OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF PITTSBURG AGENDA

June 28, 2018

CITY HALL COUNCIL CHAMBER
65 CIVIC AVENUE, PITTSBURG, CA

REGULAR MEETING
4:00 P.M.

PRESIDING

Nancy Parent, [Chair] City of Pittsburg
Garrett Evans, [Vice-Chair] Assistant City Manager
Robert Calone, Contra Costa Community College District
Mary Erbez, Public Appointee
Federal Glover, Contra Costa County Board of Supervisors
Enrique Palacios, Pittsburg Unified School District
Edward Diokno, Contra Costa Consolidated Fire Protection District

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The Oversight Board for the Successor Agency for the Redevelopment Agency for the City of Pittsburg ("Board") has been created pursuant to Health and Safety Code Sections 34161 through 34190 for the sole purpose of overseeing the actions of the Pittsburg Redevelopment Successor Agency. In accordance with Health and Safety Code Section 34179(h) all Board actions shall not be effective for three business days, pending a request for review by the State Department of Finance ("Department"). In the event that the Department requests a review of a given Board action, it shall have 10 days from the date of its request to approve the Board action or return it to the Board for reconsideration, and such Board action shall not be effective until approved by the Department. In the event that the Department returns the Board action to the Board for reconsideration, the Board shall resubmit the modified action for Department approval, and the modified Board action shall not become effective until approved by the Department.

Copies of the open session agenda packets, which are distributed to the Board, are on file in the office of the Secretary to the Pittsburg Redevelopment Successor Agency/Pittsburg City Clerk, 65 Civic Avenue, Pittsburg, California, and are available for public inspection, beginning 72 hours in advance, during normal business hours (8:00 a.m. – 5:00 p.m., Monday through Friday, except from noon to 1:00 p.m. and City holidays). The Pittsburg Library is also provided a full agenda packet for your convenience. As a courtesy, the agenda and reports are also located on the City's website at www.ci.pittsburg.ca.us. Additionally, if any reports or documents, which are public records, are distributed to the Board less than 72 hours before the meeting, those reports and documents will also be available for public inspection in the Secretary to the Pittsburg Redevelopment Successor Agency/Pittsburg City Clerk's Office and on the day of the meeting in the Council Chamber at the public counter area below the dais.

4:00 P.M.

CONVENE IN OPEN SESSION FOR REGULAR MEETING

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

EXECUTIVE DIRECTOR REPORTS/REMARKS

The Executive Director may make brief announcements or informal comments at this time and brief the Board on items of interest. (No Action Required)

CITIZENS REMARKS

Members of the audience who wish to address the Board on issues that are not scheduled for the agenda and on any items listed as part of the Consent Calendar should complete a Speaker's Card available at the dais. Please read the card carefully in order to fill out the card properly. Submit the completed card to the City Clerk before the item is called, preferably before the meeting begins. Individuals will be given three minutes to address the Board unless additional time is allowed as provided for spokespersons. Prior to speaking, each member of the public shall state their name and business and City of residence in a clear and audible tone of voice. (No Action Required)

OVERSIGHT BOARD MEETING

CONSIDERATION

1. Adoption of an Oversight Board Resolution Approving a Purchase and Sale Agreement between the Successor Agency, and Global R.E.I., Inc. and Blake Manful, for the Property Located at 3745 Railroad Avenue (088-061-025)

   The Successor Agency for the Redevelopment Agency of the City of Pittsburg, and Global R.E.I., Inc., a California corporation and Blake Manful, an individual (collectively, the “Buyer”), propose to enter into a purchase and sale agreement (the “Purchase Agreement”) for the disposition and purchase of a Successor Agency property located at 3745 Railroad Avenue (088-061-025) (the “Property”).

2. Adoption of an Oversight Board Resolution Terminating the Master Lease Agreement with Jason and Lisa Griego and Assigning the Sublease Agreement with Johny Khalilieh for the Property Located at 444-446 Railroad Avenue

   Pursuant to AB 26, subsequently amended by AB 1484 and SB 107, also known as the Dissolution Act, Section 34181 (e), the Oversight Board can terminate an agreement early if it would be in the best interest of the taxing entities. The Successor Agency for the Redevelopment Agency of the City of Pittsburg (Successor Agency) is recommending that the Oversight Board to the Successor Agency (Oversight Board) terminate the master lease agreement (Master Lease) with Jason and Lisa Griego (Borrower/Landlord) and assign the sublease agreement (Sublease) with Johny Khalilieh (Sublessee) for property located at 444-446 Railroad Avenue (088-061-025) (Premises) to the Landlord.

CONSENT CALENDAR

OVERSIGHT BOARD

3. Minutes

Minutes of March 22, 2018

ADJOURNMENT

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

DATE: 6/11/2018

TO: Chair and Agency Members

FROM: Joe Sbranti, Executive Director

SUBJECT: Adoption of an Oversight Board Resolution Approving a Purchase and Sale Agreement between the Successor Agency, and Global R.E.I., Inc. and Blake Manful, for the Property Located at 3745 Railroad Avenue (088-061-025)

MEETING DATE: 6/28/2018

EXECUTIVE SUMMARY

The Successor Agency for the Redevelopment Agency of the City of Pittsburg, and Global R.E.I., Inc., a California corporation and Blake Manful, an individual (collectively, the "Buyer"), propose to enter into a purchase and sale agreement (the "Purchase Agreement") for the disposition and purchase of a Successor Agency property located at 3745 Railroad Avenue (088-061-025) (the "Property").

FISCAL IMPACT

Buyer has made an offer of and Successor Agency has agreed to accept One Hundred Sixty Thousand Dollars ($160,000) (the "Purchase Price") for the purchase of the Property.

RECOMMENDATION

Oversight Board to the Successor Agency (the "Oversight Board") adopt the Resolution approving the Purchase Agreement for the Purchase Price.

BACKGROUND

On June 29, 2011, the Governor signed into law AB 26, also referred to as the "Dissolution Act" which automatically suspended redevelopment activities and on December 29, 2011, the California State Supreme Court upheld the provisions of AB 26, thereby dissolving all redevelopment agencies on February 1, 2012.

On June 27, 2012, the Governor signed into law budget trailer bill AB 1484. AB 1484 further clarified the Dissolution Act which included the process in which properties are to be disposed by the former redevelopment agencies.

Section 34191.5 requires a successor agency to prepare a long range property management plan (the "LRPMP") that addresses the disposition and use of the real properties of the former redevelopment agency. The LRPMP shall be submitted to the oversight board and the California State Department of Finance (the "DOF") for approval no later than six months after the Finding of Completion (the "Finding") has been issued to the successor agency by the DOF.

Section 34191.3 states that if the DOF has not approved the LRPMP by January 1, 2015, subdivision (e) of Section 34177 and subdivision (a) of Section 34181 shall be operative with respect to the successor agency. These sections govern the process by which property may be disposed. This date was later extended to January 1, 2016, pursuant to AB 1963.

