

# SAN MATEO COUNTY

## COUNTYWIDE OVERSIGHT BOARD

*Jim Saco, Chairperson*  
*Denise Porterfield, Vice Chairperson*  
*Mark Addiego, Member*  
*Chuck Bernstein, Member*  
*Tom Casey, Member*  
*Barbara Christensen, Member*  
*Mark Leach, Member*

### SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD MEETING

Monday, May 10, 2021 at 9:00 a.m.

**\*\*\*BY VIDEOCONFERENCE ONLY\*\*\***

On March 17, 2020, the Governor issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow for local legislative bodies to conduct their meetings telephonically or by other electronic means. Thus, pursuant to Executive Order N-29-20, local and statewide health orders, and the CDC's social distancing guidelines which discourage large public gatherings, the San Mateo County Board of Supervisors Chambers is no longer open to the public for meetings of the Oversight Board.

#### **Public Participation**

The May 10, 2021 San Mateo County Countywide Oversight Board meeting may be accessed through Zoom online at <https://smcgov.zoom.us/j/95645216466>. The meeting ID is: 956 4521 6466. The meeting may also be accessed via telephone by dialing +1-669-900-6833 (Local). Enter the meeting ID: 956 4521 6466, then press #. (Find your local number: <https://smcgov.zoom.us/u/admSDqceDg>)

\*Written public comments may be emailed to Sukhmani Purewal, Assistant Clerk of the Board, at least two working days before the meeting at [spurewal@smcgov.org](mailto:spurewal@smcgov.org), and should include the specific agenda item on which you are commenting.

\*Spoken public comments will also be accepted during the meeting through Zoom. If you wish to speak, please click on "raise hand" feature. If you only wish to watch the meeting and do not wish to address the Board, the Clerk requests that you view the meeting through Zoom.

\*ADA Requests - Individuals who require special assistance or a disability related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting should send an email to [spurewal@smcgov.org](mailto:spurewal@smcgov.org) at least two working days before the meeting. Notification in advance of the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting, the materials related to it, and your ability to comment.

## AGENDA

1. Call to Order
2. Roll Call
3. Oral Communications and Public Comment  
*This is an opportunity for members of the public to address the Oversight Board on any Oversight Board-related topics that are not on the agenda. If your subject is not on the agenda, the individual chairing the meeting will recognize you at this time. Speakers are customarily limited to two minutes.*
4. Action to Set the Agenda
5. Adopt a Resolution Approving the Revised Annual Recognized Obligation Payment Schedule 21-22 of the Successor Agency to the Former Redwood City Redevelopment Agency
6. Adopt a Resolution Approving the Revised Purchase and Sale Agreements and Final Sales Prices for the Disposition of the Vacated Alley Property Owned by the Menlo Park Successor Agency
7. Discussion Item – Information to be Posted on Oversight Board Web Page

*The Countywide Oversight Board agenda packet is available online at the following website:  
<https://controller.smcgov.org/countywide-oversight-board-former-redevelopment-agencies>.*

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*Mark Leach, Member*

Date: April 28, 2021

**Agenda Item 5**

To: San Mateo County Countywide Oversight Board

From: Shirley Tourel, Assistant Controller

Subject: Annual Recognized Obligation Payment Schedule 21-22 of Redwood City Successor Agency

Former RDA: Redwood City Redevelopment Agency

### Background and Discussion

The Oversight Board’s (OB) approval is requested for the revised Annual Recognized Obligation Payment Schedule (ROPS) 21-22 of the Successor Agency (SA). The change is authorized by the Department of Finance per their letter dated April 15, 2021 (refer to Attachment 3 of SA’s staff report). The original ROPS and the revised ROPS amounts are shown on the schedule below.

Redwood City Successor Agency ROPS 21-22				
ROPS Item	Short Description	Revised Amount	ROPS Approved by OB on 1-11-21	Change
1	Bonds, principal	\$ 1,256,332	\$ 1,256,332	\$ -
2	Bonds , interest	2,248,668	2,248,668	-
7	Bond fees	4,900	4,900	-
22	Loan payable	-	-	-
23	Successor Agency admin allowance	39,723	39,723	-
41	LAS agreement	10,272,916	-	10,272,916
	Total RPTTF Funding	\$13,822,539	\$ 3,549,623	\$10,272,916

### Fiscal Impact

Funding this enforceable obligation reduces the amount of tax revenue available for “Residual” distributions to the affected taxing entities by \$10,272,916 in the June 2021 redevelopment property tax trust fund (RPTTF) distribution.

### CAC Exhibits:

A – Redwood City Successor Agency Staff Report



## MEMORANDUM

**DATE:** April 27, 2021

**TO:** San Mateo County Countywide Oversight Board

**FROM:** Michelle Poché Flaherty, Assistant City Manager – Administrative Services

**SUBJECT:** Approval of the Resolution Approving Resubmitted Annual 2021-22 Annual Recognized Obligation Payment Schedule

**FORMER RDA:** Redwood City Successor Agency

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### Recommendation

Staff recommends approval of the attached resolution approving the Resubmitted ROPS 2021-22.

### Background

The Oversight Board previously approved the Annual Recognized Obligation Payment Schedule (“ROPS”) 2021-22 prepared by the Successor Agency, which was then approved by the California Department of Finance (“DOF”) in a letter dated March 26, 2021. However, since then, pursuant to a decision by the Court of Appeal for the Third District, the Sacramento Superior Court entered a new judgment and issued a writ directing the DOF to recognize a 1990 agreement (the “LAS Agreement”) between the former Redevelopment Agency and the Legal Aid Society of San Mateo County as an enforceable obligation, and allow the LAS Agreement to be listed on the Successor Agency’s ROPS.

As required by the LAS Agreement and prior to dissolution, the former Redevelopment Agency had deposited \$10,272,916 (the “LAS Funds”) into its Low- and Moderate-Income Housing Fund, to be used for affordable housing. The LAS Funds were in addition to the amounts required by the Community Redevelopment Law to be deposited into that fund. After all redevelopment agencies were dissolved by law in 2012, all agencies were required to undergo a due diligence review process of their Low- and Moderate-Income Housing Funds, and any funds deemed to be “unencumbered” were required to be paid to the county auditor-controllers for distribution to the affected taxing entities. The DOF determined that the LAS Funds were unencumbered and were required to be paid to the San Mateo County Auditor-Controller, which the former Redevelopment Agency did under protest, and the LAS Funds were distributed to the taxing entities.

The City, as the Housing Successor, and the Successor Agency then filed a petition for writ of mandate, asking the court to reverse DOF's determinations. The Legal Aid Society of San Mateo County filed its own petition similarly challenging DOF's determinations, and the cases were heard together in 2014. The trial court upheld DOF's determinations and Redwood City and the Legal Aid Society appealed the decision. The case was finally heard in November 2020, and the Court of Appeal issued its opinion on December 28, 2020, and ordered the trial court to issue a new order granting Redwood City's and Legal Aid Society's petitions. The new judgment was issued on April 9, 2021.

DOF has allowed the Successor Agency to resubmit the ROPS 2021-22 to add one new item from the version previously approved, as authorized by law. This is to add the LAS Agreement as an enforceable obligation, so that Redevelopment Property Tax Trust Fund money can be claimed to reimburse the LAS Funds previously paid to the Auditor-Controller, pursuant to Health and Safety Code Section 34179.9, subd. (b). Those funds will be deposited into the Housing Successor's Low- and Moderate Income Housing Fund for use in accordance with the LAS Agreement.

