



AGENDA

ADJOURNED MEETINGS OF THE
SANTA FE SPRINGS
HOUSING SUCCESSOR
SUCCESSOR AGENCY
AND
CITY COUNCIL

AUGUST 8, 2013
4:30 P.M.

Council Chambers
11710 Telegraph Road
Santa Fe Springs, CA 90670

Richard J. Moore, Mayor/Chair
Juanita A. Trujillo, Mayor Pro Tem/Vice Chair
Luis M. González, Councilmember/Director
Laurie M. Rios, Councilmember/Director
William K. Rounds, Councilmember/Director

Public Comment: *The public is encouraged to address City Council on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council, please complete the card that is provided at the rear entrance to the Council Chambers and hand the card to the City Clerk or a member of staff. City Council will hear public comment on items listed on the agenda during discussion of the matter and prior to a vote. City Council will hear public comment on matters not listed on the agenda during the Oral Communications period.*

Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

Americans with Disabilities Act: *In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.*

Please Note: *Staff reports, and supplemental attachments, are available for inspection at the office of the City Clerk, City Hall, 11710 E. Telegraph Road during regular business hours 7:30 a.m. – 5:30 p.m., Monday – Thursday and every other Friday. Telephone (562) 868-0511.*

1. **CALL TO ORDER**

2. **ROLL CALL**

Luis M. González, Councilmember
Laurie M. Rios, Councilmember
William K. Rounds, Councilmember
Juanita A. Trujillo, Mayor Pro Tem
Richard J. Moore, Mayor

CITY COUNCIL

CLOSED SESSION

3. **CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to subdivision (d)(2) of Section 54956.9

Number of cases: One

SUCCESSOR AGENCY

CLOSED SESSION

4. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Section 54956.8

Properties: North and South sides of Telegraph Road, East of Bloomfield Avenue (9.87 net acres known as MC&C III and 8.49 net acres known as MC&C IV)

Negotiating Parties: City Council, City Staff, McGranahan Carlson & Co. and potential buyers/developers

Under Negotiation: Price

NEW BUSINESS

5. **Consideration of Listing Agreement with CBRE - (North and South sides of Telegraph Road, East of Bloomfield Avenue)**

Recommendation: That the Successor Agency approve the attached Listing Agreement with CBRE.

HOUSING SUCCESSOR

CLOSED SESSION

6. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Section 54956.8

Properties: Villages at Santa Fe Springs, between Telegraph Road and Clark Street, bounded by Bloomfield Avenue and Norwalk Boulevard

Negotiating Parties: City Staff and Comstock Homes

Under Negotiation: Price

7. **ORAL COMMUNICATIONS**

This is the time when comments may be made by interested persons on matters not on the agenda having to do with City business.

8. **ADJOURNMENT**

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted at the following locations; Santa Fe Springs City Hall, 11710 Telegraph Road; Santa Fe Springs City Library, 11700 Telegraph Road; and the Town Center Plaza (Kiosk), 11740 Telegraph Road, not less than 72 hours prior to the meeting.

Anita Jimenez, CMC

Deputy City Clerk

August 1, 2013

Date



NEW BUSINESS

Consideration of Listing Agreement with CBRE – (North and South Sides of Telegraph Road, East of Bloomfield Avenue)

RECOMMENDATION

That the Successor Agency approve the attached Listing Agreement with CBRE.

BACKGROUND

Submitted for your consideration is an "Exclusive Sales Listing Agreement" with CBRE. Staff recommends that the Successor Agency approve this agreement in order to facilitate the sale and development of properties located on the north and south sides of Telegraph Road, east of Bloomfield Avenue. Included along with the proposed agreement is a copy of the CBRE presentation prepared for the marketing of these properties.

The former CDC/Redevelopment Agency acquired these properties nearly 20 years ago, in collaboration with McGranahan Carlson & Co. At that time, the CDC purchased more than 60 acres in the City, following the bankruptcy of the bank that had owned all of that property. All of the rest of the properties purchased by the CDC nearly 20 years ago have been sold and developed over the years, except for the two subject properties which have proven particularly difficult to sell and develop, due primarily to the fact that there are oil rights access easements which need to be modified in order for any development to occur.