On October 15, 2012, the Successor Agency adopted Resolution 12-007, approving the Successor Agency's original long range property management plan (the "Original LRPMP") and on November 8, 2012, the Oversight Board adopted Resolution 12-013OSB, approving the Original LRPMP. Resolution 12-013OSB was submitted to the DOF on November 15, 2012.

On August 26, 2013, the Successor Agency received its Finding; thereby satisfying the requirements of Section 34191.1.

The DOF rejected the Original LRPMP in a letter dated May 14, 2014 (the "DOF Letter").

The Original LRPMP was revised (the "Revised LRPMP") in order to address the concerns expressed in the DOF Letter. The Revised LRPMP was approved by the Oversight Board on September 25, 2014 by Resolution 14-028OSB and was submitted to the DOF on October 2, 2014. Approval of the Revised LRPMP was received on December 12, 2014.

On December 17, 2015, the Oversight Board adopted Resolution 15-042OSB which amended the LRPMP (the "Amended LRPMP"). The DOF approved the Amended LRPMP in a letter dated December 31, 2015.

Bruce M. Hahn, of Landmark Valuation, MAI appraiser, submitted an appraisal report dated March 12, 2018, which appraised the Property at One Hundred Sixty Thousand Dollars ($160,000).

The Successor Agency and the Buyer have negotiated for the purchase and sale of the Property for the Purchase Price.

SUBCOMMITTEE FINDINGS

Not Applicable

STAFF ANALYSIS

Under the Dissolution Act, all Successor Agency property sales must be reviewed and considered by the Oversight Board. Pursuant to SB 107, Section 34191.5 (f), Oversight Board actions to implement the disposition of property pursuant to an approved LRPMP shall not require review by the DOF. Therefore, upon receiving Oversight Board approval of the Purchase Agreement, staff will proceed with the closing of the sale.

ATTACHMENTS: Resolution
Purchase and Sale Agreement

Report Prepared By: Maria M. Aliotti, Director of Community Services

BEFORE THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of an Oversight Board Resolution Approving The Purchase and Sale Agreement Between the Successor Agency and Global R.E.I., Inc. and Blake Manful for the Property Located at 3745 Railroad Avenue (088-061-025)	)))))	RESOLUTION NO. 18-

The Oversight Board to the Successor Agency for the Redevelopment Agency of the City of Pittsburg DOES RESOLVE as follows:

WHEREAS, on June 29, 2011, the governor signed into law AB 26, also referred to as the “Dissolution Act” which automatically suspended redevelopment activities and on December 29, 2011, the California State Supreme Court upheld the provisions of AB 26, thereby dissolving all redevelopment agencies on February 1, 2012; and

WHEREAS, on June 27, 2012, the Governor signed into law budget trailer bill AB 1484. AB 1484 further clarified the Dissolution Act which included the process in which properties are to be disposed by the former redevelopment agencies; and

WHEREAS, Section 34191.5 requires a successor agency to prepare a long range property management plan (the “LRPMP”) that addresses the disposition and use of the real properties of the former redevelopment agency. The LRPMP shall be submitted to the oversight board and the California State Department of Finance (the “DOF”) for approval no later than six months after the Finding of Completion (the “Finding”) has been issued to the successor agency by the DOF; and

WHEREAS, Section 34191.3 states that if the DOF has not approved the LRPMP by January 1, 2015, subdivision (e) of Section 34177 and subdivision (a) of Section 34181 shall be operative with respect to the successor agency. These sections govern the process by which property may be disposed. This date was later extended to January 1, 2016, pursuant to AB 1963; and

WHEREAS, on October 15, 2012, the Successor Agency for the Redevelopment Agency of the City of Pittsburg (the “Successor Agency”) adopted Resolution 12-007, approving the Successor Agency’s original LRPMP (the “Original LRPMP”) and on November 8, 2012, the Oversight Board to the Successor Agency (the “Oversight Board”) adopted Resolution 12-013OSB, approving the Original LRPMP. Resolution 12-013OSB was submitted to the DOF on November 15, 2012; and

WHEREAS, on August 26, 2013, the Successor Agency received its Finding; thereby satisfying the requirements of Section 34191.1; and

WHEREAS, the DOF rejected the Original LRPMP in a letter dated May 14, 2014 (the “DOF Letter”); and

WHEREAS, the Original LRPMP was revised (the “Revised LRPMP”) in order to address the concerns expressed in the DOF Letter. The Revised LRPMP was approved by the Oversight Board on September 25, 2014 by Resolution 14-028OSB and was submitted to the DOF on October 2, 2014. Approval of the Revised LRPMP was received on December 12, 2014; and

WHEREAS, on December 17, 2015, the Oversight Board adopted Resolution 15-042OSB, amending the LRPMP (the “Amended LRPMP”); and

WHEREAS, Resolution 15-042OSB was approved by the DOF in letter dated December 31, 2015; and

WHEREAS, pursuant to SB 107, Section 34191.5 (f), Oversight Board actions to implement the disposition of property pursuant to an approved LRPMP shall not require review by the DOF; and

WHEREAS, Bruce M. Hahn, of Landmark Valuation, MAI appraiser, submitted an appraisal report dated March 12, 2018, which appraised the Property at One Hundred Sixty Thousand Dollars ($160,000); and

WHEREAS, the Successor Agency, and Global R.E.I., Inc., a California corporation, and Blake Manful, an individual, have negotiated for the purchase and sale of the Property for One Hundred Sixty Thousand Dollars ($160,000) (the “Purchase Price”) and propose to enter into a purchase and sale agreement (Purchase Agreement) for the disposition of the Property.

NOW, THEREFORE, the Oversight Board to the Successor Agency for the Redevelopment Agency of the City of Pittsburg finds and determines as follows:

<u>Section 1.</u>
All the recitals above are true and correct and incorporated herein.

<u>Section 2.</u>
The Oversight Board hereby adopts the Resolution approving the Purchase Agreement for the Purchase Price.

<u>Section 3.</u>
The Executive Director is hereby authorized to execute the Purchase Agreement and to execute such other documents and take such further actions as may be necessary or appropriate to carry out the Oversight Board’s obligations pursuant to this Resolution.

<u>Section 4.</u>
The Clerk of the Board shall certify to the adoption of this Resolution.

<u>Section 5.</u>
This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the Oversight Board to the Successor Agency for the Redevelopment Agency of the City of Pittsburg at a regular meeting on the 28th day of June 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Nancy L. Parent, Chair

ATTEST:

Alice E. Evenson, Clerk of the Board

PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "**Agreement**") is entered into as of June 29, 2018 (the "**Effective Date**"), by and between the Successor Agency for the Redevelopment Agency of the City of Pittsburg, a public agency ("**Seller**") andGlobal R.E.I., Inc., a California corporationand Blake Manful, an individual (collectively, the "**Buyer**"). Seller and Buyer are collectively referred to herein as the "**Parties**."