Health and Safety Code Section 34171, subd. (d)(1)(F)(ii), provides that funds loaned by the City to the Successor Agency for successful litigation "shall be deemed an enforceable obligation for repayment." The Successor Agency intends to file an amended ROPS this fall to add the litigation fees and expenses as an enforceable obligation. The total amount paid since the litigation was initiated through the appeal is estimated to be approximately \$175,000.

### **Discussion**

Health and Safety Code section 34179.9, subd. (b) allows the Successor Agency to claim the LAS Agreement as an enforceable obligation on the ROPS 2021-22 and, to the extent it is not fully paid, on subsequent ROPS. The Successor Agency will file an Amended ROPS later this year to claim the litigation fees and expenses as noted above.

### **Financial Impact**

After the Oversight Board approves the resolution, staff will submit the resolution to DOF for review and approval as required by Health and Safety Code Sections 34179(h) and 34181(f), and the San Mateo County Auditor-Controller will distribute RPTTF in accordance with law.

### **Attachments:**

- 1. Resolution Approving Resubmitted ROPS 2021-22**
- 2. Judgment Granting Petition for Writ of Mandate in *Redwood City v. Bosler***
- 3. DOF email, April 15, 2021**
- 4. LAS Agreement**

RESOLUTION NO. 2021- \_\_\_\_

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE REVISED ANNUAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE 21-22 (“ROPS 21-22”) OF THE SUCCESSOR AGENCY TO THE FORMER REDWOOD CITY REDEVELOPMENT AGENCY**

**WHEREAS**, California Health and Safety Code (HSC) Section 34177 requires the Successor Agencies to prepare a Recognized Obligation Payment Schedule (“ROPS”) for each 12-month fiscal period, which lists the outstanding obligations of the former RDA and states the sources of funds for required payments; and

**WHEREAS**, the Redwood City Successor Agency previously submitted to the Oversight Board its ROPS 21-22, claiming a total enforceable obligation amount of \$3,549,623, and which the Oversight Board approved on January 11, 2021 per Resolution No. 2021-05; and

**WHEREAS**, the state Department of Finance (“DOF”), in a letter dated March 26, 2021, approved the ROPS 21-22; and

**WHEREAS**, since that time and pursuant to an opinion by the Court of Appeal for the Third Appellate District, a judgment and writ have been issued by the Sacramento County Superior Court on April 9, 2021 directing DOF to reverse certain previous determinations with respect to a 1990 agreement between the former Redwood City Redevelopment Agency and the Legal Aid Society of San Mateo County (the “LAS Agreement”) in the case of *City of Redwood City et al. v. Bosler, et al.* (Sacramento County Superior Court Case No. 34-2013-80001447), and requiring the DOF to approve payment on the next ROPS of the Redwood City Successor Agency, and future ROPS if necessary, the total of \$10,272,916 for performance of the enforceable obligation in the LAS Agreement; and

**WHEREAS**, the DOF has indicated that it will approve a revised ROPS and adjust the ROPS 21-22 determination to include approval of payment for the LAS Agreement if submitted not later than May 14, 2021;

**WHEREAS**, the Redwood City Successor Agency has herein submitted a revised ROPS 21-22 to the Oversight Board to add the LAS Agreement as an enforceable obligation in the amount of \$10,272,916 thereby increasing the total enforceable obligation amount for ROPS 21-22 to \$13,822,539;

**NOW, THEREFORE, BE IT RESOLVED**, the San Mateo County Countywide Oversight Board hereby approves the revised Redwood City Successor Agency ROPS 21-22, attached hereto as Exhibit A and incorporated herein by this reference;

**BE IT FURTHER RESOLVED**, that the Oversight Board directs the Successor Agency to submit the revised ROPS 21-22 to the State Department of Finance upon approval by the Oversight Board no later than May 14, 2021.

\* \* \*

Exhibit A – Redwood City Successor Agency’s Revised ROPS 21-22

**SA Staff Report - Attachment 1 - Exhibit A**

**Recognized Obligation Payment Schedule (ROPS 21-22) - Summary  
Filed for the July 1, 2021 through June 30, 2022 Period**

**Successor Agency:** Redwood City

**County:** San Mateo

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>21-22A Total (July - December)</b>	<b>21-22B Total (January - June)</b>	<b>ROPS 21-22 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 10,295,227</b>	<b>\$ 3,527,312</b>	<b>\$ 13,822,539</b>
F RPTTF	10,275,366	3,507,450	13,782,816
G Administrative RPTTF	19,861	19,862	39,723
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 10,295,227</b>	<b>\$ 3,527,312</b>	<b>\$ 13,822,539</b>

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

Redwood City  
 Recognized Obligation Payment Schedule (ROPS 21-22) - ROPS Detail  
 July 1, 2021 through June 30, 2022

A Item #	B Project Name	C Obligation Type	D Agreement Execution Date	E Agreement Termination Date	F Payee	G Description	H Project Area	I Total Outstanding Obligation	J Retired	K ROPS 21-22 Total	O		Q 21-22A Total	U		V 21-22B (Jan - Jun)	W 21-22B Total
											ROPS 21-22A (Jul - Dec)			ROPS 21-22B (Jan - Jun)			
											Fund Sources			Fund Sources			
RPTTF	Admin RPTTF	RPTTF	Admin RPTTF														
								\$52,723,387		\$13,822,539	\$10,275,368	\$19,861	\$10,295,227	\$3,507,450	\$19,862	\$3,527,312	
1	Tax allocation Bond, Series 2003A for infrastructure projects [34171 (d) 1 (A)]	Bonds Issued On or Before 12/31/10	10/15/2003	07/15/2032	US Bank	Debt service for bonds issued for RDA Project Area No. 2		10,256,242	N	\$1,256,332			\$-	1,256,332		\$1,256,332	
2	Tax allocation Bond, Series 2003A for infrastructure projects [34171 (d) 1 (A)]	Bonds Issued On or Before 12/31/10	10/15/2003	07/15/2032	US Bank	Interest payments for bonds issued for RDA Project Area No. 2		28,308,773	N	\$2,248,668			\$-	2,248,668		\$2,248,668	
7	On-going debt service bank and fiscal agent fees [34171 (d) 1 (A)]	Fees	10/15/2003	07/15/2032	US Bank and Willdan Financial	Bank fees and annual disclosure fees for the 2003 Bond		74,016	N	\$4,900	2,450		\$2,450	2,450		\$2,450	
22	Villa Montgomery- FCH [34171 (d) 1 (B)]	City/County Loan (Prior 06/28/11), Other	05/25/2006	12/01/2045	San Mateo County	Loan payable to San Mateo County on part of FCH loan		500,000	N	\$-			\$-			\$-	
23	Successor Agency Administrative Cost Allowance [34171 (b)]	Admin Costs	07/01/2012	07/15/2032	Successor Agency	Minimum amount of property tax to Successor Agency for general administrative costs		3,311,440	N	\$39,723		19,861	\$19,861		19,862	\$19,862	
41	LAS Agreement [34179.9 (b)]	Litigation	08/13/1990	02/28/2012	Legal Aid Society of San Mateo County	Return of LAS funds previously deposited by RDA into Low and Moderate Income Housing Fund		10,272,916	N	\$10,272,916	10,272,916		\$10,272,916			\$-	
42	Litigation fees and costs loaned by Redwood City to the Successor Agency [34171 (d)(1)(F)(ii)]	Litigation	01/01/2013	03/31/2021	City of Redwood City	Litigation fees and costs expended by Redwood City on behalf of the Successor Agency related to the successful litigation	na		N	\$-			\$-			\$-	



