMP last calendar year. The Oversight Board approved a revised LRPMP pursuant to Resolution No. 14-06 on August 14, 2014. The revisions to the LRPMP included a number of changes requested by DOF. As indicated, DOF finally approved the LRPMP on February 12, 2015.

The LRPMP proposed the sale of the 4960 Palo Verde Street site (the "Property") to Ontario Nissan, Inc., (Metro Nissan). On July 31, 2014, Press On Properties, LLC, representatives of Metro Nissan, submitted a Letter of Intent to the Successor Agency regarding the property. The property has been continuously leased to Ontario Nissan, Inc. since 1996 in relationship to the sale of new Nissan automobiles. The 1.44 acre site contains no structures but includes paving, landscaping, and lighting improvements. Metro Nissan has used and continues to use the property for new vehicle storage/display. A copy of the information regarding 4960 Palo Verde Street from the LRPMP is included as Attachment C.

The Property is subject to a lease which has a termination date of December 20, 2020. If the proposed sale to Metro Nissan is not approved, the marketing of the Property will likely be difficult due to the right of continued possession by Metro Nissan by virtue of the lease.

The owners of and operators of Metro Nissan/Infiniti have held many discussions with Successor Agency regarding their ability to purchase the Palo Verde Street site and the implications that acquisition of the property could have for the dealerships given redevelopment dissolution. The Successor Agency and the Oversight Board also discussed these issues with DOF for some time prior to DOF approval of the LRPMP.

Both the Successor Agency and the Oversight Board considered the proposed Letter of Intent from Press On Properties, LLC, in separate closed sessions. Given the posture of DOF, and with the letter of Intent, Agency Special Counsel prepared the Purchase and Sale Agreement. The draft Agreement was reviewed by counsel for the proposed buyers. In addition, in the interest of expediency, DOF was provided with a copy of the Purchase and Sale Agreement for review. DOF will not provide approval of the proposed Purchase and Sale Agreement until the Oversight Board takes action on the Agreement.

The more salient points of the Purchase and Sale Agreement include the following terms:

- The purchase price of the property would be the sum of \$1,000,000; this is the amount offered by Metro Nissan. The property was appraised by an independent appraiser at \$1,110,000. The sum offered by the buyer is within ten percent of the appraised value. In addition, it should be noted that Ontario Nissan, Inc., currently holds a valid lease which could prevent sale of the property for at least five years.

- The Successor Agency agrees to convey title by grant deed to Press On Properties, LLC. Escrow would be opened with Ticor Title Company or another mutually agreeable escrow company. Within 15 days after the date of the Agreement or the date which DOF consents to the sale of the property, a standard CLTA title insurance policy would be issued at Seller's expense.
- Both parties to the escrow would attempt to agree to do all acts necessary to close escrow within 45 days from the date of the Agreement provided that the parties acknowledge that various conditions are outside the control of the Successor Agency.
- Title and escrow fees would be divided in the traditional manner. The Successor Agency would be responsible for paying the cost for a CLTA title report. Escrow fees and other ancillary fees would be evenly shared.
- Escrow should close within 90 days of the date of the agreement. Unless the escrow is extended by the parties, the Purchase and Sale Agreement would be terminated after the expiration of 90 days.

FISCAL IMPACT: Oversight Board approval of Resolution No. 15-03, approving the Purchase and Sale Agreement related to 4960 Palo Verde Street, would allow staff to forward the Purchase and Sale Agreement regarding the property to DOF and the Successor Agency for consideration. Should DOF and the Successor Agency Board of Directors also approve the Agreement, escrow with Press On Properties, LLC could proceed.

Net proceeds from the sale of the property, after paying for the title insurance and seller's share of closing costs, would be submitted to the Trustee for the Redevelopment Project Area No. V Tax Allocation Bonds. Net sales proceeds would be applied toward reducing tax allocation bond debt for Redevelopment Project Area No. V bonds.

RECOMMENDATION: Staff recommends the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency adopt Resolution No. 15-03 approving and authorizing execution of Agreement No. 15-17, a Purchase and Sale Agreement between the Successor Agency to the City of Montclair Redevelopment Agency (City of Montclair) and Press On Properties LLC, regarding property located at 4960 Palo Verde Street, Montclair, CA (1008-332-04).



February 12, 2015

Ms. Marilyn Staats, Deputy City Manager
City of Montclair
5111 Benito Street
Montclair, CA 91763

Dear Ms. Staats:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Montclair Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on November 14, 2013. The Agency subsequently submitted a revised LRPMP to Finance on August 25, 2014. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items.

The Agency received a Finding of Completion on May 16, 2014. Further, based on our review and application of the law, we are approving the Agency's use or disposition of all the properties listed on the LRPMP. Our approval also took into account the following clarification provided by the Agency:

Property No. 2, 4985 Richton Street: It is our understanding the Agency has identified multiple disposition options for the property located at 4985 Richton Street as public use or future development. In the event the property no longer serves a governmental purpose (Montclair Kid's Station Child Care Center or as the Gold Line right of way), the City of Montclair (City) will develop the property pursuant to the North Montclair Downtown Specific Plan. At that time, the City will enter into a compensation agreement with the affected taxing entities.

In accordance with HSC section 34191.4, upon receiving a Finding of Completion from Finance and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements of an existing enforceable obligation. Pursuant to HSC section 34191.3 the approved LRPMP shall govern, and supersede all other provisions relating to, the disposition and use of all the real property assets of the former redevelopment agency.

Agency actions taken pursuant to a Finance approved LRPMP which requires the Agency to enter into a new agreement are subject to oversight board (OB) approval per HSC section 34181 (f). Any OB action approving a new agreement in connection with the LRPMP should be submitted to Finance for approval.

Please direct inquiries to Nichelle Thomas, Supervisor, or Michael Barr, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Program Budget Manager

cc: Mr. Donald Parker, Finance Director, City of Montclair
Ms. Linda Santillano, Property Tax Manager, San Bernardino County
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State
Controller's Office
California State Controller's Office

ATTACHMENT B

NOTICE OF PUBLIC HEARING BY THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY ON A PROPOSED PURCHASE AND SALE AGREEMENT BETWEEN CITY OF MONTCLAIR SUCCESSOR AGENCY (CITYOF MONTCLAIR) AND PRESS ON PROPERTIES, LLC, FOR PROPERTY LOCATED AT 4960 PALO VERDE STREET, MONTCLAIR, CA

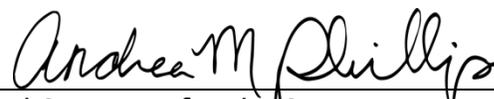
NOTICE IS HEREBY GIVEN that the City of Montclair Oversight Board for the Successor Agency to the former City of Montclair Redevelopment Agency will conduct a public hearing on Wednesday, April 8, 2015, at 6:00 p.m. in the City of Montclair City Council Chambers, 5111 Benito Street, Montclair, California, to consider a Purchase and Sale Agreement by and between the City of Montclair Successor Agency (City of Montclair) and Press On Properties, LLC, concerning property located at 4960 Palo Verde Street (APN 1008-332-04). The Agreement involves sale of the property pursuant to redevelopment dissolution legislation. The actions of the Oversight Board are subject to review and approval of the State Department of Finance pursuant to Health and Safety Code Section 34179.

