

SPECIAL MEETING AGENDA
The City Council/Successor Agency of the City of Firebaugh
Vol. No.14/08-21

Location of Meeting: Andrew Firebaugh Community Center
1655 13th Street, Firebaugh, CA 93622
Date/Time: August 21, 2014/12:00 p.m.

CALL TO ORDER

ROLL CALL Mayor Chris DeFrancesco
Mayor Pro Tem Craig Knight
Council Member Marcia Sablan
Council Member Freddy Valdez
Council Member Brady Jenkins

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

Per municipal code Ord. 2-2.1 "No business shall be brought before the city council without having first been referred to the city manager for scheduling on the council agenda." At this time any member of the public may address the Council on items of interest to the public that are within the jurisdiction of the City Council, which are not already on the agenda this evening. You will be permitted a single visit to the podium to state your comments & concerns. Please be brief, to the point, and limit your comments to three (3) minutes.

NEW BUSINESS

1. **THE CITY COUNCIL OF THE CITY OF FIREBAUGH TO DISCUSS CONCERN OF RODEO GROUNDS RENTAL - NOISE ISSUE.**

Recommended Action: City Council receives comments and gives staff direction.

SUCCESSOR AGENCY MATTERS:

2. **THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY AWARDED THE ISSUANCE OF SALE FOR PROPERTIES ON "P" ST APN 008-075-03 & 008-075-11.**

Recommended Action: City Council receives comments and awards the sale.

CLOSED SESSION

3. **Government Code Section 54957.6**

CONFERENCE WITH LABOR NEGOTIATORS: ALL UNREPRESENTED EMPLOYEES:
City Negotiator: City Manager
Employee Organizations: All unrepresented positions

ANNOUNCEMENT AFTER CLOSED SESSION

ADJOURNMENT

Certification of posting the Agenda

I declare under penalty of perjury that I am employed by the City of Firebaugh and that I posted this agenda on the bulletin boards at City Hall, August 20, 2014 at 12:00 p.m. by Rita Lozano, Deputy City Clerk.



STAFF REPORT

TO: City Council
FROM: Kenneth McDonald, City Manager *KM*
DATE: August 21, 2014
SUBJECT: Rodeo Grounds Rentals – Noise Issue

RECOMMENDATION:

Discuss the rental of the rodeo grounds and determine how the rest of the current season will be addressed, along with determining how to operate next season.

HISTORY / DISCUSSION:

The Rodeo Grounds has been rented over the years for different events. At the last Council Meeting a group of residents approached Council with concerns for excessive noise from certain events that had loud amplified announcers and music that prevented their outdoor enjoyment.

The attached two agreements for events booked/reserved in September are attached. No rental of the rodeo grounds have been authorized in October and will not until specific council direction has been provided.

Several solutions were discussed during the previous Council meeting, namely designing and building a sound system that would work for this venue only to prevent sound from disturbing the neighbors. The second suggestion is to reduce the number of events from two per month, with a first come first serve reservation method, to one per month and select the best proposal for an annual event promoter. This method should allow more consistency between events and allow more control by the City. There was also discussion regarding discontinuing events until a better solution could be found.

While the Council has wide discretion to determine how to proceed beginning in October and going forward; for those events that have been scheduled and a lease agreement signed, cancellation of those events, for anything other than for “unforeseen acts of nature”, would expose the City to litigation and claims for damages since the organizers have spent time and money in reliance on the signed agreements. By terminating now, it is likely the City would be required to reimburse the organizers for these costs and other potential losses. Therefore, for events with signed leases in August and September, it is recommended that other forms of noise control and other nuisance prevention measures be employed by City Code Enforcement Officers.

FISCAL IMPACT:

Varied costs depending on the solution proposed.



STAFF REPORT

TO: Successor Agency
FROM: Kenneth McDonald, City Manager
DATE: August 21, 2014
SUBJECT: Select the Proposal for Purchase and Development of the P Street Properties

RECOMMENDATION:

Select a proposal for purchase and development of the P Street Properties and transmit proposals and recommendation to the Oversight Board for final selection.

BACKGROUND AND OVERVIEW:

Assembly Bill ("AB") x1 26, amended by AB 1484 and codified in the California Health & Safety Code ("H&SC") requires successor agencies to prepare a Long-Range Property Management Plan ("LRPMP") that addresses the disposition and use of the real properties of the former redevelopment agency. The Firebaugh Successor Agency ("Successor Agency") prepared an LRPMP, which was approved by the Oversight Board on September 19, 2013 and by the Department of Finance ("DOF") on February 10, 2014. In the LRPMP, the Successor Agency identified two adjacent properties on P Street to be sold. Successor Agency Staff issued a Request for Proposals to solicit offers and plans to purchase and redevelop the P Street Properties. Successor Agency Staff received and evaluated two proposals submitted in response to the RFP. Staff scored both proposals based on the rating system delineated in the RFP and has selected its top bidder.