Redwood City  
 Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances  
 July 1, 2018 through June 30, 2019  
 (Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

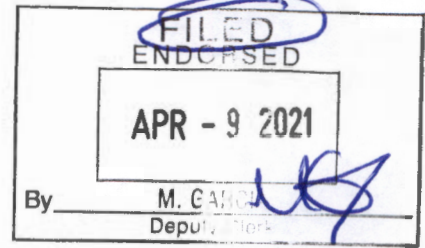
A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
	ROPS 18-19 Cash Balances (07/01/18 - 06/30/19)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	Comments
1	Beginning Available Cash Balance (Actual 07/01/18) RPTTF amount should exclude "A" period distribution amount.			3,505,000	1,641,240		
2	Revenue/Income (Actual 06/30/19) RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller				96,098	3,445,831	
3	Expenditures for ROPS 18-19 Enforceable Obligations (Actual 06/30/19)			3,505,000	172,864		
4	Retention of Available Cash Balance (Actual 06/30/19) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					3,442,434	
5	ROPS 18-19 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 18-19 PPA form submitted to the CAC			No entry required		3,397	
6	Ending Actual Available Cash Balance (06/30/19) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$1,564,474	\$-	

**Redwood City**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - Notes**  
**July 1, 2021 through June 30, 2022**

Item #	Notes/Comments
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IRIS P. YANG, Bar No. 106999  
iris.yang@bbklaw.com  
BEST BEST & KRIEGER LLP  
500 Capitol Mall, Suite 1700  
Sacramento, California 95814  
Telephone: (916) 325-4000  
Facsimile: (916) 325-4010



Attorneys for Petitioners and Plaintiffs  
CITY OF REDWOOD CITY; CITY OF REDWOOD  
CITY AS HOUSING SUCCESSOR TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF  
REDWOOD CITY; SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF  
REDWOOD CITY

EXEMPT FROM FILING FEES PURSUANT TO  
GOVERNMENT CODE SECTION 6103

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SACRAMENTO

CITY OF REDWOOD CITY; et al,  
  
Petitioners and Plaintiffs,  
  
v.  
  
KELLY M. BOSLER, Director, etc., et al.  
  
Respondents and Defendants.

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LEGAL AID SOCIETY OF SAN MATEO  
COUNTY  
  
Real Parties in Interest.

Case No. 34-2013-80001447  
(Judge Allen M. Sumner)

**[PROPOSED] JUDGMENT GRANTING  
WRIT OF MANDATE**

Petition filed: Jan. 4, 2014  
Remittitur Issued: March 3, 2021

1 TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

2 PLEASE TAKE NOTICE that this case is on remand after remittitur issued by the Court of  
3 Appeal, Third Appellate District, (Case No. C076431) which partially reversed the prior decision of this  
4 Court. A true and correct copy of the Opinion of the Court of Appeal (“Opinion”) is attached hereto as  
5 Exhibit A and incorporated herein by reference. Based on the Opinion, a portion of the order previously  
6 entered by this Court on January 4, 2014, in this case is hereby vacated as set forth below:

7 1. The Petition is granted with respect to the Agreement Between the Redevelopment  
8 Agency of the City of Redwood City, the City of Redwood City and the Legal Aid Society of San Mateo  
9 County Concerning Amendment No. 2 of Redevelopment Project No. 2, dated August 13, 1990 (the  
10 “LAS Agreement”);

11 2. The LAS Agreement is a valid enforceable obligation under Health and Safety Code  
12 section 34171, subd. (d)(1)(E);

13 3. Pursuant to the LAS Agreement, the former Redevelopment Agency deposited  
14 \$10,272,916 (the “LAS Funds”) into its Low and Moderate-Income Housing Fund. The LAS Funds  
15 were properly transferred to the City of Redwood City, as the Housing Successor of the former  
16 Redevelopment Agency and constituted “funds that are legally restricted as to purpose” under Health  
17 and Safety Code section 34179.5, subd. (c)(5)(B) as well as funds “legally or contractually dedicated or  
18 restricted for the funding of an enforceable obligation under Health and Safety Code section 341795,  
19 subd. (c)(5)(D);

20 4. A peremptory writ of mandate shall issue directing Respondent Bosler, Director of the  
21 Department of Finance, within sixty (60) days of receipt of the Writ to issue new determination letters  
22 (1) reversing DOF’s Housing Asset Transfer Form determination letter dated December 19, 2012, that  
23 the LAS Agreement is not an enforceable obligation and that the LAS Funds are not legally restricted or  
24 contractually obligated funds under either Health and Safety Code section 34179.5, subd. (c)(5)(B) or  
25 34179.5, subd. (c)(5)(D); and (2) reversing DOF’s Low and Moderate Income Housing Fund Due  
26 Diligence Review determination letter dated December 27, 2012 that (i) the LAS Agreement was not an  
27 enforceable obligation under Health and Safety Code section 34176, subd. (e)(2); (ii) that the LAS  
28 Funds were not legally restricted or contractually obligated under either Health and Safety Code sections

1 34179.5, subd. (c)(5)(B) or 34179.5, subd. (c)(5)(D); and (iii) that the LAS Funds in the amount of  
2 \$10,272,916 had to be remitted to the San Mateo County Auditor-Controller for disbursement to taxing  
3 entities.

4 5. Petitioners are awarded their costs of suit; and

5 6. The Court reserves jurisdiction to enforce this judgment.

6 It is so ordered.

7 Dated: 4/9/2021

8 Allen Sumner  
9 Judge of the Superior Court  
10 County of Sacramento

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**From:** [Redevelopment Administration](#)  
**To:** [Contact-Iris Yang](#)  
**Cc:** [FIN-Derek Rampone](#)  
**Subject:** FW: Redwood City v. Bosler/ Sacramento Superior Court Case No. 34-2013-80001447  
**Date:** Thursday, April 15, 2021 1:12:15 PM

CAUTION - EXTERNAL SENDER.

Thank you for your request.

Consistent with the recently issued writ of mandate in the Legal Aid Society of San Mateo case (Sacramento Superior Court case number 34-2013-80001449), Finance will approve the 1990 Legal Aid Society of San Mateo County Agreement (Agreement) as an enforceable obligation. Further, if the Agency can submit an oversight board approved ROPS which includes a payment request for the Agreement consistent with writ no later than May 14, 2021, Finance will approve the revised ROPS and adjust the ROPS 21-22 determination to include approval of payment for the Agreement. Such a revision would be intended to allow RPTTF to flow in both distribution periods to the extent funds are available.

Please let us know if there are any questions.