The details of the proposed real estate transaction will be discussed in Closed Session.


Thaddeus McCormack
City Manager

Attachment
Listing Agreement



EXCLUSIVE SALES LISTING AGREEMENT

CB RICHARD ELLIS, INC.
BROKERAGE AND MANAGEMENT
LICENSED REAL ESTATE BROKER

1. In consideration of the listing for sale of the real property hereinafter described (the "Property") by CB RICHARD ELLIS, INC., ("Broker"), and Broker's agreement to use its best efforts to effect a sale of same, the undersigned ("Owner") hereby grants to Broker the exclusive right to sell the Property for a period commencing July 16, 2013, and ending midnight January 16, 2014 (the "Term"), at a price of Dollars (\$) upon the following terms: To be determined or terms acceptable to Owner

Property is situated in the City of Santa Fe Springs, County of Los Angeles, State of California, and is further described as a ±9.87 net acre industrial zoned assemblage of parcels (APN: 8011-018-6, 8011-018-7, 8011-018-8, 8011-018-9, 8011-018-10, 8011-018-11, 8011-018-900, 8011-019-29) and a ± 8.49 net acre industrial zoned assemblage of parcels (APN: 8011-003-995-979) known as MC&C Commerce Center III and IV

References herein to the Property shall be understood to include portions of the Property.

- 2. Owner agrees to pay Broker a sales commission in accordance with Broker's Schedule of Sale and Lease Commissions (the "Schedule"), a copy of which is executed by Owner, attached hereto and hereby made a part hereof. This commission shall be earned for services rendered if, during the Term: (a) the Property is sold to a purchaser procured by Broker, Owner or anyone else; (b) a purchaser is procured by Broker, Owner, or anyone else who is ready, willing and able to purchase the Property at the price and on the terms above stated, or on any other price and terms agreeable to Owner; (c) any contract for the sale of the Property is entered into by Owner; (d) Owner removes the Property from the market or the Property is transferred due to eminent domain or the threat thereof, foreclosure, or conveyance in lieu of foreclosure; (e) Owner contributes or conveys the Property to a partnership, joint venture or other business entity; (f) Owner is a corporation, partnership or other business entity and an interest in such corporation, partnership or other business entity is transferred, whether by merger, outright purchase or otherwise, in lieu of a sale of the Property. Broker is authorized to cooperate with and to share its commission with other licensed real estate brokers, regardless of whether said brokers represent prospective purchasers or act as Broker's subagents.
3. As used in this Agreement, the term "sale" shall include an exchange of the Property, and also the granting of an option to purchase the Property. Owner agrees that in the event such an option is granted, Owner shall pay Broker a sales commission in accordance with the Schedule on the price paid for the option and for any extensions thereof. This commission shall be paid upon receipt by Owner of any such payment(s), in the event such an option is exercised, whether during the Term or thereafter, Owner shall also pay Broker a sales commission on the gross sales price of the Property in accordance with the Schedule. Notwithstanding the foregoing, to the extent that all or part of the price paid for the option or any extension thereof is applied to the sales price of the Property, then any commission previously paid by Owner to Broker on account of such option payments shall be credited against the commission payable to Broker on account of the exercise of the option.
4. Owner further agrees that Owner shall pay Broker a commission in accordance with the Schedule if, within one hundred twenty (120) calendar days after the expiration or termination of the Term, the Property is sold to, or Owner enters into a contract of sale of the Property with, or negotiations continue, resume or commence and thereafter continue leading to a sale of the Property to any person or entity (including his/her/its successors, assigns or affiliates) with whom Broker has negotiated (either directly or through another broker or agent) or to whom the Property has been submitted prior to the expiration or termination of the Term. Broker is authorized to continue negotiations with such persons or entities. Broker agrees to submit a list of such persons or entities to Owner no later than fifteen (15) calendar days following the expiration or termination of the Term, provided, however, that if a written offer has been submitted then it shall not be necessary to include the offeror's name on the list.