Pursuant to Health and Safety Code Section 34191.4, the Successor Agency has prepared a Long Range Property Management Plan (LRPMP), which has been approved by the Oversight Board and the State Department of Finance. In accordance with the LRPMP, the property located at 4960 Palo Verde Street is being offered for sale to the current tenant of the property. Proceeds from the sale of property will be used to repay debt service on bonds in former Redevelopment Project Area No. V.

Any person interested in the above proceeding may appear at the time and place listed above to testify in favor of or in opposition to this item. Any written correspondence regarding this matter must be sent to the attention of the Oversight Board Secretary (Deputy City Clerk), 5111 Benito Street, Montclair, California, 91763. A copy of proposed Purchase and Sale Agreement may be inspected at the Office of the City Clerk located at the City of Montclair City Hall, 5111 Benito Street, Montclair, California, before the public hearing.

If you contest the item listed above in court, you may be limited to challenging only those issues you or someone else cited during the public hearing described in this Notice or documented in written correspondence delivered to the Oversight Board Secretary (Deputy City Clerk) at, or prior to, the public hearing.

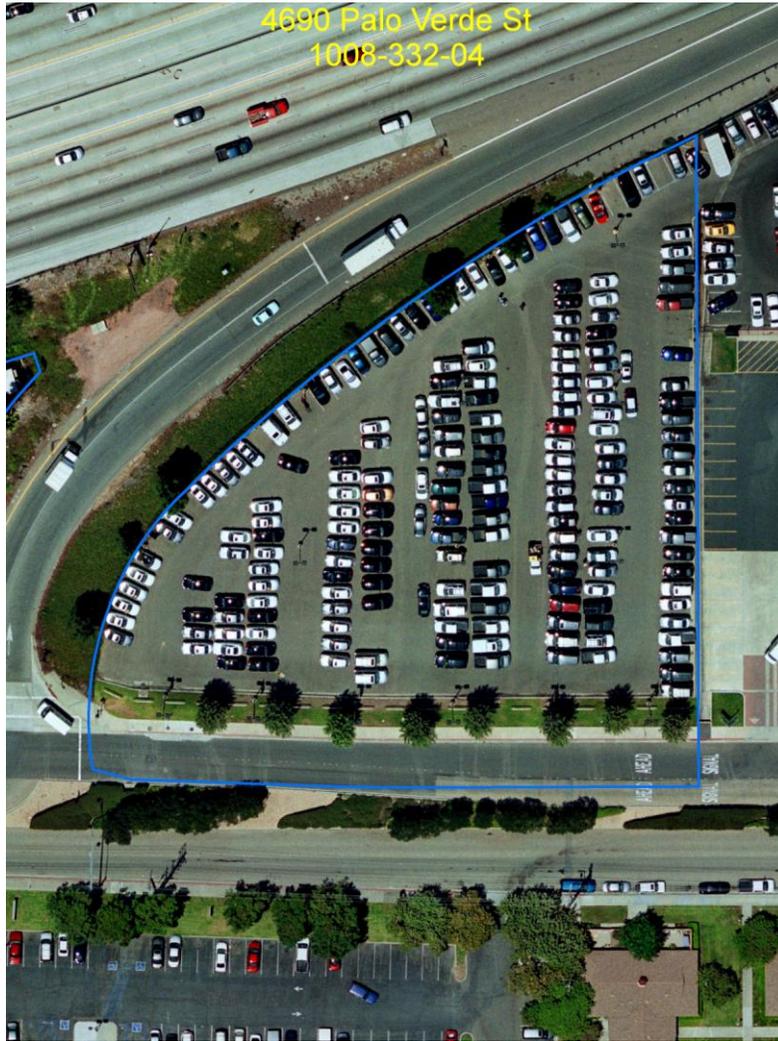
Date: March 12, 2015



Oversight Board Secretary for the Successor Agency to the Former City of Montclair Redevelopment Agency/Deputy City Clerk

**PUBLISH THIS NOTICE ON: March 27, 2015
April 3, 2015**

4960 PALO VERDE STREET



Parcel Information

Address: 4960 Palo Verde Street

APN: 1008-332-04

Lot Size: 1.44 acres

Acquisition Date: April 25, 1989

Original Seller: Reinhard Stadler and Brigita Stadler

Original Purchase Price: Estimated value at purchase: \$1,412,154 (the parcel was originally part of a larger 2.76 acre property acquisition)

Primary and/or Supplemental Acquisition Funding Source(s): Project Area No. V Tax Allocation Bonds

Current Zoning: C3-General Commercial

Property Type: The property is an improved parking lot with landscaping and lighting.

Current Use: The property is improved as a parking lot with landscaping and lighting. The land is leased to Ontario Nissan Inc., (Metro Nissan of Montclair) for use as an automobile display area for the auto dealership.

Estimate of Current Property Value

Estimate of current value of the parcel including, if available, appraisal, any appraisal information

Estimated Current Value: \$1,110,000 appraised value provided by Integra Realty Resources (Appendix N)

Proposed Sale Value: \$1,100,000 appraised value provided by Integra Realty Resources

Estimate of Any Lease, Rental, or Other Revenue

Estimate of any lease, rental, or any other revenue generated by the property, and a description of the contractual requirements for the disposition of those funds.

Estimated Lease/Rental Value: \$5,550 per month as provided by appraisal from Integra Realty Resources

**Contractual Requirements/
Agreements for Use of the Site:**

The former Redevelopment Agency, now the Successor Agency, is contractually obligated to lease the site to Ontario Nissan, Inc., (Metro Nissan of Montclair) pursuant to Agreement No. 96-28 and subsequent amendments (Appendix O, Appendix P, and Appendix Q).

Environmental Contamination History

History of environmental contamination, including designation as a Brownfield site, any related environmental studies, and history of any remediation efforts.

Brownfield Status: N/A

Studies Conducted: N/A

Remediation Efforts: N/A

Transit-Oriented Development Potential

Description of the property's potential for transit-oriented development.

The site has not been identified for transit-oriented develop.

Planning Objectives of the Successor Agency

Description of the advancement of the planning objectives of the successor agency.