Sincerely,

Department of Finance

Redevelopment Agency Administration

**From:** Iris Yang <[Iris.Yang@bbklaw.com](mailto:Iris.Yang@bbklaw.com)>

**Sent:** Monday, April 12, 2021 6:42 PM

**To:** 'redevelopment.administration@dof.ca.gov' <[redevelopment.administration@dof.ca.gov](mailto:redevelopment.administration@dof.ca.gov)>

**Cc:** ATTY-Veronica Ramirez <[vramirez@redwoodcity.org](mailto:vramirez@redwoodcity.org)>; 'Valerie Feldman' <[vfeldman@pilpca.org](mailto:vfeldman@pilpca.org)>; 'Clint Woods' <[Clint.Woods@doj.ca.gov](mailto:Clint.Woods@doj.ca.gov)>; 'myapching@smcgov.org' <[myapching@smcgov.org](mailto:myapching@smcgov.org)>; 'FIN-Derek Rampone' <[drampone@redwoodcity.org](mailto:drampone@redwoodcity.org)>

**Subject:** Redwood City v. Bosler/ Sacramento Superior Court Case No. 34-2013-80001447

To whom it may concern,

The Redwood City Successor Agency recently obtained the enclosed judgment for writ of mandate ordering the Department of Finance to reverse certain determinations that an agreement with the Legal Aid Society of San Mateo County was not an enforceable obligation. The San Mateo Countywide Oversight Board has a meeting scheduled for May 10, and the Successor Agency would like to submit a revised ROPS that will add the Legal Aid Society agreement as an enforceable obligation and allow the Successor Agency to receive an allocation of RPTTF with the next distribution of property taxes in June, pursuant to Health and Safety Code section 34179.9, subd. (b). The San Mateo County Auditor-Controller is aware of this decision as well, and is prepared to allocate the necessary RPTTF to the Successor Agency upon approval by the DOF.

Alternatively if the DOF will not require the Successor Agency to submit an amended ROPS to the Oversight Board, but instead can submit it directly to DOF, please let us know as soon as possible.

The Successor Agency would obviously prefer to have the RPPTF for the Legal Aid Society Agreement distributed in June, rather than file an amended ROPS in the fall, with a distribution in January.

We would appreciate a response as soon as possible. Thank you for your consideration. If you have any questions, please let me know.

Iris Yang





**[Iris Yang](#)**

Partner

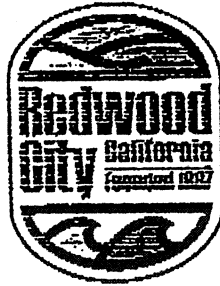
[iris.yang@bbklaw.com](mailto:iris.yang@bbklaw.com)

T: (916) 551-2826 C: (916) 496-0578

[www.BBKlaw.com](http://www.BBKlaw.com)

*Stay at home and public health orders issued in multiple counties across the U.S. require our offices to be physically closed. Because all staff are working remotely, all documents (including correspondence, pleadings, and discovery) will be served via e-mail until further notice. Because we may not receive regular mail or other deliveries during this period of time, please e-mail copies of anything you send by regular mail or delivery. Send all e-served documents in your case to the e-mail addresses for any Best Best & Krieger LLP attorney who has appeared in your case, or who has communicated with you by e-mail on your matter.*

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SA Staff Report - Attachment 4

Office of City Clerk

1017 Middlefield Road  
P.O. Box 478  
Redwood City, California 94064  
Telephone (415) 780-7220

August 28, 1990

RECEIVED  
AUG 28 1990

CITY OF REDWOOD CITY  
HOUSING OFFICE

Legal Aid Society of San Mateo  
298 Fuller Street  
Redwood City, CA 94063

Gentlemen:

Subject: Agreement between the Redevelopment Agency of  
the City of Redwood City, The City of Redwood  
City and the Legal Aid Society of San Mateo  
County, Concerning Amendment No. 2 of  
Redwood City Redevelopment Project No. 2

We have enclosed a fully executed duplicate original agreement  
for your records.

If you have any questions, please call this office.

Sincerely,

*Carolyn Kiely*

Carolyn Kiely  
Senior Deputy City Clerk

Enclosure

cc: City Attorney  
Community Development Director  
Finance Director

1-15-91.

*to: Mark Stockwell.*

*7 Pages Incl. letter.*



DUPLICATE  
ORIGINAL

AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY  
OF REDWOOD CITY, THE CITY OF REDWOOD CITY AND THE LEGAL  
AID SOCIETY OF SAN MATEO COUNTY, CONCERNING AMENDMENT  
NO. 2 OF REDWOOD CITY REDEVELOPMENT PROJECT NO. 2

THIS AGREEMENT is made and entered into this 13<sup>th</sup> day of August, 1990, by the Redevelopment Agency of the City of Redwood City ("Agency"), the City of Redwood City ("City") and the Legal Aid Society of San Mateo County ("Legal Aid").

1. RECITALS. Agency, City and Legal Aid make this Agreement in light of the following facts:

a. Redevelopment Project No. 2 of the Redevelopment Agency of the City of Redwood City was adopted in the year 1982 by Ordinance No. 1862 of the City of Redwood City, and the same was amended in 1985 by Ordinance No. 1911 of the City of Redwood City.

b. City has adopted by its Ordinance No. 2007 the Second Amendment of the Redevelopment Plan for Redevelopment Project No. 2 (the "Second Amendment"), one result of which is the expansion of the Project Area.

c. Legal Aid is a nonprofit corporation whose clients require affordable housing within the Total Project Area of Redevelopment Project No. 2.

d. Meetings have been held between Legal Aid and the Agency, at which Legal Aid presented evidence that its affordable housing clientele may undergo certain hardships as a result of the implementation of the Second Amendment.

e. By means of this Agreement, the parties have achieved an accommodation between the objectives of the

Amended Redevelopment Plan for the Amendment Area and the objectives sought by Legal Aid on behalf of its clients who need affordable housing.

2. DEFINITIONS. The definition set forth after each of the following terms shall govern the meaning of such term whenever it is used in this Agreement:

Amendment Area - means that territory added to the Existing Project Area by the adoption of the Second Amendment. The Amendment Area is shown on Exhibit "A" of this Agreement.

Community Redevelopment Law - means the statute presently set forth as Sections 33000 and following of the Health and Safety Code of the State of California.

Existing Project Area - means that territory comprising the project area of Redevelopment Project No. 2 prior to the adoption of the Second Amendment. The Existing Project Area is identified on Exhibit "A" of this Agreement.

Total Project Area - means that territory comprised of the Existing Project Area and the Amendment Area.

3. APPLICATION OF AGREEMENT. The parties intend that this Agreement shall pertain to the Amendment Area only, and that that certain agreement approved and filed on October 18, 1984, in Action Number 267736 of the Superior Court of the County of San Mateo in settlement of said action, shall continue to apply only to the portion of the Existing Project Area to which it now applies in accordance with its terms, which are not modified in any respect by this Agreement.

4. DEPOSIT IN HOUSING FUND OF AGENCY. The Agency shall deposit in the Housing Fund maintained by it pursuant to the Community Redevelopment Law, as and when received, the first ELEVEN MILLION NINE HUNDRED SEVENTEEN THOUSAND TWO HUNDRED DOLLARS (\$11,917,200) attributable to the "Agency's Share of County Share", commencing December 1, 1990.

For the purpose of this Agreement only, the term "Agency's Share of County Share" shall mean the total sum of TWENTY FIVE MILLION DOLLARS (\$25,000,000) of Tax Increment from the Amendment Area that is to be allocated and paid to the Agency pursuant to the agreement between the Agency and the County of San Mateo dated November 21, 1989, a copy of which is on file in the office of the Secretary of the Agency. The Agency's deposits in the Housing Fund pursuant to this Agreement shall be maintained and disbursed in accordance with the terms that apply to the housing funds of redevelopment agencies in California as set forth in the Community Redevelopment Law, as the same may from time to time be amended. The Agency shall have no duty to segregate or maintain any sort of separate fund for any of the sums deposited in the Housing Fund pursuant to this Agreement. The parties acknowledge and agree that the records of the Agency from which the Agency's computations of the amounts of such deposits will be made, are public records to which Legal Aid enjoys full access under the California Public Records Act.