RECITALS

A. Seller is the owner of certain real property located at 3745 Railroad Avenue in the City of Pittsburg, also known as Assessor's Parcel Number 088-061-025(the "**Property**")and as more particularly described in Exhibit A attached hereto and incorporated herein by this reference.

B. The Property is included as a "for sale" property in the long-range property management plan prepared by Seller and approved by the California Department of Finance.

C. Bruce M. Hahn of Landmark Valuation, MAI appraiser, prepared an appraisal (the "**Appraisal**") for the fair market value of the Property at One Hundred Sixty Thousand Dollars ($160,000) (the "**Appraised Value**").

D. The Parties have agreed on the purchase price for the Property atOne Hundred SixtyThousand Dollars ($160,000)(the "**Purchase Price**).

E. Buyer agrees to purchase the Property and Seller agrees to sell the Property to Buyer, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by the parties, Seller and Buyer hereby agree as follows:

1. INCORPORATION OF RECITALS AND EXHIBITS. The Recitals set forth above and the Exhibits attached to this Agreement are each incorporated into the body of this Agreement as if set forth in full.

2. PURCHASE AND SALE.

2.1 Agreement to Buy and Sell. Subject to the terms and conditions set forth herein, Seller agrees to sell the Property to Buyer, and Buyer hereby agrees to acquire the Property from Seller.

2.2 Purchase Price. The Purchase Price for the Property to be paid by Buyer to Seller is One Hundred Sixty Thousand Dollars ($160,000). The Purchase Price will be paid in immediately available funds to Seller on the Closing Date (defined below) at the address of Seller as provided in Section 10.8 of this Agreement.

2.3 Maintenance Expenses. Buyer hereby agrees to reimburse Seller on the Closing Date, if and only if Close of Escrow occurs, for costs to maintain the property (the "**Maintenance Expenses**") from the Effective Date through the Closing Date in an amount not to exceed Five Hundred Dollars ($500.00) per month. Maintenance Expenses include, but are not limited to, costs to fence the property, weed abatement and graffiti removal.

3. ESCROW.

3.1 Escrow Account. Seller will open an escrow account (the "**Escrow**") maintained by Chicago Title Company (the "**Title Company**"), 1676 North California Boulevard, Suite 117, Walnut Creek, CA 94596 Attn: Laurie Balding-Smith (the "**Escrow Holder**"). Escrow Holder shall perform all escrow and title services in connection with this Agreement.

3.2 Opening of Escrow. Within seven (7) business days after the Effective Date, the Parties will deposit into Escrow the fully executed Agreement, or executed counterparts thereto. The date such fully executed Agreement is received by Escrow Holder will be deemed the "**Opening of Escrow**" and Escrow Holder will give written notice to the Parties of such occurrence.

3.3 Buyer's Deposit. Within two (2) business days after the Opening of Escrow, the Buyer shall deposit Four ThousandDollars ($4,000) in Escrow ("**Initial Deposit**"). If Buyer delivers the Approval Notice (defined below) in accordance with Section 3.4 below, then upon expiration of Buyer's Due Diligence Contingency Period, as set forth in Section 5.2(a) below, Buyer shall deposit an additional Four Thousand Dollars ($4,000) (the "**Additional Deposit**"). The Initial Deposit and Additional Deposit total Eight Thousand Dollars ($8,000) and are collectively referred to herein as the "**Deposits**."

3.4 Satisfaction of Due Diligence Contingency. Buyer shall have the right, in its sole discretion, to terminate this Agreement for any reason prior to the expiration of the Due Diligence Contingency Period (as defined in Section 5(a) below) and receive a refund of the Initial Deposit. Buyer hereby agrees to provide written notice to Seller prior to the expiration of the Due Diligence Contingency Period if Buyer disapproves any due diligence items or approves all due diligence items ("**Approval Notice**"). If Buyer disapproves any items through the delivery of the Approval Notice to Seller before 5:00 p.m. on the last day of the Due Diligence Contingency Period, this Agreement shall terminate, and all amounts deposited by Buyer into escrow (except the Independent Consideration as defined in Section 3.5 below), together with interest thereon, if any, will be returned to Buyer, and neither party shall have any further rights or obligations hereunder except those which expressly survive the termination hereof. Notwithstanding the foregoing, if Buyer fails to timely deliver the Approval Notice to Seller, it will be conclusively presumed that Buyer has approved all such items, matters or documents. The Deposits will become non-refundable and will be released to the Seller upon failure to complete the sale by the mutually agreed Closing Date, unless extended.

3.5 Independent Consideration. As independent consideration for Seller's entering into this Agreement to sell the Property to Buyer, Buyer shall deliver the sum of Ten Dollars ($10.00) to Seller through Escrow ("**Independent Consideration**"). In the event that Buyer terminates this Agreement in accordance with Section 3.4 above, Seller shall retain the Independent Consideration.In the event that Buyer does not terminate this Agreement as aforesaid, the Independent Consideration shall be applied to the Purchase Price at Closing.

4. PROPERTY DISCLOSURE REQUIREMENTS.

4.1 Condition of Title/Preliminary Title Report. Escrow Holder shall deliver a Preliminary Title Report for the Property (the "**Preliminary Report**") to Buyer within three (3) days after the Opening of Escrow. Buyer shall have until the end of the Due Diligence Contingency Period to approve the condition of title to the Property. If Buyer delivers the Approval Notice, Buyer agrees to take title to the Property subject to the following "**Permitted Exceptions**:" (a) standard printed exceptions in the Preliminary Report; (b) general and special real property taxes and assessments constituting a lien not yet due and payable; and (c) the Schedule B exceptions to the title referenced in the Approval Notice.

4.2 Environmental and Natural Hazards Disclosure. California Health & Safety Code section 25359.7 requires owners of non-residential real property who know, or have reasonable cause to believe, that any release of hazardous substances are located on or beneath the real property to provide written notice of same to the buyer of real property. Other applicable laws require Seller to provide certain disclosures regarding natural hazards affecting the Property. Seller agrees to make all necessary disclosures required by law.

5. CLOSING AND PAYMENT OF PURCHASE PRICE.

5.1 Closing. The closing (the "**Closing**" or "**Close of Escrow**") will occur no later than thirty (30) days after the expiration of the Due Diligence Contingency Period ("**Closing Date**"). In the event the Closing has not occurred within one hundred and eighty (180) days after the Opening of Escrow due to a delay beyond the Buyer's control, then Close of Escrow may be extended up to an additional ninety (90) days (the "**Extension Period**") at the sole discretion of the Executive Director of the Seller. If Close of Escrow has not occurred by the end of the Extension Period, Seller may elect to terminate this Agreement.