The Redevelopment Plan for Redevelopment Project Area No. V contained a variety of goals related to the promotion of economic well being through the encouragement of the Project Areas commercial base and the promotion of employment opportunities (Appendix L-pages 3-4). Specifically, the Redevelopment Plan also encouraged development of "commercial, residential, and industrial environments which positively relate to adjacent land uses." The use of the former Agency-owned property to expand the existing auto dealership absolutely fit the intent of the goal to promote a commercial use which related to the adjacent commercial use. Metro Nissan is relatively large employer in the City offering full time job opportunities to over 170 people.

The Nissan automobile dealership is an important business to the City's economy and employment base. It is the Successor Agency's intent to see the automobile dealership continue to remain part of the City and community. As indicated below, the Successor Agency would like the dealership to secure ownership of the subject site.

History of Development Proposals and Activity

Brief history of previous development proposals and activity, including the rental or lease of the property.

The subject site is located directly south of the I-10 Freeway. The I-10 Freeway was originally constructed with only a west bound on-ramp and east bound off-ramp at Monte Vista Avenue. With population increases in the City and the surrounding area and a corresponding increase in traffic volumes, the creation of full freeway interchange at Monte Vista Avenue was needed. In order to accommodate development of an east bound on-ramp and west bound off-ramp, the State indicated that the City would have to pay for all right-of-way costs and construction costs. Therefore, in 1987, the City of Montclair Redevelopment Agency was charged with purchase of the right-of-way for the needed I-10 freeway on-and-off ramps at Monte Vista Avenue and Palo Verde Street. The parcel needed for the right-of-way construction for the east bound on-ramp was 2.76 acres. The location for the east bound on-ramp cut the existing parcel in half. Therefore, after the property was appraised and the calculations for damages were determined, the Redevelopment Agency Board of Directors made the decision to acquire the entire

ATTACHMENT C

2.76-acre parcel. The amount of property needed for the on-ramp was .67 acres. Two remaining parcels were created. The subject site at 4960 Palo Verde Street is 1.44 acres.

The Redevelopment Agency entered into a Lease Agreement with Ontario Nissan, Inc., in 1996 for long-term use of the subject site for automobile display associated with the Metro Nissan of Montclair automobile dealership located northeast of the former Agency-owned parcel. Without the use of this parcel, the automobile dealership would seek an alternate location for their business because the Nissan factory demands the dealership maintain a certain dedicated amount of new automobile stock. The lease was amended in 1999 to meet a Nissan factory requirement for a 20-year leasehold interest of dealership property. At that time the lease was renewed for five years with three five year options. The lease is currently in its second option term. The lease will expire on December 20, 2020. In 2010, the automobile dealer requested and was granted relief by the Redevelopment Agency Board of Directors from payment of rent until sales met a certain threshold or until a new agreement could be negotiated on July 1, 2011 (Agreement No. 10-14).

Given the inability of the Redevelopment Agency to enter into contracts after June 29, 2011 pursuant to State statute, a successor agreement was not negotiated. Since the Successor Agency is legally bound to provide a portion of the subject site for lease to Ontario Nissan, Inc., the Successor Agency intends to enter into an Agreement with the entity to pay the rental value determined by appraisal as \$5,550 or attempt to negotiate a sale of the property to Ontario Nissan, Inc., subject to the approval of the Oversight Board and Department of Finance (DOF)

Use/Disposition of the Property

Identify the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforceable obligation.

The Successor Agency proposes to offer the parcel to sale to Ontario Nissan, Inc., at the appraised value. However, if Ontario Nissan, Inc., is not willing to purchase the property, the Successor Agency is obligated to continue to lease the property to Ontario Nissan, Inc., until December 20, 2020. The proceeds of the sale or lease would be transferred to the Bond Trustee for the 2006A Redevelopment Project Area No. V Tax Allocation Bond Issue to be utilized for debt service in accordance with official bond documents.

RESOLUTION NO. 15-03

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY APPROVING AND AUTHORIZING EXECUTION OF AGREEMENT NO. 15-17, A PURCHASE AND SALE AGREEMENT BETWEEN THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY (CITY OF MONTCLAIR) AND PRESS ON PROPERTIES, LLC, REGARDING PROPERTY LOCATED AT 4960 PALO VERDE STREET, MONTCLAIR, CA (1008-332-04)

WHEREAS, pursuant to AB X1 26, which became effective on June 28, 2011, as modified by the California Supreme Court decision in *California Redevelopment Association, et al. v Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), all California redevelopment agencies, including the City of Montclair Redevelopment Agency, were dissolved effective February 1, 2012; and

WHEREAS, AB 1484, which became effective at the end of June 2012, amended and supplemented AB X1 26; and

WHEREAS, pursuant to Health and Safety Code Section 34175(b) and the California Supreme Court's decision in *California Redevelopment Association, et al. v Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), all assets, properties, contracts, leases, books and records, buildings, and equipment of the former City of Montclair Redevelopment Agency (the "Redevelopment Agency") transferred to the control of the Successor Agency (the "Successor Agency") by operation of law; and

WHEREAS, pursuant to Health and Safety Code Section 34191.5(b), the Successor Agency must prepare a long-range property management plan which addresses the disposition and use of the real property of the former Redevelopment Agency and which must be submitted to the Oversight Board for the Successor Agency (the "Oversight Board") and the Department of Finance ("DOF") for approval no later than six months following the issuance by DOF to the Successor Agency of a finding of completion pursuant to Health and Safety Code Section 34179.7; and

WHEREAS, the Successor Agency received DOF's Finding of Completion on May 15, 2013, and the Successor Agency's deadline for submitting the Oversight Board-approved Long-Range Property Management Plan to DOF is November 14, 2013; and

WHEREAS, the Successor Agency prepared the Long-Range Property Management Plan for the disposition of Successor Agency properties and the Oversight Board approved the Plan on November 13, 2013 (as approved, the "Adopted LRPMP"); and

WHEREAS, the Successor Agency submitted the Adopted LRPMP to the Department of Finance (DOF) on November 14, 2013; and

WHEREAS, a staff member of DOF indicated that certain changes were required to be made to the Adopted LRPMP. Successor Agency staff has incorporated changes to the Adopted LRPMP which, as submitted with such changes, constitutes the "Property Management Plan"; and

WHEREAS, the Oversight Board reviewed and approved the LRPMP, as revised, by its Resolution No. 14-06 on August 13, 2014; and

WHEREAS, DOF approved the Adopted LRPMP on February 12, 2014; and

WHEREAS, the Adopted LRPMP identified the property located at 4960 Palo Verde Street (APN 1008-332-04) as property that should be sold and offered to the existing tenant of the property for purchase; and

WHEREAS, the existing tenant of the property utilizes the property for the storage and sale of automobiles and desires to maintain use of the property for automobile sales purposes. The existing tenant operates under a lease with a termination date of December 20, 2020; and

WHEREAS, the representative for the tenant of 4960 Palo Verde Street, Press On Properties, LLC, submitted a Letter of Intent to purchase the property dated July 31, 2014, and now desires to enter into a Purchase and Sale Agreement with a total price of \$1,000,000 cash at the close of escrow, as attached hereto as "Exhibit A"; and

WHEREAS, the Oversight Board is requested to consider approval of and authorize execution of Agreement No. 15-17, a Purchase and Sale Agreement between the Successor Agency to the City of Montclair Redevelopment Agency and Press On Properties, LLC; and

WHEREAS, the Oversight Board acknowledges that net proceeds of the sale of the property at 4960 Palo Verde Street would be advanced towards the repayment of bond indebtedness in former Redevelopment Project Area No. V.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board to the Successor Agency to the City of Montclair Redevelopment Agency does hereby find and determine as follows:

Section 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference as findings of fact.