The Agency shall maintain, and shall make available pursuant to the California Public Records Act, such records as are necessary to document Agency compliance with this Paragraph 4 and

JAH:sh 05/31/90 (RD-001/43)

JAH:dft 08/09/90R

with Paragraph 1 of the Settlement Agreement described in Paragraph 3 of this Agreement.

5. STRATEGY NO. 14 OF HOUSING ELEMENT OF GENERAL PLAN. The City states its intention to implement Strategy No. 14 of the Housing Element set forth in City's General Plan (as the same was last revised January 22, 1990) by the adoption of an ordinance or other action determined appropriate by the City Council of City, on or before September 30, 1990. Strategy No. 14 to which reference is made in this section, reads as follows:

"Where code enforcement and commercial/industrial development results in displacement of residents, the City will assure that the rental property owner or developer provides relocation assistance payments to affected tenants."

Legal Aid understands and acknowledges that the City Council of City will enact, with or without revision, or determine not to enact, Strategy No. 14 in light of the evidence developed and public comment received during the legislative process, and that therefore any contractual commitment of the City under this Agreement extends only to the initiation of such process by conducting at least one public hearing on the subject.

6. STATUTES OF LIMITATIONS. The City and the Agency hereby agree that the period during which an action may be filed pursuant to the Stipulation last signed July 13, 1990, by the respective attorneys for the parties hereto, shall be extended to and including October 16, 1990.

7. AGREEMENT INADMISSIBLE. Neither the Agency nor the City shall be deemed, by the execution of this Agreement, to have admitted or acknowledged, in any way, any defect or irregularity

JAH:sh 05/31/90 (RD-001/43)  
JAH:dft 08/09/90R

in any of the processes by which the Second Amendment was adopted. In the event that any proceeding or action is brought or participated in by Legal Aid challenging the validity of the Second Amendment in any way, no provision of this Agreement may be introduced in evidence or disclosed to any judge or official conducting settlement discussions.

8. LEGAL ACTION. (a) If litigation in any form is initiated attacking the validity of this Agreement, each party in good faith shall defend and seek to uphold this Agreement.

(b) If Legal Aid files or participates in any lawsuit or proceedings attacking or otherwise questioning the validity of the Second Amendment or the adoption or approval of the Second Amendment, or any of the actions taken by the City or the Agency in connection therewith, all provisions of this Agreement and all rights of Legal Aid and all duties of the Agency and the City under this Agreement thereupon shall cease and be of no further legal effect.

(c) If an action or proceeding is brought by any person or entity whatever and final judgement is rendered declaring the Second Amendment invalid or substantially impairing the Agency's right to receive its share of the Tax Increment from the Amendment Area under the Agency's agreement with the County of San Mateo (to which reference has been made in Section 4 of this Agreement), this Agreement shall be of no further force or effect.

9. ENTIRE AGREEMENT. This agreement constitutes the entire understanding and agreement among the parties and



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JAH:dft 08/09/90R

supersedes all previous negotiations with respect to the Second Amendment. Neither this Agreement nor any of the terms hereof may be amended, modified, waived or terminated except by a written instrument signed by all parties hereto.

10. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed.

Approved as to form:

"Legal Aid"  
LEGAL AID SOCIETY OF SAN  
MATEO COUNTY

By: Don Bryant  
Its: attorney at law

"City"  
CITY OF REDWOOD CITY, a  
municipal corporation

By: [Signature]  
Its: CITY MANAGER

"Agency"  
REDEVELOPMENT AGENCY OF THE  
CITY OF REDWOOD CITY

By: [Signature]  
Its: EXECUTIVE DIRECTOR

[Signature]  
City Attorney

DAVID E. SCHRICKER

By: [Signature]  
Agency Attorney

Attested by

[Signature]  
Arlyn C. Jorgenson  
City Clerk

# SAN MATEO COUNTY

## COUNTYWIDE OVERSIGHT BOARD

*Jim Saco, Chairperson*  
*Denise Porterfield, Vice Chairperson*  
*Mark Addiego, Member*  
*Chuck Bernstein, Member*  
*Tom Casey, Member*  
*Barbara Christensen, Member*  
*Mark Leach, Member*

Date: April 28, 2021

**Agenda Item 6**

To: San Mateo County Countywide Oversight Board

From: Shirley Tourel, Assistant Controller

Subject: Revised Purchase Price for Menlo Park Successor Agency Alley Property

Former RDA: Menlo Park Community Development Agency

### **Background and Discussion**

Menlo Gateway (“MidPen Housing”), one of the buyers of subject property, has revised their proposed purchase price for one of the parcels from \$1 to \$235,500. Mid-Pen increased their offer as their original purchase price of \$1 was below the appraisal value. Per the April 23, 2021 determination letter from the Department of Finance, the \$1 does not satisfy Health and Safety Code Section 34177(e) which requires that disposal of a former redevelopment agency (RDA) property should be done in a manner that maximizes value. The purchase offer of Caballero Trust, the buyer for the other parcel, remains at \$154,500. The combined two offers from the buyers will result in a total purchase price of the subject property at full appraisal value of \$390,000. The Menlo Park Successor Agency is requesting the approval of the Board of the new purchase price from MidPen Housing.

### **Fiscal Impact**

The net proceeds from the property sale will be distributed to the taxing entities within the former RDA boundary. MidPen’s new purchase price is an increase of \$235,499 over the original purchase price and will result in more tax revenue to the recipients of the proceeds from the sale.

### **CAC Exhibits:**

- A – Appraisal Report Executive Summary
- B – Menlo Park Successor Agency Staff Report

**GENERAL INFORMATION**

<b>Property Name</b>	Road to be Vacated
<b>Property Type</b>	Land - Multi-Family Land
<b>Address</b>	1305 Willow Road
<b>City</b>	Menlo Park
<b>State</b>	California
<b>Zip Code</b>	94025
<b>County</b>	San Mateo
<b>Core Based Statistical Area (CBSA)</b>	San Francisco-Oakland-Hayward, CA
<b>Market</b>	Bay Area
<b>Submarket</b>	South San Mateo County
<b>Latitude</b>	37.476579
<b>Longitude</b>	-122.153157
<b>Number Of Parcels</b>	1
<b>Assessor Parcel</b>	APN based on hypothetical parcel encompassing the part to be valued

**SITE INFORMATION**

<b>Land Area</b>	<b>Acres</b>	<b>Square Feet</b>
Usable	0.09	3,870
Unusable	0.00	0
Excess	0.00	0
Surplus	<u>0.00</u>	<u>0</u>
<b>Total</b>	<b>0.09</b>	<b>3,870</b>
<b>Topography</b>	Level at street grade	
<b>Shape</b>	Irregular	
<b>Access</b>	Average	
<b>Exposure</b>	Average	
<b>Current Zoning</b>	Neighborhood Mixed-Use District - Restrictive (C2B)	
<b>Flood Zone</b>	Zone AE	
<b>Seismic Zone</b>	Highest Risk	

**VALUATION SUMMARY**

<b>VALUATION INDICES</b>	<b>AS-IS</b>
	<b>MARKET VALUE</b>
<b>INTEREST APPRAISED</b>	<b>FEE SIMPLE</b>
<b>DATE OF VALUE</b>	<b>DECEMBER 10, 2020</b>

**FINAL VALUE CONCLUSION**

<b>FINAL VALUE</b>	<b>\$390,000</b>
<b>\$/SF</b>	<b>\$100/SF</b>



**CAC Exhibit B**  
**(SA Staff Report)**

Date: April 26, 2021  
To: San Mateo County Countywide Oversight Board  
From: Cara E. Silver, Legal Counsel  
Subject: Former Menlo Park Community Development Agency Requesting Approval for Purchase and Sale Agreement for Vacant Alley Parcel Adjacent to 1345 Willow Road, Menlo Park

Former RDA: Menlo Park

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**Background.**

On March 8 and 15, 2021, the Oversight Board (“Board”) conducted a public hearing on the former Community Development Agency (“CDA”) of the City of Menlo Park’s request to sell an abandoned right of way to the adjoining neighbors. At the hearing, the Board approved the sale of the northern portion of the alleyway for \$1 to Menlo Gateway Inc. for an affordable housing project, and the sale of the southern portion of the alleyway for \$154,500 (the appraised value of \$100/sf) to Caballero Trust for potential future redevelopment opportunities.