5.2 Buyer's Conditions to Closing. Buyer's obligation to purchase the Property is subject to the satisfaction of all of the following conditions or Buyer's written waiver thereof (in Buyer's sole discretion) on or before the Closing Date:

(a) Buyer will have thirty (30) days from Opening of Escrow (the "**Due Diligence Contingency Period"**) to review and either approve or disapprove, in Buyer's sole and absolute discretion, the economic viability of the purchase of the Property for Buyer's intended use and all matters related thereto, including but not limited to physical inspections and to conduct any studies or evaluations of the Property. Seller shall provide to Buyer copies of all reasonably available and known documents relating to the ownership and operation of the Property, including but not limited to plans, permits and reports (environmental, structural, mechanical, engineering and land surveys) that Seller has in its possession not later than two (2) business days following the execution and delivery of this Agreement. All physical inspections must be coordinated with Seller's representative. Buyer hereby agrees to indemnify and hold Seller harmless for any damage to the Property caused (but not merely revealed) by Buyer's inspections.

(b) Seller has performed all obligations to be performed by Seller pursuant to this Agreement.

(c) Seller's representations and warranties herein are true and correct in all material respects as of the Closing Date.

(d) The Title Company is irrevocably committed to issue a CLTA Title Policy to Buyer, effective as of the Closing Date, insuring title to Buyer in the full amount of the Purchase Price subject only to the Permitted Exceptions.

5.3 Seller's Conditions to Closing. The Close of Escrow and Seller's obligation to sell and convey the Property to Buyer are subject to the satisfaction of the following conditions or Seller's written waiver (in Seller's sole discretion) of such conditions on or before the Closing Date:

(a) Buyer has performed all obligations to be performed by Buyer pursuant to this Agreement before Closing Date.

(b) Buyer's representations and warranties set forth herein are true and correct in all material respects as of the Closing Date.

5.4 Conveyance of Title. Seller will deliver marketable fee simple title to Buyer at the Closing, subject only to the Permitted Exceptions. The Property will be conveyed by Seller to Buyer in an "as is" condition, with no warranty, express or implied, by Seller as to the physical condition including, but not limited to, the soil, its geology, or the presence of known or unknown faults or Hazardous Materials or hazardous waste (as defined by state and federal law); provided, however, that the foregoing shall not relieve Seller from disclosure of any such conditions of which Seller has actual knowledge.

5.5 Deliveries at Closing.

(a) Deliveries by Seller. Seller shall deposit into the Escrow for delivery to Buyer at Closing: (i) a grant deed; (ii) an affidavit or qualifying statement which satisfies the requirements of paragraph 1445 of the Internal Revenue Code of 1986, as amended, any regulations thereunder (the "**Non-Foreign Affidavit**"); (iii) a California Franchise Tax Board form 590 to satisfy the requirements of California Revenue and Taxation Code Section 18805(b) and 26131; (iv) a statement with the actual costs of Maintenance Expenses; (v) such resolutions, authorizations, or other documents or agreements relating to Seller as shall be reasonably required by Title Company, and (vi) all other documents required by this Agreement to complete the Closing.

(b) Deliveries by Buyer. Buyer shall deposit into the Escrow at Closing immediately available funds in the amount, which together with the Independent Consideration and the Deposit plus interest thereon, if any, is equal to: (i) the Purchase Price as adjusted by any prorations between the Parties; (ii) the escrow fees and recording fees; and (iii) the cost of the Title Policy; (iv) such resolutions, authorizations, or other documents or agreements relating to Buyer as shall be reasonably required by Title Company, and (v) all other documents required by this Agreement to complete the Closing.

(c) Closing. Upon Closing, Escrow Holder shall: (i) record the grant deed; (ii) disburse to Seller the Purchase Price, less Seller's share of any escrow fees, costs and expenses; (iii) deliver to Buyer the Non-Foreign Affidavit, the California Certificate and the original recorded grant deed; (iv) pay any other expenses payable through escrow; and (v) distribute to itself the payment of escrow fees and expenses required hereunder.

(d) Closing Costs. Buyer will pay all escrow fees (including the costs of preparing documents and instruments), and recording fees. Buyer will pay title insurance and title report costs and Seller will pay all governmental conveyance fees and all transfer taxes.

(e) Pro-Rations. At the close of escrow, the Escrow Agent shall make the following prorations: (i) property taxes will be prorated as of the Close of Escrow based upon the most recent tax bill available, including any property taxes which may be assessed after the close of escrow but which pertain to the period prior to the transfer of title to the Property to Buyer, regardless of when or to whom notice thereof is delivered; (ii) any bond or assessment that constitutes a lien on the Property at the Close of Escrow will be assumed by Buyer; and (iii) Maintenance Expenses will be prorated at the Close of Escrow based on the actual costs of maintenance. Seller does not pay property taxes.

6. REPRESENTATIONS, WARRANTIES AND COVENANTS.

6.1 Seller's Representations, Warranties and Covenants. In addition to the representations, warranties and covenants of Seller contained in other sections of this Agreement, Seller hereby represents, warrants and covenants to Buyer that the statements below in this Section 6.1 are each true and correct as of the Closing Date provided however, if to Seller's actual knowledge any such statement becomes untrue prior to Closing, Seller will notify Buyer in writing and Buyer will have three (3) business days thereafter to determine if Buyer wishes to proceed with Closing. If Buyer determines it does not wish to proceed, then the terms of Section 6.2 will apply.

(a) Authority. Seller is a public agency, lawfully formed, in existence and in good standing under the laws of the State of California. Seller has the full right, capacity, power and authority to enter into and carry out the terms of this Agreement. This Agreement has been duly executed by Seller, and upon delivery to and execution by Buyer is a valid and binding agreement of Seller.

(b) Encumbrances. Seller has not alienated, encumbered, transferred, mortgaged, assigned, pledged, or otherwise conveyed its interest in the Property or any portion thereof, nor entered into any Agreement to do so, and there are no liens, encumbrances, mortgages, covenants, conditions, reservations, restrictions, easements or other matters affecting the Property, except as disclosed in the Preliminary Report. Seller will not, directly or indirectly, alienate, encumber, transfer, mortgage, assign, pledge, or otherwise convey its interest prior to the Close of Escrow, as long as this Agreement is in force.

(c) There are no agreements affecting the Property except those which have been disclosed by Seller. There are no agreements which will be binding on the Buyer or the Property after the Close of Escrow, which cannot be terminated on thirty (30) days prior written notice.

The truth and accuracy of each of the representations and warranties, and the performance of all covenants of Seller contained in this Agreement are conditions precedent to Buyer's obligation to proceed with the Closing hereunder. The foregoing representations and warranties shall survive the expiration, termination, or close of escrow of this Agreement and shall not be deemed merged into the deed upon closing.