14. To the extent permitted by applicable law, Broker is authorized to deduct its commissions from any deposits, payments or other funds, including proceeds of sale or rental payments, paid by a purchaser or tenant in connection with a transaction contemplated by this Agreement, and Owner hereby irrevocably assigns said funds and proceeds to Broker to the extent necessary to pay said commissions. Broker is authorized to provide a copy of this Agreement to any escrow or closing agent working on such transaction, and such escrow or closing agent is hereby instructed by Owner to pay Broker's commissions from any such funds or proceeds available. Owner shall remain liable for the entire amount of said commissions regardless of whether Broker exercises its rights under this paragraph.
15. Owner acknowledges that Broker is a national brokerage firm and that in some cases it may represent prospective purchasers or tenants. Owner desires that the Property be presented to such persons and entities and consents to the dual representation created thereby. Broker shall not disclose the confidential information of one principal to the other.
16. In the event that the Property comes under the jurisdiction of a bankruptcy court, Owner shall immediately notify Broker of the same, and shall promptly take all steps necessary to obtain court approval of Broker's appointment, unless Broker shall elect to terminate this Agreement upon said notice.
17. In the event that the Property becomes the subject of foreclosure proceedings prior to the expiration of this Agreement, then this Agreement shall be deemed suspended until such time as Owner may reacquire the Property within the Term. If this Agreement is suspended pursuant to this paragraph, Broker shall be free to enter into a listing agreement with any receiver, the party initiating the foreclosure, the party purchasing the Property at a foreclosure sale, or any other person having an interest in the Property.

~~18. **ARBITRATION OF DISPUTES.** In the event of any dispute between Owner and Broker relating to this Agreement, the Property or Owner's or Broker's performance hereunder, Owner and Broker agree that such dispute shall be resolved by means of binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court of competent jurisdiction. Depositions may be taken and other discovery obtained during such arbitration proceedings to the same extent as authorized in civil judicial proceedings in the State of California. The arbitrator(s) shall be limited to awarding compensatory damages and shall have no authority to award punitive, exemplary or similar type damages. The prevailing party in the arbitration proceeding shall be entitled to recover its expenses, including the costs of the arbitration proceeding, and reasonable attorneys' fees.~~

~~**NOTICE: BY INITIALLING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALLING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.**~~

~~**WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION.**~~

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OWNER

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BROKER

19. In the event that Owner lists the Property with another broker after the expiration or termination of this Agreement, Owner agrees to provide in the subsequent listing agreement that a commission will not be payable to the new broker with respect to transactions for which Owner remains obligated to pay a commission to Broker under paragraph 4 or 5 hereof. Owner's failure to do so, however, shall not affect Owner's obligation to Broker under paragraphs 4 or 5.
20. Each signator to this Agreement represents and warrants that he or she has full authority to sign this Agreement on behalf of the party for whom he or she signs and that this Agreement binds such party.

21. This Agreement constitutes the entire agreement between Owner and Broker and supersedes all prior discussions, negotiations and agreements, whether oral or written. No amendment, alteration, cancellation or withdrawal of this Agreement shall be valid or binding unless made in writing and signed by both Owner and Broker. This Agreement shall be binding upon, and shall benefit, the heirs, successors and assignees of the parties. In the event any clause, provision, paragraph or term of this Agreement shall be deemed to be unenforceable or void based on any controlling state or federal law, the remaining provisions hereof, and each part, shall remain unaffected and shall continue in full force and effect.

22. The parties **have complied, to the best of their knowledge,** ~~hereto agree to comply~~ with all applicable federal, state and local laws, regulations, codes, ordinances and administrative orders having jurisdiction over the parties, property, ~~or the subject matter of this Agreement, including, but not limited to, the 1964 Civil Rights Act and all amendments thereto, the Foreign Investment In Real Property Tax Act, the Comprehensive Environmental Response Compensation and Liability Act, and The Americans With Disabilities Act.~~

The undersigned Owner hereby acknowledges receipt of a copy of this Agreement and the Schedule.

