

Pinole Oversight Board

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Department of Finance
915 L Street
Sacramento, CA 95814

Dear Sir or Madam:

Attached is the following Pinole Oversight Board actions which we are transmitting to the Department of Finance as outlined in ABX 1 26. This includes:

- Certified Resolutions of the Pinole Oversight Board approving existing Purchase and Sale Agreements for the Pinole Valley Shopping Center and the Pinole Vista Crossing Shopping Center.
- Certified copies of the December 6, 2011 Pinole City Council resolutions approving the above referenced Purchase and Sales Agreements.

If you have any questions or need further clarification, please do not hesitate to contact me at (510) 724-8933 or Michelle Fitzer, Assistant Oversight Board Director at (510) 741-3864.

Respectfully submitted,



Belinda B. Espinosa, Executive Director
Pinole Oversight Board

RESOLUTION 2012- 01

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE CITY OF PINOLE
AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY OF PINOLE APPROVING THE PURCHASE AND SALE
AGREEMENT BETWEEN THE CITY OF PINOLE AND TKG PINOLE
VALLEY LLC AND THE PURCHASE AND SALE AGREEMENT
BETWEEN THE CITY OF PINOLE AND TKG PINOLE, LLC AND MAKING
CERTAIN FINDINGS RELATED THERETO**

WHEREAS, on November 22, 1972, the City Council of the City of Pinole (the "**City**") adopted Ordinance No. 313, establishing the Redevelopment Agency of the City of Pinole (the "**Agency**") and approving the Redevelopment Plan for the Pinole Vista Redevelopment Project (the "**Project Area**"), as amended and restated by Ordinance No. 2004-05 on May 5, 2004, and as further amended from time to time; and

WHEREAS, pursuant to California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*) (the "**Redevelopment Law**"), the Agency was authorized to engage in redevelopment activities that alleviate blighting conditions within the Project Area and that primarily benefit the Project Area, within the territorial jurisdiction of the Agency; and

WHEREAS, pursuant to its powers under the Redevelopment Law, the Agency purchased certain property located on Fitzgerald Drive in the City and entered into a DDA and Ground Lease with TKG Pinole, LLC for the construction of a shopping center (the "**Pinole Vista Shopping Center**"); and

WHEREAS, the Agency also purchased certain property located on Pinole Valley Road in the City and entered into a Ground Lease with TKG Pinole Valley LLC for the construction of a shopping center (the "**Pinole Valley Shopping Center**"); and

WHEREAS, in January 2011 the Agency commenced negotiations with TKG Pinole, LLC and TKG Pinole Valley LLC (together, "**TKG**") for the sale of the Agency's interest in the Pinole Vista Shopping Center and the Pinole Valley Shopping Center (together, the "**Shopping Centers**"); and

WHEREAS, on February 24, 2011 the Agency transferred all rights and interest in the Shopping Centers to the City and assigned all documents related to the Shopping Centers to the City; and

WHEREAS, in March 2011 the City filed an action for validation of the Agency property transfers in California Superior Court; and

WHEREAS, on July 6, 2011 the City received a court judgment validating the transfer of the properties, including the Shopping Centers, from the Agency to the City; and

WHEREAS, on June 29, 2011 the legislature of the State of California (the "State") adopted Assembly Bill x1 26 ("**AB 26**"), which amended provisions of the Redevelopment Law; and

WHEREAS, on December 6, 2011 the City Council authorized the City Manager to execute purchase and sale agreements (the "**Purchase and Sale Agreements**") for the sale of the City's interest in the Pinole Valley Shopping Center by Resolution No. 2011-90 and the sale of Pinole Vista Crossing Shopping Center by Resolution No. 2011-91; and

WHEREAS, pursuant to AB 26 and the California Supreme Court decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, which upheld AB 26, the Agency was dissolved on February 1, 2012; and

WHEREAS, pursuant to Section 34167.5 of the California Health and Safety Code the State Controller may return any assets transferred from a redevelopment agency to a city that occurred after January 1, 2011 if such asset is not contractually committed to a third party; and

WHEREAS, the Shopping Centers are contractually committed for sale by the City to TKG under the Purchase and Sale Agreements; and

WHEREAS, absent the Purchase and Sale Agreements the Successor Agency would be obligated to fund capital improvements to the Pinole Vista Crossing Shopping Center at a prohibitive cost; and

WHEREAS, the City passed Resolution No. 2012-05 on January 17, 2012 assuming responsibility as the Successor Agency to the Agency effective upon the Agency's dissolution on February 1, 2012.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board for the Successor Agency:

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

Section 2. The Oversight Board hereby finds and determines that the Pinole Valley Shopping Center and the Pinole Vista Shopping Center are subject to pre-existing and enforceable contracts and the Oversight Board has determined that the Purchase and Sale Agreements should be honored and not terminated.

Section 3. The Oversight Board hereby finds and determines that the consummation of the Purchase and Sale Agreements is in the best interests of its charge under AB26, to wit, to liquidate the assets of the Agency while maximizing the value of those assets.

Section 4. The Oversight Board hereby approves and ratifies City Resolutions No. 2011-90 and 2011-91 approving the Purchase and Sale Agreements and all actions taken by the City with respect to the Resolutions, including but not limited to the execution of the Purchase and Sale Agreements and the execution and recording of any exhibits or amendments to the Purchase and Sale Agreements.

Section 5. The Oversight Board hereby directs the City, in its capacity of Successor Agency, and to the extent it deems necessary or desirable, to take all actions and to execute any and all documents necessary or desirable to consummate the sale of the Shopping Centers pursuant to the Purchase and Sale Agreements.