6.2 Buyer's Representations and Warranties. In addition to the representations, warranties and covenants of Buyer contained in other sections of this Agreement, Buyer hereby represents, warrants and covenants to Seller that the statements below in this Section 6.2 are each true as of the Effective Date, and, if to Buyer's actual knowledge any such statement becomes untrue prior to Closing, Buyer shall so notify Seller in writing and Seller shall have at least three (3) business days thereafter to determine if Seller wishes to proceed with Closing.

(a) Buyer consists of a California corporation and an individual. Buyer has the full right, capacity, power and authority to enter into and carry out the terms of this Agreement. This Agreement has been duly executed by Buyer, and upon delivery to and execution by Seller shall be a valid and binding agreement of Buyer.

(b) Buyer is not bankrupt or insolvent under any applicable federal or state standard, has not filed for protection or relief under any applicable bankruptcy or creditor protection statute, and has not been threatened by creditors with an involuntary application of any applicable bankruptcy or creditor protection statute.

The truth and accuracy of each of the representations and warranties, and the performance of all covenants of Buyer contained in this Agreement are conditions precedent to Seller's obligation to proceed with the Closing hereunder.

7. REMEDIES In the event of a breach or default under this Agreement by Seller, if such breach or default occurs prior to Close of Escrow, Buyer reserves the right to either (a) seek specific performance from Seller or (b) to do any of the following: (i) to waive the breach or default and proceed to close as provided herein; (ii) to extend the time for performance and the Closing Date until Seller is able to perform; or (iii) to terminate this Agreement upon written notice to Seller, whereupon Seller shall cause Escrow Holder to return to Buyer any and all sums placed into the Escrow by Buyer, and except for the rights and obligations expressly provided to survive termination of this Agreement, neither party shall have any further obligations or liabilities hereunder. IN THE EVENT OF A BREACH OR DEFAULT HEREUNDER BY BUYER AND THE CLOSING DOES NOT OCCUR DUE TO SUCH DEFAULT, SELLER'S SOLE REMEDY SHALL BE TO RETAIN THE DEPOSITS AS LIQUIDATED DAMAGES. THE PARTIES AGREE THAT IN SUCH INSTANCE, THE DEPOSITS REPRESENT A REASONABLE APPROXIMATION OF SELLER'S DAMAGES AND ARE NOT INTENDED AS A FORFEITURE OR PENALTY BUT RATHER AN ENFORCEABLE LIQUIDATED DAMAGES PROVISION PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671, ET SEQ. IN NO EVENT SHALL EITHER PARTY BE ENTITLED TO LOST PROFITS OR CONSEQUENTIAL DAMAGES AS A RESULT OF THE OTHER PARTY'S BREACH OF THIS AGREEMENT.

______________	______________	______________
Buyer's Initials	Buyer's Initials	Seller's Initials

8. <u>BROKERS</u>. Seller represents that no real estate broker has been retained by Seller in the sale of the Property or the negotiation of this Agreement. Buyer represents that no real estate broker has been retained by Buyer in the procurement of the Property or negotiation of this Agreement. Buyer shall indemnify, hold harmless and defend Seller from any and all claims, actions and liability for any breach of the preceding sentence, and any commission, finder's fee, or similar charges arising out of Buyer's conduct.

9. <u>ASSIGNMENT</u>. Absent an express signed written agreement between the Parties to the contrary, neither Seller nor Buyer may assign its rights or delegate its duties under this Agreement without the express written consent of the other, which consent may be withheld for any reason. No permitted assignment of any of the rights or obligations under this Agreement shall result in a novation or in any other way release the assignor from its obligations under this Agreement.

10. <u>MISCELLANEOUS</u>.

10.1 <u>Attorneys' Fees</u>. If any party employs counsel to enforce or interpret this Agreement, including the commencement of any legal proceeding whatsoever (including insolvency, bankruptcy, arbitration, mediation, declaratory relief or other litigation), the prevailing party shall be entitled to recover its reasonable attorneys' fees and court costs (including the service of process, filing fees, court and court reporter costs, investigative fees, expert witness fees, and the costs of any bonds, whether taxable or not) and shall include the right to recover such fees and costs incurred in any appeal or efforts to collect or otherwise enforce any judgment in its favor in addition to any other remedy it may obtain or be awarded. Any judgment or final order issued in any legal proceeding shall include reimbursement for all such attorneys' fees and costs. In any legal proceeding, the "prevailing party" shall mean the party determined by the court to most nearly prevail and not necessarily the party in whose favor a judgment is rendered.

10.2 <u>Interpretation</u>. This Agreement has been negotiated at arm's length and each party has been represented by independent legal counsel in this transaction and this Agreement has been reviewed and revised by counsel to each of the Parties. Accordingly, each party hereby waives any benefit under any rule of law (including Section 1654 of the California Civil Code) or legal decision that would require interpretation of any ambiguities in this Agreement against the drafting party.

10.3 <u>Survival</u>. All indemnities, covenants, representations and warranties contained in this Agreement shall survive Close of Escrow.

10.4 <u>Successors</u>. Except as provided to the contrary in this Agreement, this Agreement shall be binding on and inure to the benefit of the Parties and their successors and assigns.

10.5 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of California.

10.6 Integrated Agreement; Modifications. This Agreement contains all the agreements of the Parties concerning the subject hereof any cannot be amended or modified except by a written instrument executed and delivered by the parties. There are no representations, agreements, arrangements or understandings, either oral or written, between or among the parties hereto relating to the subject matter of this Agreement that are not fully expressed herein. In addition, there are no representations, agreements, arrangements or understandings, either oral or written, between or among the Parties upon which any party is relying upon in entering this Agreement that are not fully expressed herein.

10.7 Severability. If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Agreement, any such provision shall not be affected by the legality, enforceability, or validity of the remainder of this Agreement. If any provision or part thereof of this Agreement is stricken in accordance with the provisions of this Section, then the stricken provision shall be replaced, to the extent possible, with a legal, enforceable and valid provision this is in keeping with the intent of the Parties as expressed herein.

10.8 Notices. Any delivery of this Agreement, notice, modification of this Agreement, collateral or additional agreement, demand, disclosure, request, consent, approval, waiver, declaration or other communication that either party desires or is required to give to the other party or any other person shall be in writing. Any such communication may be served personally, or by nationally recognized overnight delivery service (i.e., Federal Express) which provides a receipt of delivery, or sent by prepaid, first class mail, return receipt requested to the party's address as set forth below:

To Buyer:
Global R.E.I., Inc.
1700 N. Main Street
Walnut Creek, CA 94596

Blake Manful
85 Terra Bella Drive
Walnut Creek, CA 94596

To Seller:
Successor Agency for the Redevelopment Agency of the City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565
Attn: Executive Directory

To Escrow Holder: Chicago Title Company
1676 North California Boulevard, Suite 117
Walnut Creek, CA 94596
Attn: Laurie Balding-Smith

Any such communication shall be deemed effective upon personal deliver or on the date of first refusal to accept delivery as reflected on the receipt of delivery or return receipt, as applicable. Any party may change its address by notice to the other party. Each party shall make an ordinary, good faith effort to ensure that it will accept or receive notices that are given in accordance with this section and that any person to be given notice actually receives such notice.