Section 2. The Oversight Board hereby approves the Purchase and Sale Agreement, substantially in the form hereto attached as Exhibit A, and directs the Chairman of the Successor Agency to execute the Purchase and Sale Agreement with such changes as the Successor Agency, in consultation with Successor Agency legal counsel, may deem necessary or advisable, and to take all such actions as may be required to close escrow and convey the subject property pursuant to the Purchase and Sale Agreement. In addition, such changes shall not affect the purchase price.

Section 3. Pursuant to Health and Safety Code Section 34180(j), staff of the Successor Agency is hereby authorized and directed to transmit the Purchase and Sale

Agreement to the County Administrative Officer, the County Auditor–Controller, and to DOF.

Section 4. The Oversight Board hereby directs the Successor Agency Executive Director or his designee to take any and all action necessary to carry out the purposes of this Resolution and comply with applicable law.

Section 5. The approval of the Purchase and Sale Agreement does not result in any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

Section 6. The Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Secretary shall certify to the adoption of this Resolution.

Section 7. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance; therefore, this Resolution shall become effective five (5) business days after its adoption, pending a request for review by the State of California Department of Finance. The period for this review may be extended by up to sixty (60) days pursuant to Health and Safety Code Section 34181(f).

APPROVED AND ADOPTED this XX day of XX, 2015.

Chairman

ATTEST:

Secretary

I, Andrea M. Phillips, Secretary of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency, DO HEREBY CERTIFY that Resolution No. 15–03 was duly adopted by the Oversight Board of Directors at a regular meeting thereof held on the XX day of XX, 2015, and that it was adopted by the following vote, to-wit:

AYES: XX
NOES: XX
ABSTAIN: XX
ABSENT: XX

Andrea M. Phillips
Secretary

Agreement No. 15-17

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (the “Agreement”) is entered into as of _____, 2015 (the “Date of Agreement”), by and between the **SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY** (the “Seller”), and **PRESS ON PROPERTIES, LLC**, a California limited liability company (the “Buyer”), for acquisition by Buyer of certain real property described below.

NOW, THEREFORE, the Buyer and the Seller hereby agree as follows:

1. Agreement to Sell and Purchase; Agreement to Continue to Operate New Automobile Dealership. Buyer agrees to purchase from Seller, and, subject to the prior satisfaction of the “Seller Conditions” as set forth in Section 8.2, below, Seller agrees to sell to Buyer, upon the terms and for the consideration set forth in this Agreement, a parcel of real property, which is improved with a parking lot with paving and lighting thereon, which is located at 4960 Palo Verde Street, Montclair (APN 1008 332 04) in the City of Montclair, County of San Bernardino, State of California, and which is legally described in the Legal Description, attached hereto as Exhibit “A” and incorporated herein (the “Property”); Buyer has represented to Seller and to the City of Montclair, a municipal corporation (“City”) that Buyer intends to continue to operate at the Property uses including the sale of new automobiles under an approved franchise agreement with a manufacturer of automobiles.

2. Purchase Price. The total purchase price for the Property shall be the sum of One Million Dollars (\$1,000,000.00) (the “Purchase Price”). The Purchase Price shall be payable through escrow of the Purchase Price in immediately available funds, in cash, cashier’s check or through wire transfer of funds, prior to the conveyance of the Property to Buyer (the “Closing”).

Buyer is a sophisticated party and is familiar with real property transactions, including the acquisition and use of real property. Buyer or an affiliate thereof has occupied the Property for several years prior to the date this Agreement is entered into and is familiar with the Property. Prior to entering into this Agreement, Buyer has consulted with legal counsel of its choosing and has undertaken such investigation as to the Property, including without limitation as to surface and subsurface conditions and as to the suitability of the Property for such uses as may be undertaken by Buyer, and has determined that the Property is suitable and satisfactory for such purposes.

3. Conveyance of Title. Seller agrees to convey or cause to be conveyed by Grant Deed to Buyer marketable fee simple title to the Property, free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, leases, and taxes, except such matters which are reasonably acceptable to the Buyer, following Buyer’s review of the preliminary title report as provided in this Section 3. Within fifteen (15) days after the Date of Agreement or, if later, the date by which the California Department of Finance consents to the sale of the Property by Seller, Seller shall cause Ticor Title Company (Irvine office) or another title company mutually agreeable to both parties (the “Title Company”) to deliver to Buyer a standard CLTA preliminary title report (the “Report”) with respect to the title to the Property, together with legible copies of the exceptions (“Exceptions”) set forth in the Report. Seller shall be responsible for arranging for the conveyance

by City to Buyer, or to Seller for conveyance to Buyer, any fee interest of City as to the Property. Buyer shall have ten (10) days from its receipt of the Report within which to give written notice to Seller of Buyer's approval or disapproval of any of such Exceptions. No deeds of trust, mortgages or other liens, except for the lien of property taxes and assessments not yet due, shall be approved Exceptions. If Buyer notifies Seller of its disapproval of any Exceptions in the Report, or is deemed to have disapproved the Report, Seller shall have the right, but not the obligation, to remove any disapproved Exceptions within ten (10) days after receiving written notice of Buyer's disapproval or provide assurances satisfactory to Buyer that such Exception(s) will be removed on or before the Closing. If Seller cannot or does not elect to remove any of the disapproved Exceptions within that period, Buyer shall have five (5) days after the expiration of such ten (10) day period to either give the Seller written notice that Buyer elects to proceed with the purchase of the Property subject to the disapproved Exceptions or to give the Seller written notice that the Buyer elects to terminate this Agreement. The Buyer shall have the right to approve or disapprove any Exceptions reported by the Title Company after Buyer has approved the condition of title for the Property. Seller shall not voluntarily create any new exceptions to title following the date of this Agreement.

4. Title Insurance Policy. Escrow Agent shall, following recording of the Grant Deed, provide Buyer with a CLTA owner's policy of title insurance in the amount of the Purchase Price, issued by the Title Company, together with any endorsements reasonably requested by the Buyer, showing fee simple title as to the Property vested in Buyer, subject only to the exceptions set forth in Section 3 and the printed exceptions and stipulations in the policy.