Community Development Commission of the City of

Santa Fe Springs

By: McGranahan Carlson & Company, as agent for Owner

Accepted:

a(n) _____
Owner

CB Richard Ellis, Inc.
Licensed Real Estate Broker

By: _____
Christopher McGranahan

Title: Partner

By: _____
Rick McGeagh / Josh Bonwell
Title: Senior Vice President / First Vice President

By: _____
Title: _____

Address: 2221 Rosecrans Ave / 1100 W Town & Country Rd
Suite 100 / Suite 1200

Address: _____

El Segundo, CA 0245 / Orange, CA 92868

Date: July 16, 2013

Date: July 16, 2013

Telephone: 310.363.4878 / 714.371.9207

Telephone: 888.7MCandC

CONSULT YOUR ADVISORS—This document has legal consequences. No representation or recommendation is made by Broker as to the legal or tax consequences of this Agreement or the transaction(s) which it contemplates. These are questions for your attorney and financial advisors.

Schedule of Sale Commissions**Property:** MC&C Commerce Center III and IV, Santa Fe Springs

Broker's commission shall be 5% of the gross sale price. ~~Gross sales price shall include any and all consideration received or receivable, in whatever form, including but not limited to assumption or release of existing liabilities.~~ The commission shall be paid when earned or at the close of escrow through escrow, or if there is no escrow, then upon recordation of the deed; provided, however, if the transaction involves an installment contract, then payment shall be made upon execution of such contract. ~~In the event Owner contributes or conveys the Property or any interest therein to a joint venture, partnership, or other business entity, the commission shall be calculated on the fair market value of the Property, less the value of the interest in the Property retained by or transferred to Owner, as the case may be, and shall be paid at the time of the contribution or transfer. If Owner is a partnership, corporation or other business entity, and an interest in the partnership, corporation or other business entity is transferred, whether by merger, outright purchase, or otherwise, in lieu of a sale of the Property, and applicable law does not prohibit the payment of a commission in connection with such sale or transfer, the commission shall be calculated on the fair market value of the Property, rather than the gross sales price, multiplied by the percentage of interest so transferred, and shall be paid at the time of the transfer.~~

The provisions of this Schedule are hereby incorporated into and subject to the terms and provisions of any Listing Agreement, Exclusive Representation Agreement or other agreement to which this Schedule is attached or which is executed by the parties hereto for the property described above.

In the event Owner fails to make payments within the time limits set forth herein, then from the date due until paid the delinquent amounts shall bear interest at the maximum rate permitted in the state in which the office of the Broker executing this Schedule is located. If Broker is required to institute legal action against Owner relating to this schedule or any agreement of which it is a part, Broker shall be entitled to reasonable attorneys' fees and costs.

Owner hereby acknowledges receipt of a copy of this Schedule and agrees that it shall be binding upon its heirs, successors and assignees. In the event that Owner sells or otherwise disposes of an interest in the Property, Owner shall remain liable for the commissions provided for in this Schedule and any agreement of which it is a part. The term "Owner" as used herein shall be deemed to include the owner of the Property, a party under contract to acquire the Property and a tenant under a ground lease.

Owner: Community Development Commission
of the City of Santa Fe Springs

McGranahan Carlson & Company,

By: as agent for Owner.

Accepted:

CBRE, INC.

Licensed Real Estate Broker

Title: _____

By: Rick McGeagh / Josh Bonwell

By: Christopher McGranahan

Title: Senior Vice President / First Vice President

Title: Partner

Date: _____

Date: _____

Address: 2221 Rosecrans Ave / 1100 W Town & Country Rd
Suite 100 / Suite 1200
El Segundo, CA 90245 / Orange, CA 92868

Address: _____

Telephone: 310.363.4878 / 714.371.9207

Telephone: _____

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