10.9 Time. Time is of the essence to the performance of each and every obligation under this Agreement.

10.10 Days of Week. If any date for exercise of any right, giving of any notice, or performance of any provision of this Agreement falls on a Saturday, Sunday or holiday, the time for performance will be extended to 5:00 p.m. on the next business day.

10.11 Reasonable Consent and Approval. Except as otherwise provided in this Agreement, whenever a party is required or permitted to give its consent or approval under this Agreement, such consent or approval shall not be unreasonably withheld or delayed. If a party is required or permitted to give its consent or approval in its sole and absolute discretion or if such consent or approval may be unreasonably withheld, such consent or approval may be unreasonably withheld but shall not be unreasonably delayed.

10.12 Further Assurances. The Parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to carry out the intent and purposes of this Agreement.

10.13 Waivers. Any waiver by any party shall be in writing and shall not be construed as a continuing waiver. No waiver will be implied from any delay or failure to take action on account of any default by any party. Consent by any party to any act or omission by another party shall not be construed to be a consent to any other subsequent act or omission or to waive the requirement for consent to be obtained in any future or other instance.

10.14 Signatures/Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any one of such completely executed counterparts shall be sufficient proof of this Agreement.

10.15 Date and Delivery of Agreement. Notwithstanding anything to the contrary contained in this Agreement, the parties intend that this Agreement shall be deemed effective, and delivered for all purposes under this Agreement, and for the calculation of any statutory time periods based on the date an agreement between parties is effective, executed, or delivered, as of the Effective Date.

10.16 Representation on Authority of Parties. Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

10.17 Approvals. Whenever this Agreement calls for Seller approval, consent, extension or waiver, the written approval, consent, or waiver of the Seller's Executive Director or his or her. designee(s) shall constitute the approval, consent, extension or waiver of the Seller, without further authorization required from the Seller's Board. The Seller hereby authorizes the Agency's Executive Director and his or her designee(s) to deliver any such approvals, consents, or extensions or waivers as are required by this Agreement, or that do not otherwise reduce Seller's rights under this Agreement, and to waive requirements under this Agreement, on behalf of the Seller.

IN WITNESS WHEREOF, this Agreement is executed by Buyer and Seller as of the Effective Date.

Seller:
Successor Agency for the Redevelopment
Agency of the City of Pittsburg

By: ______________________________
Joe Sbranti
Executive Director

Attest:

____
Agency Secretary

Reviewed as to Form:

____
Agency Counsel

Buyer:
Global R.E.I., Inc.

By: ______________________________
Name: Douglas Manful
Its: Director

Buyer:
Blake Manful, an Individual

By: ______________________________

EXHIBIT A
LEGAL DESCRIPTION

Real property situate in the City of Pittsburg, County of Contra Costa, State of California and more particularly described as follows:

That certain parcel of land described in the instrument recorded December 17, 1970 in Book 6277 of Official Records at Page 121, in the Office of the County Recorder of Contra Costa County, State of California;

Excepting therefrom that portion of the above described parcel (6277 OR 121) lying within that certain instrument recorded August 18, 1994, Serial No. 94-208667, in the Office of the County Recorder, Contra Costa County, State of California.

Assessor's Parcel No. 088-061-025

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

DATE: 6/11/2018

TO: Chair and Agency Members

FROM: Joe Sbranti, Executive Director

SUBJECT: Adoption of an Oversight Board Resolution Terminating the Master Lease Agreement with Jason and Lisa Griego and Assigning the Sublease Agreement with Johny Khalilieh for the Property Located at 444-446 Railroad Avenue

MEETING DATE: 6/28/2018

EXECUTIVE SUMMARY

Pursuant to AB 26, subsequently amended by AB 1484 and SB 107, also known as the Dissolution Act, Section 34181 (e), the Oversight Board can terminate an agreement early if it would be in the best interest of the taxing entities. The Successor Agency for the Redevelopment Agency of the City of Pittsburg (Successor Agency) is recommending that the Oversight Board to the Successor Agency (Oversight Board) terminate the master lease agreement (Master Lease) with Jason and Lisa Griego (Borrower/Landlord) and assign the sublease agreement (Sublease) with Johny Khalilieh (Sublessee) for property located at 444-446 Railroad Avenue (088-061-025) (Premises) to the Landlord.

FISCAL IMPACT

Pursuant to the Master Lease, the anticipated lease payments due to the Landlord from the Successor Agency is $266,987.39 until the Master Lease expiration date of September 30, 2021. Pursuant to the Sublease, the lease payments due to the Successor Agency from the Sublessee is $205,431.04 until the Sublease expiration date of September 30, 2021.

Termination of the Master Lease and assignment of the Sublease will eliminate a Successor Agency's financial obligation related to the Master Lease and property management responsibilities related to the Sublease.

RECOMMENDATION

Oversight Board adopt the Resolution terminating the Master Lease with the Landlord and assigning the Sublease with the Sublessee to the Landlord effective August 02, 2018.

BACKGROUND

On November 19, 2001, the former Redevelopment Agency of the City of Pittsburg (Agency) adopted Resolution 01-808, approving a $300,000 acquisition loan to the Borrower.

On July 6, 2004, the Agency adopted Resolution 04-977, approving a $65,000 commercial rehabilitation loan to the Borrower.

On September 25, 2006, the Agency adopted Resolution 06-1154, directing the Executing Director to execute the Master Lease and amending and restating the commercial rehabilitation loan by increasing it to $165,000.

On April 2, 2007, the Agency adopted Resolution 07-1188, approving the Sublease agreement between the Agency and Nicolas Maamari and Johny Khalilieh, doing business as La Veranda within the Premises.

On October 15, 2007, the Agency adopted Resolution 07-1242: approving a tri-party agreement between the Borrower/Landlord, the Agency, and Nicolas Maamari and Johny Khalilieh, doing business as La Veranda; amending the Master Lease; amending the Sublease; and amending the commercial rehabilitation loan by increasing it to $255,000.

The Sublease was later amended by Agency Resolutions 08-1291 and 11-1456 on June 16, 2008 and May 16, 2011 respectively to revise the lease payments.

On June 29, 2011, the Governor signed into law AB 26, also referred to as the “Dissolution Act” which automatically suspended redevelopment activities and on December 29, 2011, the California State Supreme Court upheld the provisions of AB 26, thereby dissolving all redevelopment agencies on February 1, 2012.