The resolution documenting the Board’s approval of the sale was submitted to the State Department of Finance (“DOF”). On April 23, 2021, DOF responded with a partial approval for the sale of the southern portion. (Attachment 1.)

**Discussion.**

During DOF’s review of the sales transaction, DOF staff notified the CDA that pursuant to Health and Safety Code (HSC) section 34177 (e), the Agency must sell the property at “fair market value”. Per the DOF, the appraisal provided in support of the sale indicated the fair market value is \$100/sf and there is no evidence that \$1 could be considered fair market value.<sup>1</sup> Therefore, DOF approved the sales price of the southern portion of the alleyway, which reflected the fair market value. DOF would not approve the sales price of the northern portion unless it reflected the fair market value as well.

Based on this feedback, the CDA and Menlo Gateway, Inc. agreed to increase the purchase price of the northern portion for the fair market value of \$100/sf, or \$235,500 in a letter dated April 9, 2021 (Attachment 2). While DOF agreed that the increased purchase price reflects the

<sup>1</sup> The CDA disputes this interpretation. The statute reads: “The disposal is to be done expeditiously and in a manner aimed at maximizing value.” The CDA asserted that in this case “fair market value” was not the appropriate proxy for “maximizing value”. The CDA informed DOF that the record indicated that the overall transaction maximized value in that there were no other realistic purchasers for the remnant parcel other than the adjacent property owners, that the remnant parcel was not developable on its own, that the appraisal report indicated the property had considerable less utility as a standalone property, that the Caballero trust did not need the parcel for any immediate development plans and that the trust was supportive of MidPen’s purchase of the property as they intended to make infrastructure upgrades that benefitted the trust’s property, and that MidPen’s request to purchase the property was largely to accommodate fire safety access, rather than maximizing rental values.

fair market value and satisfies HSC section 34177 (e), DOF stated in its April 23<sup>rd</sup> response that it must make its determination based on specific actions by the Board. The resolution from the March 8 and 15, 2021 meeting reflects the former sales price of \$1 to Menlo Gateway and must be revised in order for DOF to reconsider its findings.

**Request.**

The CDA is requesting the Board to reconsider the sales price for the northern portion of the alleyway and increase it to the fair market value of \$235,500 instead of \$1. The proceeds from the sale of the CDA parcel will be distributed to the agencies that contributed to the funding of the RDAs. A draft resolution for the Board's approval is included in Attachment 3. The updated Purchase and Sale Agreement is included in Exhibit A to the Resolution.

Approving the sale price of \$235,500 for the northern portion will result in a revised resolution for DOF to review. DOF has indicated the increased price of \$235,500 will meet the requirement that the CDA's disposal of assets be done in a manner aimed at maximizing value, which will allow them to approve a land sale for the northern portion of the site. DOF has indicated they could provide an expedited approval for the land transfer. If approval is provided by the Board, it will allow the sale to be finalized to ensure the affordable housing project can proceed on its current schedule for finance closing and construction.

Attachments:

1. Determination Letter from Department of Finance dated April 23, 2021
2. Letter from CDA dated April 9, 2021
3. Draft Oversight Board Resolution Approving the Updated Purchase and Sale Agreement for the Northern Portion of the Alley
4. Updated Purchase and Sale Agreement (Exhibit A to Resolution)

Transmitted via email

April 23, 2021

Dan Jacobson, Finance and Budget Manager  
City of Menlo Park  
701 Laurel Street  
Menlo Park, CA 94025

### **Partial Approval of Oversight Board Action**

The City of Menlo Park Successor Agency (Agency) notified the California Department of Finance (Finance) of its March 15, 2021 Oversight Board (OB) Resolution on March 17, 2021. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. 2021-09, approving the purchase and sale agreements and final sales prices for the disposition of portions of the vacated alley in Menlo Park, California, is partially approved.

It is our understanding the property was inadvertently left off the Long Range Property Management Plan and the Agency now desires to sell the property. The property sale proceeds will be remitted to the County Auditor-Controller for distribution to the taxing entities.

Per the appraisal, fair market value (FMV) of the property is \$390,000. The OB action and draft Purchase and Sale Agreements (PSA) state the southern portion of the property will be sold at FMV for \$154,500 and the northern portion for \$1, for a total sales price of \$154,501. Finance approves the FMV sale of the southern portion of the property. However, for the northern portion of the property, HSC section 34177 (e) requires the Agency's disposal of assets be done in a manner aimed at maximizing value. It is not evident through the documentation provided how selling the northern portion for \$1 complies with HSC section 34177 (e).


During Finance's review of the OB action, the Agency provided an updated PSA for the northern portion of the property, changing the sale price from \$1 to \$235,500. Finance believes the updated PSA for the northern portion of the property satisfies HSC section 34177 (e). However, Finance's role in the dissolution process is to make determinations based on the specific actions taken by the OB. Therefore, Finance does not approve the sale of the northern portion of the property for \$1 at this time.

In the event the OB desires to amend the portion of the resolution not approved by Finance, Finance is returning it to the board for reconsideration as authorized by HSC section 34179 (h). However, the Agency can move forward with the portion of the resolution approved by Finance.

Please direct inquiries to Joshua Mortimer, Supervisor, or Veronica Zalvidea, Staff, at (916) 322-2985.

Sincerely,



 JENNIFER WHITAKER  
Program Budget Manager

cc: Nick Pegueros, Administrative Services Director, City of Menlo Park  
Shirley Tourel, Assistant Controller, San Mateo County

SA Staff Report - Attachment 2



April 9, 2021

Veronica Zalvidea  
Office of State Audits and Evaluations  
Department of Finance  
915 L Street  
Sacramento, CA 95814

Re: Menlo Park OB 2021-09

Dear Ms. Zalvidea:

This will confirm that Menlo Gateway, Inc. has agreed to increase the purchase price from \$1.00 to \$235,500 for the northern portion of the abandoned alleyway adjacent to its property located at 1317-1385 Willow Road, Menlo Park. The updated Purchase and Sale Agreement reflecting the increased purchase price is attached per your request.

Very truly yours,

Menlo Gateway Inc.