5. Escrow. Buyer and Seller have opened or shall open an escrow (the "Escrow") in accordance with this Agreement with Ticor Title Company or another escrow company mutually agreeable to both parties (the "Escrow Agent"). This Agreement, together with the escrow instructions prepared by Escrow Agent and executed by Buyer and Seller, constitutes the joint escrow instructions of Buyer and Seller, and Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this Escrow within forty-five (45) days from the date of this Agreement; provided that the parties acknowledge that various conditions to close may be outside the control of Seller. Seller shall bear the cost of a CLTA owner's title policy as the Property based upon the Purchase Price; the cost of any additional or other coverages shall be borne by Buyer. Any amounts payable by Seller shall be charged against the Purchase Price. Buyer and Seller shall evenly share escrow fees and charges, recording fees, recording fees and notary fees.

5.1 Grant Deed. Seller has executed and delivered a Grant Deed (the "Grant Deed") to Buyer concurrently with this Agreement, in the form of the Grant Deed which is attached hereto as Exhibit "B" and incorporated herein. Buyer agrees to deposit the Purchase Price upon demand of Escrow Agent. Buyer and Seller agree to deposit with Escrow Agent any additional instruments as may be necessary to complete this transaction.

5.2 Insurance. Insurance policies for fire or casualty are not to be transferred, and Seller will cancel its own policies after close of escrow.

5.3 Escrow Account. All funds received in the Escrow shall be deposited with other escrow funds in a general escrow account(s) and may be transferred to any other escrow trust account in any state or national bank doing business in the State of California. All disbursements shall be made by check from such account.

6. No Tax Adjustment Procedure. The Property is being sold where is, as is. Escrow is not to be concerned with proration of Seller's taxes for the current fiscal year. Seller's pro rata portion of taxes shall be paid by Seller, outside Escrow.

7. Escrow Agent Authorization. Escrow Agent is authorized to, and shall:

7.1 Seller. Pay and charge Seller for any amount necessary to place title in the condition necessary to satisfy Section 3 of this Agreement and for all those escrow fees, charges and costs payable by Seller under Section 5 of this Agreement.

7.2 Buyer. Pay and charge Buyer for all Escrow fees, charges, and costs payable by Buyer under Section 5 of this Agreement.

7.3 Disbursement. Disburse funds, record the Grant Deed and deliver the title policy and the Non-Foreign Transferor Declaration to Buyer, when conditions of the Escrow have been fulfilled by Buyer and Seller. At closing, Escrow Agent shall remit proceeds of sale (net of Seller's share of charges) by wire transfer to Bank of New York Mellon Trust N.A. for the 2006 A Taxable Tax Allocation Bond Issue for City of Montclair Redevelopment Project Area No. V and shall submit a copy of the remittance to Seller.

7.4 Close of Escrow. The term "close of Escrow" or "Closing", if and where written in these instructions, shall mean the date the Grant Deed and other necessary instruments of conveyance are recorded in the office of the San Bernardino County Recorder. Recordation of instruments delivered through this Escrow is authorized, if necessary or proper in the issuance of the policy of title insurance pursuant to Section 4 hereof.

7.5 Time Limits. All time limits within which any matter specified is to be performed may be extended by mutual agreement of the parties. Any amendment of, or supplement to, any instructions must be in writing.

7.6 Time of the Essence. TIME IS OF THE ESSENCE IN THESE INSTRUCTIONS AND ESCROW IS TO CLOSE WITHIN NINETY (90) DAYS OF THE DATE OF AGREEMENT. If (except for deposit of money by Buyer, which shall be made by Buyer upon demand of Escrow Agent before close of Escrow) this Escrow is not in condition to close within ninety (90) days from the Date of Agreement, excepting to the extent such time has been extended by the parties, any party who then shall have fully complied with its instructions, may, in writing, demand the return of its money or property; but if neither party complied, no demand for return shall be recognized until five (5) days after Escrow Agent shall have mailed copies of demand to all other parties at the respective addresses shown in these Escrow instructions, and if any objections are raised within such five (5) day period, Escrow Agent is authorized to hold all papers and documents until instructed by a court of competent jurisdiction or mutual instructions. If escrow has not closed within ninety (90) day from the Date of Agreement, unless such time has been extended by the parties, this Agreement shall be of no further force and effect.

7.7 Escrow Agent Responsibility. The responsibility of the Escrow Agent under this Agreement is expressly limited to Sections 1, 2, 3, 4, 5, 6, 7, 8, 11 and 12 of this Agreement and to its liability under any policy of title insurance issued in regard to this Escrow.

7.8 FIRPTA. Seller and Buyer agree to execute and deliver as directed by

Escrow Agent any instrument, affidavit, and statement, including without limitation the Non-Foreign Transferor Declaration which is attached hereto as Exhibit "C," and to perform any act reasonably necessary to comply with the provisions of FIRPTA and any similar state act and regulation promulgated thereunder.

7.9 Tax Requirements. Escrow Agent shall prepare and file with all appropriate governmental or taxing authorities a uniform settlement statement, closing statement, tax withholding forms including an IRS 1099-S form, and be responsible for withholding taxes, if any such forms are provided for or required by law.

8. Conditions Precedent to Close of Escrow.

8.1. Buyer's Conditions Prior to Closing. The obligation of the Buyer to complete the purchase of the Property is subject to the satisfaction of the following conditions:

a. Seller shall deliver through Escrow an executed and recordable Grant Deed sufficient to convey fee title to the Buyer as set forth in Section 5.1.

b. Seller shall deliver through Escrow a Non-Foreign Transferor Declaration duly executed and in the form of Exhibit "C" attached hereto or such form as may be prepared by the Title Company.

c. Seller shall deliver through Escrow such other funds and documents as are necessary to comply with Seller's obligations under this Agreement.

d. Seller shall not be in default of any of its obligations under the terms of this Agreement, and all representations of Seller herein shall be true and correct.

e. All public agency approvals necessary for the sale and purchase of the Property have been obtained.

f. Buyer shall have approved the condition of title to the Property and Escrow Agent shall have committed to deliver to Buyer a title insurance policy as required by Section 4 hereof.

g. The Buyer shall not have terminated this Agreement.

h. The condition of the Property shall be reasonably satisfactory to the Buyer and in the condition required by this Agreement.

8.2. Seller's Conditions Precedent to Closing. The obligation of Seller to complete the sale of the Property is subject to the satisfaction of the following conditions (collectively, the "Seller Conditions"):

a. The Buyer shall not be in default of any of its obligations under the terms of this Agreement, and all representations of Buyer herein shall be true and correct.

b. The Buyer shall have deposited with the Escrow Agent immediately available funds in an amount equal to the Purchase Price and the Buyer's share of costs described herein.