On April 8, 2015, Nicolas Maamari, a partner doing business as La Veranda, assigned his rights to the Sublease to the Sublessee.

SUBCOMMITTEE FINDINGS

Not Applicable

STAFF ANALYSIS

The Master Lease and the Sublease are scheduled to expire concurrently on September 30, 2021. The loan payments due to the Agency for the acquisition and commercial rehabilitation loans (collectively, the “Loans”) were applied against the Master Lease payments due to the Landlord from the Agency and any remaining amount owed by the Agency for the Master Lease rent was remitted to the Landlord. The Master Lease rent payment has a 3% annual escalator. After the dissolution of the Agency in 2012, the remaining amount owed by the Agency for the Master Lease rent was applied to the principal balance of the Loans; thereby accelerating the payoff date.

Although the Successor Agency receives rental revenue from the Sublessee, the Sublease rent payments are less than the Master Lease payments due to the Landlord.
Pursuant to the Dissolution Law, Section 34181 (e), the Oversight Board can terminate an agreement early if it would be in the best interest of the taxing entities. Terminating the Master Lease would eliminate the financial obligation placed upon the Successor Agency;

accelerating its wind down. Assignment of the Sublease to the Landlord will place the property management responsibilities with the Landlord.

ATTACHMENTS: Resolution
Purchase and Sale Agreement

Report Prepared By: Maria M. Aliotti, Director of Community Services

BEFORE THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of an Oversight Board Resolution Terminating The Master Lease Agreement with Jason and Lisa Griego and Assigning the Sublease Agreement with Johny Khalilieh for the Property Located at 444-446 Railroad Avenue	)))))	RESOLUTION NO. 18-

The Oversight Board to the Successor Agency for the Redevelopment Agency of the City of Pittsburg DOES RESOLVE as follows:

WHEREAS, on November 19, 2001, the former Redevelopment Agency of the City of Pittsburg (Agency) adopted Resolution 01-808, approving a $300,000 acquisition loan to Jason and Lisa Griego (Borrower/Landlord); and

WHEREAS, on July 6, 2004, the Agency adopted Resolution 04-977, approving a $65,000 commercial rehabilitation loan to the Borrower; and

WHEREAS, on September 25, 2006, the Agency adopted Resolution 06-1154, directing the Executing Director to execute a master lease agreement (Master Lease) with the Landlord for property located at 444-446 Railroad Avenue (088-061-025) (Premises) and amending and restating the commercial rehabilitation loan by increasing it to $165,000; and

WHEREAS, on April 2, 2007, the Agency adopted Resolution 07-1188, approving the sublease agreement (Sublease) between the Agency and Nicolas Maamari and Johny Khalilieh, doing business as La Veranda within the Premises; and

WHEREAS, on October 15, 2007, the Agency adopted Resolution 07-1242: approving a tri-party agreement between the Borrower/Landlord, the Agency, and Nicolas Maamari and Johny Khalilieh, doing business as La Veranda; amending the Master Lease; amending the Sublease; and amending the commercial rehabilitation loan by increasing it to $255,000; and

WHEREAS, the Sublease was later amended by Agency Resolutions 08-1291 and 11-1456 on June 16, 2008 and May 16, 2011 respectively to revise the lease payments; and

WHEREAS, on June 29, 2011, the governor signed into law AB 26, also referred to as the “Dissolution Act” which automatically suspended redevelopment activities and on December 29, 2011, the California State Supreme Court upheld the provisions of AB 26, thereby dissolving all redevelopment agencies on February 1, 2012; and

WHEREAS, on April 8, 2015, Nicolas Maamari, a partner doing business as La Veranda, assigned his rights to the Sublease to Johny Khalilieh (Sublessee); and

WHEREAS, pursuant to AB 26, subsequently amended by AB 1484 and SB 107, also known as the Dissolution Act, Section 34181 (e), the Oversight Board can terminate an agreement early if it would be in the best interest of the taxing entities; and

WHEREAS, the Successor Agency for the Redevelopment Agency of the City of Pittsburg (Successor Agency) is recommending that the Oversight Board terminate the Master Lease and assign the Sublease to the Landlord; and

WHEREAS, the Successor Agency has prepared a Sublease Assignment and Termination Agreement (the “Assignment Agreement”), substantially in the form on file with the Agency Secretary

NOW, THEREFORE, the Oversight Board to the Successor Agency for the Redevelopment Agency of the City of Pittsburg finds and determines as follows:

Section 1.
All the recitals above are true and correct and incorporated herein.

Section 2.
The Oversight Board hereby adopts this Resolution terminating the Master Lease and assigning the Sublease to the Landlord.

Section 3.
The Executive Director is hereby authorized to execute the Assignment Agreement and to execute such other documents and take such further actions as may be necessary or appropriate to carry out the Oversight Board’s obligations pursuant to this Resolution.

Section 4.
The Agency Secretary shall certify to the adoption of this Resolution.

Section 5.
This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the Oversight Board to the Successor Agency for the Redevelopment Agency of the City of Pittsburg at a regular meeting on the 28th day of June 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Nancy L. Parent, Chair

ATTEST:

Alice E. Evenson, Clerk of the Board
2973983.1

SUBLEASE ASSIGNMENT AGREEMENT AND MASTER LEASE TERMINATION AGREEMENT FOR CERTAINPROPERTY LOCATED AT 444 AND 446 RAILROAD AVENUEIN THE CITY OF PITTSBURG, CALIFORNIA

THISASSIGNMENTAND TERMINATIONAGREEMENT(this"**Agreement**"),datedasofAugust 2, 2018(the"**EffectiveDate**"),isenteredintobyandbetweenSuccessorAgencyfortheRedevelopmentAgencyoftheCityofPittsburg("**Successor Agency**")andJason and Lisa Griego(collectively, the "**Assignee**"),fortheassignmentofthatcertainsubleaseagreementforpropertylocatedat444-446RailroadAvenueintheCityofPittsburg,California,datedasofApril1,2007(asamendedfrom timetotimethe"**SubleaseAgreement**") and termination of a Master Lease (defined below).

RECITALS

A. On October 1, 2006, Successor AgencyandAssigneeexecutedthat certain master lease agreement (as amended from time to time the "**Master Lease**") which expires on September 30, 2021.

B. On April1,2007,theRedevelopmentAgencyoftheCityofPittsburg("**Agency**")enteredintotheSubleaseAgreementwithNicolasMaamari,anindividualandJohnyKhalilieh,anindividual,collectivelydoingbusinessasLaVerandaBarandGrill,fortheoperationofarestaurantlocatedat444and446RailroadAvenueintheCityofPittsburg("**Property**").

C. TheCaliforniaLegislatureadopted AB 26,andtheGovernorsigned,legislationthatamendedtheCommunityRedevelopmentLaw(CaliforniaHealthandSafetyCodeSection33000*etseq.)*anddissolvedtheAgencyonFebruary1,2012.CaliforniaHealthandSafetyCodeSection34173providesthattheSuccessor Agencyisthesuccessorininteresttothe Agency.