Successor Agency to the Community  
Development Agency of the City of  
Menlo Park

By: Jan Lindenthal  
Jan Lindenthal  
Assistant Secretary

By: Starla Jerome-Robinson  
Starla Jerome-Robinson  
Executive Director

Attachment



RESOLUTION NO. 2021 - \_\_\_\_\_

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE REVISED PURCHASE AND SALE AGREEMENTS AND FINAL SALES PRICES FOR THE DISPOSITION OF PORTIONS OF THE VACATED ALLEY IN MENLO PARK, CALIFORNIA**

**WHEREAS**, on March 8 and 15, 2021, the San Mateo County Countywide Oversight Board conducted a public hearing on the Menlo Park Successor Agency's request to sell a parcel of land commonly referred to as the vacated alley, which is located adjacent to 1305 and 1345 Willow Road, Menlo Park, California. At the hearing, the Board adopted Resolution No. 2021-09 approving the sale of the northern portion of the alleyway for \$1 to Menlo Gateway Inc. ("MidPen Housing") for an affordable housing project, and the sale of the southern portion of the alleyway for \$154,500 (the appraised value of \$100/sf) to Caballero Trust for potential future redevelopment opportunities.

**WHEREAS**, on April 23, 2021, the DOF acted on the Successor Agency's request by approving the sale of the southern portion of the alleyway which reflected the fair market value. DOF would not approve the sales price of the northern portion unless it reflected the fair market value as well.

**WHEREAS**, based on this feedback MidPen Housing agreed to increase the purchase price of the northern portion for the fair market value of \$100/sf, or \$235,500, in a letter dated April 9, 2021. While DOF agreed that the increased purchase price reflects the fair market value and satisfies HSC section 34177 (e), it stated in its April 23<sup>rd</sup> response that it must make its determination based on specific actions by the Oversight Board. The resolution from the March 8 and 15, 2021 meeting reflected the former sales price of \$1 to Menlo Gateway and must be revised in order for DOF to reconsider its findings.

**NOW, THEREFORE, BE IT RESOLVED** that the San Mateo County Countywide Oversight Board does hereby resolve as follows:

1. The foregoing recitals are true and correct and made a part of this Resolution.
2. The proposed actions in this Resolution are consistent with the Dissolution Law.
3. The terms and conditions of the Southern Portion Purchase and Sale Agreement, including the purchase price of One Hundred Fifty-Four Thousand Five Hundred Dollars (\$154,500), are hereby re-affirmed and ratified.
4. The terms and conditions of the updated Northern Portion Purchase and Sale Agreement attached hereto as Exhibit A including the updated purchase price of Two Hundred Thirty-Five Thousand Five Hundred Dollars (\$235,500) are hereby approved. Such price represents fair market value and satisfies Health and Safety Code Section 34177(e)'s requirement that the disposal "be done expeditiously and in a manner aimed at maximizing value."
5. The chairperson of the Countywide Oversight Board, or its designee, is authorized to take any and all other actions necessary to implement the intent of this Resolution.

Exhibit A

**PURCHASE AND SALE AGREEMENT**

City Manager's Office  
701 Laurel St., Menlo Park, CA 94025  
tel 650-330-6620



This Purchase and Sale Agreement (the "Agreement") is made as of \_\_\_\_\_ by and between the Successor Agency to the Community Development Agency of the City of Menlo Park (the "Seller") and Menlo Gateway Inc., a non-profit public benefit corporation (the "Buyer"), with reference to the following facts and purposes.

**RECITALS:**

- A. The Seller is the owner of the real property as described in Exhibit A (the "Property").
- B. Buyer is the owner of adjacent property commonly known as 1317-1385 Willow Road, Menlo Park, CA.
- C. Buyer desires to purchase from Seller and Seller desires to sell the Property to the Buyer.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, the Buyer and the Seller (the "Parties") agree as follows:

1. Purchase and Sale of the Property.

Subject to the terms and conditions set forth below, Seller agrees to sell the Property to the Buyer.

2. Purchase Price.

The purchase price for the Property will be Two Hundred Thirty Five Thousand and Five Hundred Dollars (\$235,500).

3. Opening Escrow.

Prior to Closing (as defined below), the Parties will establish an escrow ("Escrow") with Lawyers Title Company or other mutually agreeable escrow company ("Escrow Holder").

4. Escrow and Closing.

- (a) The date for Closing will be established through the mutual agreement of the Parties, but in no event will the date of Closing be later than September 1, 2021. This Agreement will terminate and be of no further force and effect if the Closing has not occurred on or before September 1, 2021.
- (b) Subject to satisfaction of the contingencies hereinafter described, Escrow Holder will close this Escrow (the "Closing") by recording one or more grant deeds and other documents required to be recorded and by disbursing the funds and documents in accordance with the joint escrow instructions of Buyer and Seller.

(c) The Closing is contingent on the following: (1) Seller having entered into a Purchase and Sale Agreement for the sale of the adjacent portion of right of way to the owner of 1305 Willow Road, Menlo Park, CA; (2) Buyer shall submit verification of adequate financing to complete the Gateway Family Housing project for which the Property is being purchased; (3) Buyer shall submit a complete building permit application package to the City of Menlo Park for the Gateway Family Housing project; and (4) Buyer shall submit an application to merge the Property with its adjacent property described in Recital B above.

(d) Buyer shall complete the merger described in the preceding paragraph within six (6) months of the close of escrow for the purchase of the Property.

5. Costs of Escrow.

All costs of Escrow will be paid by Buyer.

6. Indemnification.

Buyer agrees to indemnify, defend and hold Seller and its officers, employees and agents harmless from and against any and all claims, demands, liabilities, losses, costs, and expenses, including, without limitation, attorneys' fees and costs of litigation, which arise out of or in connection with this Agreement; provided, however, that this indemnification shall not extend to any claim to the extent arising from the Seller's acts, omissions or negligence or negligent failure to perform its obligations under this Agreement.

7. Conveyance by Deed.

At the Closing, the Seller will convey title to the Property from the Seller to the Buyer by a grant deed in a form approved by the Buyer and deliver possession of the Property to Buyer.

8. Property Taxes and Assessments.

Property taxes, assessments, utilities and all other charges related to the Property will be prorated between the Seller and the Buyer as of the date of closing. Such prorations will be made on the basis of a 365-day year.

9. "As Is".

Buyer is purchasing the Property "as is" and Seller makes no representations as to the condition of the Property or its suitability for the purpose for which Buyer is acquiring the Property.

10. No Brokers.

Each party represents to the other that it has not had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any real estate broker or other person who can claim a right to a commission or finder's fee. If any broker or finder makes a claim for a commission or finder's fee based upon a contact, dealings, or communications, the party through whom the broker or finder makes this claim will indemnify the other party, defend with counsel of the indemnified party's choice, and hold the indemnified party harmless from all expense, loss, damage and claims, including the indemnified party's attorneys' fees, if necessary, arising out of the broker's or finder's claim.

11. Notices.



Unless otherwise provided herein, any notice, tender or delivery to be given pursuant to this Agreement by either party may be accomplished by personal delivery in writing or by first class certified mail, return receipt requested. Any notice by such mailing will be deemed received four (4) days after the date of mailing. Mailed notices will be addressed as set forth below, but each party may change its address by written notice in accordance with this Section 11.

To Buyer: c/o MidPen Housing Corporation  
Attn: Jan Lindenthal  
303 Vintage Park Drive, Suite 250  
Foster City, CA 94404

To the Seller: Successor Agency to the Community Development Agency  
Attn: Justin Murphy  
701 Laurel Street  
Menlo Park, CA 94025

## 12. Assignment.

The Buyer will have no right, power, or authority to assign this Agreement or any portion hereof or to delegate any duties or obligations arising hereunder, either voluntarily, involuntarily or by operation of law, except for an assignment to MidPen Housing Corporation or an affiliate thereof that acquires title to the property described in recital B above, to which Seller's consent shall not be unreasonably withheld.

