

AGENDA

MEETING OF THE KERN COUNTYWIDE OVERSIGHT BOARD

General Services Department
1115 Truxtun Avenue, 3rd Floor
Bakersfield, California

Monday October 7, 2024
11:00AM

All agenda item supporting documentation is available for public review in the office of the Clerk of the Board of Supervisors, 1115 Truxtun Ave., 5th Floor, Bakersfield, 93301 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

1. CALL TO ORDER:

2. ROLL CALL

- 3. PUBLIC COMMENT:** This time has been set aside for members of the public to address the Oversight Board on any matter not on this agenda but within the subject matter jurisdiction of the Board. Although the Oversight Board values your comments, pursuant to the Brown Act, it generally cannot take any action on items not listed on the posted agenda. Speakers are limited to two minutes. Please state and spell your name before making your comments.

4. ADMINISTRATIVE ITEMS:

4.A. ADOPTION OF RESOLUTION

RECOMMENDATION: Adopt Resolution No. 072 “RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DELANO COMMUNITY REDEVELOPMENT AGENCY APPROVING, IN CONCEPT, THE EXCHANGE OF REAL PROPERTY IN ACCORDANCE WITH THE LONG-RANGE PROPERTY MANAGEMENT PLAN AND THE DISSOLUTION LAW, AND DIRECTING THE SUCCESSOR AGENCY TO PROVIDE THE FINAL PURCHASE AND SALE AGREEMENT AND RELATED DOCUMENTS SUBJECT TO APPROVAL AS TO FORM BY COUNTY COUNSEL”

5. BOARD MEMBER COMMENTS OR ANNOUNCEMENTS:

6. ADJOURNMENT:

Americans with Disabilities Act (Government Code Section 54954.2)

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KERN COUNTYWIDE OVERSIGHT BOARD

Meeting Date: _____, 2024

To: Members of the Oversight Board

From: Maribel Reyna, Executive Director of the Successor Agency to the Delano Community Redevelopment Agency

Subject: Request for Conceptual Approval of Proposed Exchange of Real Property

RECOMMENDATION: Adopt the attached resolution approving, in concept, the exchange of real property in accordance with the Successor Agency's Long-Range Property Management Plan and the Dissolution Law and directing the Successor Agency to return to the Oversight Board for the review and approval of the final purchase and sale agreement and related documents.

DISCUSSION: Pursuant to AB x1 26, enacted on June 28, 2011, and as subsequently amended (the "Dissolution Law"), the Delano Community Redevelopment Agency was dissolved as of February 1, 2012, and the City of Delano elected to serve as the Successor Agency to the former Delano Community Redevelopment Agency ("Successor Agency").

The Successor Agency prepared a Long-Range Property Management Plan ("LRPMP") and the Department of Finance ("DOF") issued a Finding of Completion on April 26, 2013. The LRPMP was approved by the Successor Agency on September 16, 2013, and by the Oversight Board on September 23, 2013. A revised LRPMP was approved by the Successor Agency on June 5, 2014, by the Oversight Board on June 9, 2014, and by the DOF on June 18, 2014.

The real property inherited by the Successor Agency included 49 parcels within a site referred to as "Block H." All 49 parcels within Block H were designated to be retained for future development in the LRPMP. In August 2016, all but two of the 49 parcels within Block H were sold by the Successor Agency to a developer in accordance with the LRPMP, and the proceeds of the sale were distributed to the taxing agencies as required by the Dissolution Law. The two parcels not included in the sale of the Block H properties—APN Nos. 038-070-01 and 038-070-11—were undergoing environmental mitigation (vapor extraction) at the time, as detailed in the LRPMP. Those mitigation measures have since been completed.

The developer that acquired the other Block H properties in 2016 now wishes to acquire the two remaining parcels. Once the developer acquires these two parcels, it will own and control the entire block circumscribed by Fremont Street, 9th Avenue, Glenwood Street, and 8th Avenue, and will be able to proceed with the development of a commercial project thereon. (See attached map.)

Among the 47 parcels in Block H that were sold by the Successor Agency to the developer in 2016 was an undeveloped parcel located at the southeast corner of Glenwood Street and 11th Avenue (APN No. 038-130-01; hereinafter, the “Corner Parcel”). The City of Delano wishes to acquire the Corner Parcel for the purpose of constructing a parking area to serve the existing Delano Transit Center located adjacent to the north.

The Corner Parcel is 0.73 acres in size. The two remaining parcels in Block H that the developer wishes to acquire (APN Nos. 038-070-01 and 038-070-11) total 0.74 acres.

The Successor Agency proposes to exchange APN Nos. 038-070-01 and 038-070-11 for the Corner Parcel. No monetary consideration would be exchanged between the Successor Agency and the developer, as the subject properties are of comparable size and fair market value. After the proposed exchange between the Successor Agency and the developer, the City of Delano proposes to retain the Corner Parcel for governmental use in accordance with Health and Safety Code section 34191.5. The Corner Parcel would serve a public purpose as it would become part of the City’s existing transit center and be used as a “park-and-ride” lot. Concurrent with the property exchange, the Successor Agency proposes to record a covenant against the Corner Parcel that would obligate the City, in the event the parcel ever ceases to be retained by it for a governmental use, to dispose of the parcel and distribute the income from the sale to the relevant taxing entities as required by the Dissolution Law.