- c. The Seller shall not have terminated this Agreement.
- d. The California Department of Finance shall have approved the sale of the Property.
- e. The Title Company shall have committed to issue at closing its Title Policy conforming to Section 3 upon payment of the premium therefor.
- f. Buyer shall have delivered or cause to be delivered to Seller or to Escrow Agent for delivery to Seller at closing the "Lease Cancellation Notice" substantially in the form of Exhibit "D" hereto.

9. Acknowledgment Regarding Rent. Seller hereby agrees and acknowledges that no amounts are outstanding as rent payable by Buyer (or Lessee) to Seller and it is not contemplated that any amounts will be payable by Buyer (or Lessee) at or prior to conveyance of the Property hereunder. Lessee shall remain responsible for such possessory interest tax, if any, as may be imposed by the County of San Bernardino in connection with the possession of Lessee under the Lease.

10. Permission to Enter on Premises. Seller hereby grants to Buyer, or its authorized agents, permission to enter upon the Property at all reasonable times prior to close of Escrow for the purpose of making necessary or appropriate inspections.

11. Counterparts. This Agreement may be executed in counterparts, each of which when executed shall, regardless of the date of its execution and delivery, be deemed an original, and all counterparts together shall constitute one and the same instrument.

12. Closing Statement. Seller instructs Escrow Agent to release a copy of Seller's closing statement to Buyer.

13. Loss or Damage to Personal Property. Buyer shall not be responsible for damage to personal property at the Property prior to the conveyance of the Property to Buyer. Buyer's obligation to purchase the Property shall survive without regard to whether damage occurs to personal property located at the Property.

14. Possession and Disposition of Personal Property. Seller shall, prior to the close of Escrow, remove or otherwise dispose of all personal property owned by the Seller which is located on the Property. All personal property owned by Seller remaining on the Property after the Closing shall become the property of Buyer and Buyer may dispose of same without liability as it alone sees fit, and Seller shall be liable for the costs of removal which are incurred by the Buyer. Buyer shall not be liable for any loss of or damage to the Seller's personal property remaining on the Property, regardless of when loss or damage occurs.

15. Warranties, Representations, and Covenants of Seller. Seller hereby warrants, represents, and/or covenants to Buyer that:

15.1 Pending Claims. To the best of Seller's knowledge, there are no actions, suits, claims, legal proceedings, or any other proceedings affecting the Property or any portion thereof, at law, or in equity before any court or governmental agency, domestic or foreign.

15.2 Condition of Property. Until the close of Escrow, Seller shall maintain the Property in good condition and state of repair and maintenance, and shall perform all of its obligations under any service contracts or other contracts affecting the Property; provided that the foregoing portion of this Section 15.2 shall not affect the obligations of any lessee or other occupant of the Property as to maintenance of the Property prior to the conveyance of the Property to Buyer.

15.3 Seller's Title. Until the close of Escrow, Seller shall not do anything which would impair Seller's title to the Property.

15.4 Utilities. All utilities, without limitation, including gas, electricity, water, sewage, and telephone, are available to the Property.

15.5 Conflict with Other Obligation. To the best of Seller's knowledge, neither the execution of this Agreement nor the performance of the obligations herein will conflict with, or breach any of the provisions of any bond, note, evidence of indebtedness, contract, lease, covenants, conditions and restrictions, or other agreement or instrument to which Seller or the Property may be bound.

15.6 Change of Situation. Until the close of Escrow, Seller shall, upon learning of any fact or condition which would cause any of the warranties and representations in the section not to be true as of the close of Escrow, immediately give written notice of such fact or condition to Buyer.

15.7 No Liability of City. The Property is being sold by the Seller, which is the successor agency to the former City of Montclair Redevelopment Agency. The City, its officers, agents and employees, shall have no liabilities, obligations or duties hereunder.

16. Contingency. It is understood and agreed between the parties hereto that the completion of this transaction, and the Escrow created hereby, is contingent upon the specific acceptance and approval of the Board of the Seller. The execution of these documents and the delivery of same to Escrow Agent constitute said acceptance and approval.

17. No Broker's Commission. Each party represents to the other that it is not engaged a real estate broker, agent or finder in connection with the marketing, sale or purchase of the Property; there shall be no commissions payable in connection with the sale. Seller and Buyer agree to and do hereby indemnify and hold the other harmless from and against any and all costs, liabilities, losses, damages, claims, causes of action or proceedings which may result from any broker, agent or finder, licensed or otherwise, which it has employed in connection with the transaction covered by this Agreement.

18. Waiver, Consent and Remedies. Each provision of this Agreement to be performed by Buyer and Seller shall be deemed both a covenant and a condition and shall be a material consideration for Seller's and Buyer's performance hereunder, as appropriate, and any breach thereof by Buyer or Seller shall be deemed a material default hereunder. Either party may specifically and expressly waive in writing any portion of this Agreement or any breach thereof, but no such waiver shall constitute a further or continuing waiver of a preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived. The consent by one party to any act by the other for which such consent was required shall not be deemed to imply consent or waiver of the necessity of

between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understanding of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

25. Captions. The captions used herein are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.

26. Governing Law. This Agreement and the exhibits attached hereto have been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California.

27. Invalidity of Provision. If any provision of this Agreement as applied to any party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

28. Amendments. No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing and agreed to by Buyer and Seller.

29. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

30. Time of Essence. Time is of the essence of each provision of this Agreement

31. Binding upon Successors. The terms and conditions, covenants, and agreements set forth herein shall apply to and bind the heirs, executors, administrators, assigns and successors of the parties hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year set forth herein above.

(signatures on following page)

SELLER:

**SUCCESSOR AGENCY TO THE CITY OF
MONTCLAIR REDEVELOPMENT AGENCY**

By: _____
Executive Director

BUYER:

PRESS ON PROPERTIES, LLC, a California
limited liability company

By: _____
David A. Marvin
Its: Managing Member

EXHIBIT "A"

LEGAL DESCRIPTION

That real property located in the City of Montclair, County of San Bernardino, State of California,
and described as follows:

[to come]

APN: 1008 332 04

EXHIBIT "B"

GRANT DEED

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

APN: 1008 332 04

DOCUMENTARY TRANSFER TAX

\$ _____

_____ computed on the consideration or value of
property conveyed; OR

_____ computed on the consideration or value less
liens or encumbrances remaining at time of sale.

Signature of Declarant or Agent determining tax -
Firm Name

GRANT DEED

FOR VALUE RECEIVED, the **SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY** hereby grants to **PRESS ON PROPERTIES, LLC**, a California limited liability company, all that certain real property located in the City of Montclair, County of San Bernardino, State of California, more particularly described in Attachment A attached hereto and incorporated herein.

IN WITNESS WHEREOF, grantor has executed this Grant Deed as of _____,
2015.