## 13. General Provisions.

- a) **Headings.** The title and headings of the various sections hereof are intended for means of reference and are not intended to place any construction on the provisions hereof.
- b) **Invalidity.** If any provision of this Agreement will be invalid or unenforceable the remaining provisions will not be affected thereby, and every provision hereof will be valid and enforceable to the fullest extent permitted by law.
- c) **Attorneys' Fees.** In the event of any litigation between the Parties hereto to enforce any of the provisions of this Agreement, the prevailing party shall be entitled to all costs and expenses, including reasonable attorneys' fees incurred by the prevailing party, all of which may be included as part of the judgment rendered in such litigation.
- d) **Entire Agreement.** The terms of this Agreement are intended by the Parties as a final expression of their agreement and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Agreement constitute the exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial proceedings involving this Agreement. No provision of this Agreement may be amended except by an agreement in writing signed by the Parties hereto or their respective successors in interest. This Agreement will be governed by and construed in accordance with the laws of the State of California.
- e) **Successors.** This Agreement will be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the Parties hereto.
- f) **Time of the Essence.** Time is of the essence in this Agreement.

g) Cooperation of Parties. The Seller and the Buyer will, during the Escrow period, execute any and all documents reasonably necessary or appropriate to close the purchase and sale pursuant to the terms of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on or as of the date first above written.

**BUYER**

Menlo Gateway Inc.,  
A non-profit public benefit corporation

---

Jan Lindenthal  
Assistant Secretary

**SELLER**

**APPROVED AS TO FORM:**

---

Cara E. Silver, Legal Counsel

**SUCCESSOR AGENCY:**

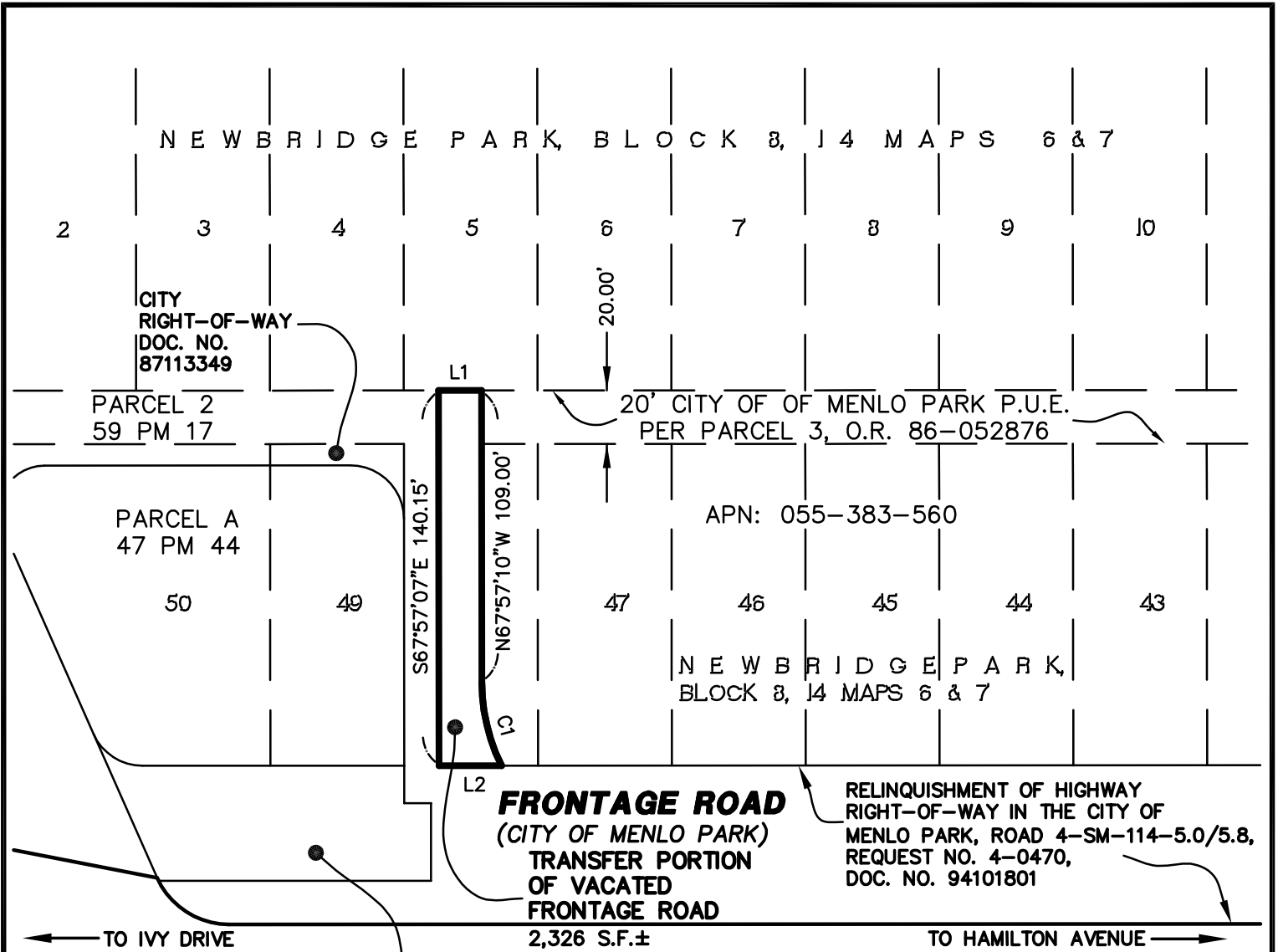
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By: Starla Jerome-Robinson, Executive Director

**ATTEST:**

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Judi A. Herren, City Clerk

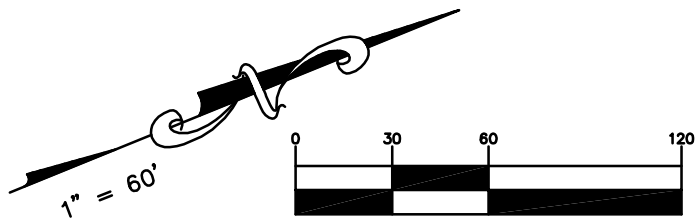


LINE TABLE		
NO.	DIRECTION	LENGTH
L1	S22°04'54"W	16.06'
L2	S22°05'09"W	23.38'

FRONTAGE RIGHT-OF-WAY  
ABANDONMENT  
PER CITY OF MENLO PARK  
RESOLUTION 3908  
PER DOC. NO. 87113348

**WILLOW ROAD**  
(STATE ROUTE 114)  
WIDTH VARIES

CURVE TABLE			
NO.	RADIUS	DELTA	LENGTH
C1	70.00'	26°25'27"	32.28'



**EXHIBIT "B"**  
PLAT TO ACCOMPANY  
LEGAL DESCRIPTION  
(INITIAL DRAFT)



1730 N. FIRST STREET  
SUITE 600  
SAN JOSE, CA 95112  
408-467-9100  
www.bkf.com

San Mateo County Oversight Board

May 10, 2021 Meeting

Subject TRANSFER PORTION OF  
VACATED FRONTAGE ROAD  
Job No. 20156154  
By CHOU Date 2018-12-14 Chkd. JVK  
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