Effective January 1, 2022, the California Surplus Land Act (Government Code § 54220 et seq.) (the “SLA”) was amended to clarify that the definition of a “local agency” means and includes a successor agency to a former redevelopment agency. On February 26, 2024, the City submitted a Surplus Land Act Exemption Request to the Department of Housing and Community Development (“HCD”). On February 28, 2024, HCD completed its preliminary review and determined that the subject property qualifies as “exempt surplus property” pursuant to Government Code section 54221(f)(1)(C) [exchange of surplus land for another property necessary for the agency’s use]. Consequently, the proposed property exchange is exempt from the SLA. The City Council intends to adopt a resolution declaring the subject property as surplus in accordance with the procedures mandated by the SLA.

The Successor Agency is seeking the Oversight Board’s conceptual approval of the proposed property exchange before expending the time and resources necessary to prepare the required documents. The Successor Agency submits that the proposed property exchange is consistent with, and in furtherance of, the LRPMP and the Dissolution Law.

If the Oversight Board approves of the transaction in concept, the Successor Agency will return to the Oversight Board at a future meeting to seek approval of the purchase and sale agreement and other related documents.

ATTACHMENTS:

1. Map of Subject Parcels
2. Draft resolution.



BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. 72

RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DELANO COMMUNITY REDEVELOPMENT AGENCY APPROVING, IN CONCEPT, THE EXCHANGE OF REAL PROPERTY IN ACCORDANCE WITH THE LONG-RANGE PROPERTY MANAGEMENT PLAN AND THE DISSOLUTION LAW, AND DIRECTING THE SUCCESSOR AGENCY TO PROVIDE THE FINAL PURCHASE AND SALE AGREEMENT AND RELATED DOCUMENTS SUBJECT TO APPROVAL AS TO FORM BY COUNTY COUNSEL

I, Amanda Ruiz, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director _____, seconded by Director _____, was duly passed and adopted by the Board of Directors at an official meeting this ____ day of October, 2024, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Secretary on behalf of the Kern Countywide
Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to AB x1 26, enacted on June 28, 2011, and as subsequently amended (the "Dissolution Law"), the Delano Community Redevelopment Agency was dissolved as of February 1, 2012, and the City of Delano elected to serve as the Successor Agency to the former Delano Community Redevelopment Agency ("Successor Agency"); and

(b) Pursuant to Health and Safety Code section 34173(g), the Successor Agency is a separate legal entity from the City; and

(c) Pursuant to Health and Safety Code section 34179(j), on July 1, 2018, a single oversight board, staffed by the County Auditor-Controller, was created to oversee the actions of all successor agencies within Kern County; and

(d) Health and Safety Code section 34191.5(b) required the Successor Agency to prepare a “Long-Range Property Management Plan” (“LRPMP”) governing the future disposition and use of all real property of the Successor Agency; and

(e) The Successor Agency prepared a LRPMP and the Department of Finance (“DOF”) issued a Finding of Completion on April 26, 2013; and

(f) The LRPMP was approved by the Successor Agency on September 16, 2013, and by the Oversight Board on September 23, 2013; and

(g) A revised LRPMP was approved by the Successor Agency on June 5, 2014, by the Oversight Board on June 9, 2014, and by the DOF on June 18, 2014; and

(h) The real property inherited by the Successor Agency included 49 parcels within a site referred to as “Block H.” All 49 parcels within Block H were designated to be retained for future development in the LRPMP; and

(i) In August 2016, all but two of the 49 parcels within Block H were sold by the Successor Agency to a developer in accordance with the LRPMP and the proceeds of the sale were distributed to the taxing agencies as required by the Dissolution Law; and

(j) The two parcels not included in the sale of the Block H properties—APN Nos. 038-070-01 and 038-070-11—were undergoing environmental mitigation (vapor extraction) at the time, as detailed in the LRPMP; and

(k) The aforementioned mitigation measures have since been completed on the two parcels and the developer that acquired the other Block H properties in 2016 wishes to acquire the two remaining parcels in order to facilitate a commercial development project; and

(l) Among the Block H properties sold by the Successor Agency to the developer in 2016 was an undeveloped parcel located at the southeast corner of Glenwood Street and 11th Avenue (APN No. 038-130-01; hereinafter, the “Corner Parcel”); and

(m) The City of Delano wishes to acquire the Corner Parcel for the purpose of constructing a parking area to serve the existing Delano Transit Center located adjacent to the north; and

(n) The Corner Parcel is 0.73 acres in size; and the two remaining parcels in Block H that the developer wishes to acquire (APN Nos. 038-070-01 and 038-070-11) total 0.74 acres; and