**SUCCESSOR AGENCY TO THE MONTCLAIR
REDEVELOPMENT AGENCY**

By: _____
Executive Director

ATTACHMENT A

PROPERTY DESCRIPTION

That real property located in the City of Montclair, County of San Bernardino, State of California, and described as follows:

[to come]

APN: 1008 332 04

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
 COUNTY OF _____)

On _____, before me, _____, Notary Public,
(Print Name of Notary Public)

personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

 Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

 Title(s)

 Title Or Type Of Document

- Partner(s) Limited General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: _____

 Number Of Pages

Signer is representing:
 Name Of Person(s) Or Entity(ies)

 Date Of Documents

 Signer(s) Other Than Named Above

EXHIBIT "C"

NON-FOREIGN TRANSFEROR DECLARATION

Section 1445 of the Internal Revenue Code of 1954, as amended ("Code"), provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform the transferees that withholding of tax is not required upon the disposition of a U.S. real property interest by _____, the undersigned hereby certifies the following:

1. The Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Code and the Income Tax Regulations promulgated thereunder);
2. The Transferor's U.S. employer identification number or social security number is _____.
3. The Transferor's office address or mailing address is:

The Transferor understands that this Certification may be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalty of perjury we declare that we have examined this Certification and to the best of our knowledge and belief it is true, correct, and complete, and further declare that we have authority to sign this document on behalf of the Transferor.

S.S. No. _____

S.S. No. _____

Date: _____

Date: _____

EXHIBIT “D”

LEASE CANCELLATION NOTICE

Ontario Nissan, Inc., dba Metro Nissan of Montclair (“Ontario”) and Metro Nissan of Montclair (“Nissan”, and together with Ontario, “Metro”) holds or has held a leasehold interest in that certain land at 4960 Palo Verde Street, Montclair, APN: 1008 332 04 (the “Property”). Metro is affiliated with or has common ownership with Press On Properties, LLC, a California limited liability company (“Buyer”). Buyer is purchasing the Property from the Successor Agency to the City of Montclair Redevelopment Agency (“Successor Agency”), which is currently the Lessor of the Property. The purchase by Buyer of the Property will benefit each of Metro and Buyer. By signing below, each of Ontario and Metro irrevocably relinquishes and cancels any leasehold interest or any other interest in the Property, effective as of the execution hereof. Each of Ontario and Metro, if requested to do so by the title insurer for the conveyance of the Property to Buyer, execute a quitclaim as to the Property in favor of Buyer.

ONTARIO NISSAN, INC., dba
METRO NISSAN OF MONTCLAIR

METRO NISSAN OF MONTCLAIR

MINUTES OF THE REGULAR MEETING OF THE
OVERSIGHT BOARD FOR THE SUCCESSOR
AGENCY TO THE CITY OF MONTCLAIR REDE-
VELOPMENT AGENCY HELD ON WEDNESDAY,
SEPTEMBER 10, 2014, AT 6:00 P.M. IN THE CITY
COUNCIL CHAMBERS, 5111 BENITO STREET,
MONTCLAIR, CALIFORNIA

I. PRELIMINARY MATTERS

A. Call to Order

Chairman Ruh called the meeting to order at 6:00 p.m. and asked that everyone please silence their electronic devices as a courtesy to others while the meeting is in session.

B. Roll Call

Present: Chairman Ruh; Vice Chairperson Johnson; Board Members Catlin, Hillman, and Piotrowski; Deputy City Manager/Economic Development Executive Director Staats; Finance Director Parker; Secretary Smith

Absent: Board Members Richardson and Erickson (both excused)

II. PUBLIC COMMENT - None

III. APPROVAL OF MINUTES

A. Minutes of Regular Oversight Board Meeting of August 13, 2014

Board Member Catlin indicated his abstention on this item because he was not in attendance at the August 13, 2014 meeting.

Moved by Board Member Hillman, seconded by Vice Chairperson Johnson, and carried to approve the minutes of the regular Oversight Board meeting of August 13, 2014, noting the abstention of Board Member Catlin.

IV. BUSINESS ITEMS

A. Consider Adoption of Resolution No. 14-07, a Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Approving a Recognized Obligation Payment Schedule for January 1, 2015, Through June 30, 2015, Pursuant to California Health and Safety Code Section 34179, Division 24, Part 1.85, and Authorizing Posting and Transmittal Thereof

Finance Director Parker noted that items 51, 52, and 53 were

present on the previously approved Recognized Obligation Payment Schedule (ROPS), were denied by the state's **Department of Finance (DOF)**, and are presently the basis for litigation that the Successor Agency is initiating against **DOF**. He stated these items are again being claimed on this ROPS to preserve the Successor Agency's position that those moneys are still due the Successor Agency, noting he fully expects the items to be denied by **DOF** once again.

Moved by Board Member Catlin and seconded by Board Member Piotrowski that Resolution No.14-07, entitled, "**A Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Approving a Recognized Obligation Payment Schedule for January 1, 2015, Through June 30, 2015, Pursuant to California Health and Safety Code Section 34179, Division 24, Part 1.85, and Authorizing Posting and Transmittal Thereof,**" be read by number and title only, further reading be waived, and it be declared adopted.

The Oversight Board waived the reading of the Resolution.

Resolution No. 14-07 was adopted by the following vote:

AYES: Catlin, Hillman, Piotrowski, Johnson, Ruh
NOES: None
ABSTAIN: None
ABSENT: Erickson, Richardson

B. Consider Adoption of Resolution No. 14-08, a Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Approving the Successor Agency's Proposed Administrative Budget for January 1, 2015, Through June 30, 2015, Pursuant to California Health and Safety Code Section 34177(J)

Director Parker noted the Successor Agency is staying within the \$250,000 administrative cost allowance, noting the law states that successor agencies are allowed 3% of their current obligations, or \$250,000, whichever is more. Because Montclair's Successor Agency debt service is so low, the \$250,000 allowance yields a greater reimbursement threshold.

Vice Chairperson Johnson asked, regarding shared costs, "What does 'rounded' mean?" She noted the portion of the report that reads: "Deputy City Manager - 5% (rounded)" on page 13 of the Enforceable Obligations.

Director Parker stated the dollar amount was rounded up to an even dollar amount. He noted, for example, where the dollar amount was within \$50 of the next thousand dollars, the dollar amount was rounded up.

Vice Chairperson Johnson thanked Finance Director Parker for the clarification.

Moved by Vice Chairperson Johnson and seconded by Board Member Piotrowski that Resolution No. 14-08, entitled, "**A Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Approving the Successor Agency's Proposed Administrative Budget for January 1, 2015, Through June 30, 2015, Pursuant to California Health and Safety Code Section 34177(J)**," be read by number and title only, further reading be waived, and it be declared adopted.

The Oversight Board waived the reading of the Resolution.