D. TheSuccessorAgencysucceededtotherights,privileges,burdensandobligationsoftheAgency,includingtheSubleaseAgreement.

E. Pursuant to AB 26, subsequently amended by AB 1484 and SB 107, (the "**Dissolution Law**"), Section 34181 (e), the Oversight Board to the Successor Agency can terminate an agreement early if it would be in the best interest of the taxing entities.

F. TheSuccessor Agencyproposes to terminate the Master Lease as of the Effective Date.

G. The Assignee requests, and the Successor Agencyagrees,toassignall

Successor Agency interestintheSublease,includinganyandallrights,privileges,burdensandobligationsarisingthereunder,totheAssignee.

H. TheAssigneedesirestoacceptassignmentofSuccessor Agency'sinterestintheSubleaseAgreement,includinganyandallrights,privileges,burdens,andobligationsarisingthereunder.

NOW THEREFORE,Successor Agencyand Assignee agree asfollows:

AGREEMENT

Section 1. Recitals. The foregoing Recitals are true and correct and made a part hereof.

Section 2. Termination of Master Lease. At the direction of the Oversight Board to the Successor Agency, the Master Lease is hereby terminated as of the Effective Date of this Agreement.

Section 3. Effect of Termination on Sublease. All Sublease terms remain in full force and effect upon the termination of the Master Lease.

Section 4. Sublease Assignment. Effective the Effective Date, Successor Agency hereby assigns and delivers to Assignee all of Successor Agency's interests in the Sublease, including any and all rights, title, privileges, burdens, and obligations arising thereunder.

Section 5. Assumption.Assignee hereby expressly assumes all of Successor Agency's interests in the Sublease, including any and all rights, title, privileges, burdens and obligations arising thereunder.

Section 6. Successor Agency Covenants. Successor Agency hereby covenants that (i) the Sublease Agreement is in full force and effect and (ii) no default exists under the Sublease Agreement which, with the passage of time or the giving of notice or both, could become a default under the SubleaseAgreement .

Section 7. Assignee Representations. Assignee represents and warrants to Successor Agency that: (i) Assignee has the power and authority to execute, deliver and perform its obligations under thisAgreement and the Sublease Agreement; (ii) the execution, delivery and performance of thisAgreement and the Sublease Agreement do not violate any rule, regulation, statute, law, order, decree or judgment, or any agreement or instrument to which Assignee is a party; and (iii) Assignee has no defenses, setoffs, claims, counterclaims or causes of action of any kind or nature against the Successor Agency.

Section 8. Miscellaneous. This Agreement constitutes the entire agreement of Successor Agency and Assignee with respect to the subject matter hereof, and shall be interpreted and enforced in accordance with the laws of the State of California. In any action to enforce or interpret this Agreement, the prevailing party shall be entitled to the recovery of attorneys' fees. This Agreement may not be modified or amended except by writing signed by all Parties to this Agreement.

Section 9. Successors. This Agreement shall be binding on and inure to the benefit of Successor Agency and Assignee, and each of their heirs, executors, administrators, successors in interest, and assigns.

Section 10. Severability. If any term or provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected.

Section 11. Waivers.No waiver or breach of any covenant or provision in this Agreement shall be deemed a waiver of any other covenant or provision, and no waiver shall be valid unless in writing and executed by the waiving party.

Section 12. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

Section 13. Amendment. This Agreement may not be amended or altered except by a written instrument executed by Successor Agency and Assignee.

Section 14. Third-Party Rights. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties and their respective successors and assigns, any rights or remedies.

SIGNATURESONFOLLOWINGPAGE

INWITNESSTHEREOF,Successor AgencyandAssigneehaveexecutedthisAgreementasofthedatefirstwrittenab ove.

SUCCESSOR AGENCY:
SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF PITTSBURG

By:___________________________
Joe Sbranti, Executive Director

ASSIGNEE:
JASON AND LISA GRIEGO

By: _________________________
Jason Griego

By: _________________________
Lisa Griego

____
RuthannG.Ziegler,LegalCounseltothe SuccessorAgencytotheRedevelopmentA gencyofthe CityofPittsburg

ATTEST:

____
AliceE.Evenson,Secretarytothe SuccessorAgencytotheRedevelopmentA gencyoftheCityofPittsburg

OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF PITTSBURG
MEETING MINUTES

DATE: March 22, 2018

LOCATION: Council Chambers, City Hall, 65 Civic Avenue, Pittsburg, CA 94565

BOARD MEMBERS
Nancy Parent, City of Pittsburg [Chair]
Garrett Evans, Assistant City Manager [Vice-Chair]
Robert Calone, Contra Costa Community College District
Edward Diokno, Contra Costa County Fire Protection District
Mary Erbez, Public Appointee
Federal Glover, Contra Costa County Board of Supervisors
Enrique Palacios, Pittsburg Unified School District

APPOINTED OFFICIALS
Joe Sbranti, Executive Director
Alice E. Evenson, Clerk of the Board
Brad Farmer, City of Pittsburg Finance Director
Maria Aliotti, Redevelopment Manager

CALL TO ORDER

The meeting was called to order at 4:03 P.M. by Chair Parent.

ROLL CALL

Members Diokno, Glover and Palacios were absent.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

CITIZEN REMARKS

There were no citizens' remarks.

EXECUTIVE DIRECTOR REPORTS/REMARKS

Director of Community Services Maria Aliotti stated she had nothing to report.

CONSIDERATION

1. Adoption of an Oversight Board Resolution Approving a Purchase and Sale Agreement between the Successor Agency and Nazar Aryaei for the Property Located on the Southwest Corner of East 10th and Los Medanos Streets (085-205-011)

On motion by Member Calone, seconded by Member Erbez to approve and carried by the following vote:

AYES: Calone, Erbez, Evans, Parent
ABSENT: Diokno, Glover, Palacios

2. Adoption of an Oversight Board Resolution Transferring Property Located at 1425 Railroad Avenue, APN 086 180-031 to the City of Pittsburg

On motion by Member Erbez, seconded by Member Calone to approve and carried by the following vote:

AYES: Calone, Erbez, Evans, Parent
ABSENT: Diokno, Glover, Palacios

CONSENT CALENDAR

On motion by Member Evans, seconded by Member Calone to approve and carried by the following vote:

AYES: Calone, Erbez, Evans, Parent
ABSENT: Diokno, Glover, Palacios

3. Minutes of January 25, 2018

BOARD MEMBER REPORTS/REMARKS

There were no Board member remarks.

ADJOURNMENT

The Oversight Board Meeting was adjourned at 4:08 P.M.

Respectfully submitted,

Alice E. Evenson, Clerk of the Board