ANALYSIS:

The P Street Properties, also known as Assessor's Parcel Numbers 008-075-11 and 008-075-03, were listed on the Successor Agency's LRPMP as properties to be sold. The proceeds from that sale would go to the taxing entities. The Successor Agency received two offers to purchase the P Street Properties after the LRPMP was approved by DOF. However, in order to fulfill their obligations under the Property Disposition Procedures, which were approved by the Successor Agency Board and Oversight Board, and to give all interested parties a fair opportunity to purchase and redevelop the P Street Properties, the Successor Agency issued an RFP. The RFP was posted on the City's website and sent directly to parties that expressed interest in the P Street Properties. Both parties submitted proposals by the deadline of July 31, 2014. The evaluation criteria for submitted proposals were clearly outlined in the RFP. After the close of the submittal period, Successor Agency Staff reviewed both proposals and scored them based on the evaluation criteria. A summary of the proposals, the scoring, and general observations is included below. The full proposals are included as Attachment 1 and the Score Sheets as Attachment 2.

Fresno County Housing Authority

The Fresno County Housing Authority originally proposed to construct the Gateway Project on the P Street properties prior to redevelopment dissolution. The properties were denied to be transferred to the Housing Successor Entity as housing assets by DOF and thus the Gateway project never came to fruition. The Housing Authority is proposing to construct the same project now. This consists of demolishing the existing buildings and building a two-story apartment complex consisting of 30 1- and 2-bedroom affordable senior units. The

Gateway project was already fully entitled prior to redevelopment dissolution. The project continues to meet, or has already addressed all zoning and General Plan restrictions.

The Housing Authority is offering \$360,000 based on a property appraisal conducted in February 2014. The Housing Authority would apply for Low Income Housing Tax Credits ("LIHTC") to help fund the project. Execution of the purchase agreement is contingent upon an award of LIHTC. Ultimately, development of the project is estimated to cost \$6.3 million. The Housing Authority expects to complete the project in late 2016 or early 2017 depending on the LIHTC application process.

The Housing Authority estimates that 75 jobs will be created from development of the Gateway Project. It will also fulfill an unmet need for senior housing. However, the project will ultimately be tax-exempt because it will be 100% affordable housing. Thus, there are some short-term economic benefits for the City and taxing entities and fewer long-term benefits.

Successor Agency Staff gave the Housing Authority 74 out of 100 points for the Gateway Project proposal. The proposal was complete and thorough and the proposed project will be a high-quality, needed addition to the City of Firebaugh. In addition, the Housing Authority has a good track record with successful affordable housing developments. On the other hand, the Housing Authority lost points because the proposed purchase price was lower than the competing offer, the project is contingent upon the Housing Authority receiving LIHTC, and the project will ultimately be tax-exempt. Despite these drawbacks, the project still has significant economic benefits and could spur taxable development throughout the City.

Boardwalk CA, LLC

Boardwalk CA, LLC contacted the Successor Agency about the P Street properties after the LRPMP was approved by DOF. They then went ahead and submitted a proposal in response to the RFP. The Boardwalk CA project proposes to renovate the existing P Street structures and produce 21 rehabilitated multi-family dwelling units. Successor Agency Staff is concerned about this approach because the existing structures are in very poor condition and have been an eyesore to the community for years. A rehabilitation project may not be the best solution to the existing blight.

Boardwalk CA is prepared to offer \$502,000 for the properties and expects to spend \$200,000 - \$250,000 on renovations. The project could be complete in as little as 2-3 months. The purchase offer is higher than the Housing Authority's offer, which provides a larger economic benefit to the City and taxing entities. However, Boardwalk CA did not call out any other economic benefits the City or taxing entities could expect to receive such as job creation.

Successor Agency Staff awarded Boardwalk CA's proposal 60 out of 100 points. Boardwalk CA received high marks for the purchase price and timeframe for completion. In addition, the Boardwalk CA project would be taxable as opposed to the Housing Authority project. This would result in some long-term economic benefits to the City and taxing entities. However, points were deducted in all other areas because the proposal left many required sections unaddressed. It was often hard to know what other potential outcomes could be expected from the Boardwalk CA project.

Successor Agency Selection

Successor Agency Staff scored The Fresno County Housing Authority's proposal higher than the Boardwalk CA proposal. The Successor Agency now has an opportunity to review both proposals and decide which, if any, to recommend the Oversight Board select. This recommendation and both proposals will be submitted to the Oversight Board for final selection.

FISCAL IMPACT:

Proceeds from the sale of the P Street Properties will be distributed to the taxing entities through the Recognized Obligation Payment Schedule Process.