Resolution No. 14-08 was adopted by the following vote:

AYES: Catlin, Hillman, Piotrowski, Johnson, Ruh
NOES: None
ABSTAIN: None
ABSENT: Erickson, Richardson

C. Verbal Report on Potential to Refund Tax Allocation Bonds Issued Prior to 2011

Finance Director Parker noted that at the last Oversight Board meeting, he had indicated that underwriters were in the process of evaluating the Redevelopment Bond Issue to locate potential savings in refunding those bonds. He reported that the underwriters could not locate any significant savings from refunding the bonds, and that the bond counsel has recommended the Successor Agency not proceed in refunding the bonds at this time because it could potentially cause problems until the proceeds are spent. However, once **DOF** approves the expenditure agreement, those amounts can be transferred to the City, utilized for projects as initially intended, and reevaluated to assess whether there are any potential savings in refunding the bonds at that point.

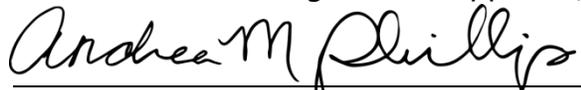
V. COMMUNICATIONS

- A. Staff - None
- B. Chairman and Members - None

VI. ADJOURNMENT

At 6:12 p.m., Chairman Ruh adjourned the Oversight Board of Directors.

Submitted for Oversight Board approval,



Andrea M. Phillips
Secretary

**MINUTES OF THE REGULAR MEETING OF THE
OVERSIGHT BOARD FOR THE SUCCESSOR
AGENCY TO THE CITY OF MONTCLAIR REDE-
VELOPMENT AGENCY HELD ON WEDNESDAY,
FEBRUARY 11, 2015, AT 6:00 P.M. IN THE CITY
COUNCIL CHAMBERS, 5111 BENITO STREET,
MONTCLAIR, CALIFORNIA**

I. PRELIMINARY MATTERS

A. Call to Order

Chairman Ruh called the meeting to order at 6:00 p.m. and asked that everyone please silence their electronic devices as a courtesy to others while the meeting is in session.

B. Roll Call

Present: Chairman Ruh; Board Members Catlin, Erickson, and Piotrowski; Deputy City Manager/ Economic Development Executive Director Staats; Finance Director Parker; Secretary Phillips

Absent: Vice Chairperson Johnson (excused); Board Members Hillman and Richardson (both excused)

II. PUBLIC COMMENT - None

III. APPROVAL OF MINUTES

A. Minutes of Regular Oversight Board Meeting of September 10, 2014

Board Member Erickson indicated her abstention on this item because she was not in attendance at the September 10, 2014 meeting.

In the absence of a quorum of Board Members present to approve the minutes, Chairman Ruh noted this item would be tabled and returned for Oversight Board approval at the next regular meeting.

IV. BUSINESS ITEMS

A. Consider Adoption of Resolution No. 15-01, a Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Approving a Recognized Obligation Payment Schedule for July 1, 2015, Through December 31, 2015, Pursuant to California Health and Safety Code Section 34179, Division 24, Part 1.85, and Authorizing Posting and Transmittal Thereof

Board Member Catlin asked how the items on the Recognized Obligation Payment Schedule (ROPS) that have been disputed by the **Department of Finance (DOF)** will be funded.

Finance Director Parker advised that those expenses cannot be funded on the ROPS as reimbursement items; however, he noted the Successor Agency has filed litigation against **DOF** to resolve that issue by hopefully winning the lawsuit.

Board Member Catlin inquired if the costs are being incurred by the City's coffers.

Finance Director Parker concurred, noting the City is funding the preparation of these required documents and is not being reimbursed for those administrative costs due to rejection by **DOF**.

Moved by Board Member Catlin and seconded by Board Member Erickson that Resolution No. 15-01, entitled, "**A Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Approving a Recognized Obligation Payment Schedule for July 1, 2015, Through December 31, 2015, Pursuant to California Health and Safety Code Section 34179, Division 24, Part 1.85, and Authorizing Posting and Transmittal Thereof,**" be read by number and title only, further reading be waived, and it be declared adopted.

The Oversight Board waived the reading of the Resolution.

Resolution No. 15-01 was adopted by the following vote:

AYES: Catlin, Erickson, Piotrowski, Ruh
NOES: None
ABSTAIN: None
ABSENT: Hillman, Richardson, Johnson

B. Consider Adoption of Resolution No. 15-02, a Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Approving the Successor Agency's Proposed Administrative Budget for July 1, 2015, through December 31, 2015, Pursuant to California Health and Safety Code Section 34177(j)

Moved by Board Member Erickson and seconded by Board Member Catlin that Resolution No. 15-02, entitled, "**A Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Approving the Successor Agency's Proposed Administrative Budget for July 1, 2015, Through December 31, 2015, Pursuant to California Health and Safety Code Section 34177(J),**" be read by number and title only, further reading be waived, and it be declared adopted.

The Oversight Board waived the reading of the Resolution.

Resolution No. 15-02 was adopted by the following vote:

AYES: Catlin, Erickson, Piotrowski, Ruh
NOES: None
ABSTAIN: None
ABSENT: Hillman, Richardson, Johnson

C. Consider Adoption of Resolution No. 15-03, a Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Amending Oversight Board Resolution No. 14-06 Approving and Adopting a Revised Long-Range Property Management Plan Pursuant to Section 34191.5 of the Health and Safety Code

Deputy City Manager/Executive Director of Economic Development Staats requested that this item be pulled because staff has received verbal confirmation from **DOF** that the previous Long Range Property Management Plan (LRPMP) would be approved by **DOF** rather than having to go back to the Oversight Board, and that the Montclair Transcenter property that was previously being challenged is no longer being disputed.

Chairman Ruh pulled the item, noting it would be brought back at a future meeting if staff determines it is necessary.

V. COMMUNICATIONS

- A. Staff - None
- B. Chairman and Members - None

VI. CLOSED SESSION

A. Closed Session Pursuant to Government Code Section 54956.8 Regarding Real Property Negotiations

Property: 4960 Palo Verde Street - Located on the North Side of Palo Verde Street, east of the entrance to the eastbound I-10 Freeway (APN # 1008-332-04)

Agency Negotiator: Marilyn J. Staats, Deputy City Manager

Negotiating Parties: Successor Agency to the City of Montclair Redevelopment Agency and Press On Properties, LLC

Under Negotiation: Recommendations Regarding Purchase Price

At 6:15 p.m., the Oversight Board went into Closed Session regarding pending litigation and real property negotiations

pursuant to respective Government Code Sections 54956.9(d)(1) and 54956.8.

VII. CLOSED SESSION ANNOUNCEMENTS

VIII. ADJOURNMENT

At 6:29 p.m., Chairman Ruh adjourned the Oversight Board of Directors.

Submitted for Oversight Board approval,



Andrea M. Phillips
Secretary

SUBMITTED FOR APPROVAL