PASSED AND ADOPTED this 4th day of April 2012 by the following vote:

AYES:	BOARD MEMBERS:	Dotson, Drazba, Long, Martinez-Rubin, Marquez, Murray, Toms
NOES:	BOARD MEMBERS:	None
ABSENT:	BOARD MEMBERS:	None
ABSTAIN:	BOARD MEMBERS:	None



Patricia Athenour, MMC
Board Secretary

I hereby certify that the foregoing is a true and correct copy of the original document on file in the City Clerk's Office, City of Pinole, Contra Costa County, State of California.



Patricia Athenour, City Clerk of the City of Pinole
Date: 4-4-2012

**COUNCIL RESOLUTION NO. 2011- 90
AGENCY RESOLUTION NO. 23-2011**

**A JOINT RESOLUTION OF THE CITY OF PINOLE AND THE
REDEVELOPMENT AGENCY OF THE CITY OF PINOLE AUTHORIZING THE
CITY MANAGER TO EXECUTE A PURCHASE AND SALE AGREEMENT
WITH TKG PINOLE VALLEY, LLC FOR THE CITY'S FEE INTEREST IN THE
PINOLE VALLEY SHOPPING CENTER AND THE EXECUTIVE DIRECTOR TO
EXECUTE RELATED DOCUMENTS THERETO**

WHEREAS, the Redevelopment Agency of the City of Pinole ("**Agency**") is a Redevelopment Agency formed, existing and exercising its powers pursuant to the provisions of the California Community Redevelopment Law, Health and Safety Code Section 33000 et seq. (the "**Community Redevelopment Law**"); and

WHEREAS, on November 22, 1972, the City Council of the City of Pinole (the "**City**") adopted Ordinance No. 313, approving the Redevelopment Plan for the Pinole Vista Redevelopment Project (as amended and restated by Ordinance No. 2004-05 on May 5, 2004, and as may be amended from time to time, (the "**Redevelopment Plan**"), and establishing the Pinole Vista Redevelopment Project (the "**Project Area**") pursuant to California Community Redevelopment Law (Health & Safety Code Section 33000 et seq.) (the "**Redevelopment Law**"); and

WHEREAS, in 2001 the Agency and TKG Pinole Valley, LLC ("**TKG**") entered into a Ground Lease, which was Amended and Restated in 2006 (as further amended, the "**Ground Lease**"), pursuant to which the Agency conveyed to TKG a leasehold interest in approximately 5.74 acres of real property owned by the Agency located at 2696-2830 Pinole Valley Road (the "**Property**"); and

WHEREAS, pursuant to the Ground Lease, TKG revitalized the existing shopping center into a first class shopping center known as the Pinole Valley Shopping Center (the "**Pinole Valley Center**"); and

WHEREAS, on February 24, 2011, a Public Hearing was held pursuant to Section 33433 of the Redevelopment Law, to transfer the Property from the Agency to the City and the Property was transferred to the City on February 25, 2011; and

WHEREAS, the City desires to sell its interest in the Pinole Valley Center to TKG and TKG desires to purchase the City's interest in the Pinole Valley Center; and

WHEREAS, the City and TKG have negotiated the terms of the sale of the City's interest in the Property and desire to enter into a Purchase and Sale Agreement (the "**Pinole Valley Agreement**"), substantially in the form on file with the City Clerk, for the disposition of the Property; and

WHEREAS, concurrently with the execution of the Pinole Valley Agreement, the City and TKG Pinole LLC, ("**TKG Pinole**") will enter into a purchase and sale agreement (the "**Pinole Vista Agreement**") pursuant to which the City will agree to sell to TKG

Pinole, and TKG Pinole will agree to purchase from the City the real property located at 1200 – 1398 (exclusive of the properties located at 1350 and 1400) Fitzgerald Drive (the "Pinole Vista Center") together with the land located under the pylon sign located across Fitzgerald Drive from the Pinole Vista Center; and

WHEREAS, the sale of the Pinole Valley Center is expressly contingent on the approval of the Pinole Vista Agreement for the sale of the Pinole Vista Center to TKG Pinole.

NOW THEREFORE, THE CITY COUNCIL AND THE REDEVELOPMENT AGENCY BOARD DO HEREBY RESOLVE AS FOLLOWS:

Section 1. The City Council and Agency Board find and determine that the above recitals are true and correct and are incorporated in this Resolution by this reference.

Section 2. The City Council hereby approves the Pinole Valley Agreement, substantially in the form on file with the City Clerk.

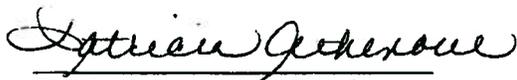
Section 3. The City Manager (or her designee) is hereby authorized and directed, on behalf of the City, to execute the Pinole Valley Agreement, including but not limited to all exhibits attached to and required under the Pinole Valley Agreement, substantially in the form on file with the City Clerk with such changes that are approved by the City Attorney, and to make all approvals and take all actions necessary or appropriate to carry out and implement the terms of the Pinole Valley Agreement and the transfer of the Property and to administer the City's obligations, responsibilities and duties to be performed under the Pinole Valley Agreement.

Section 4. The Executive Director (or her designee) is hereby authorized and directed, on behalf of the Agency, to execute documents related to the Pinole Valley Agreement, including but not limited to certain exhibits attached to and required under the Pinole Valley Agreement, and to make all approvals and take all actions, with the advice of agency counsel, necessary or appropriate to carry out and implement the terms of the Pinole Valley Agreement and the transfer of the Property.

Section 5. The execution by City Manager of the Pinole Valley Agreement and the Executive Director of the related documents is expressly contingent on approval by this City Council of the Pinole Vista Agreement.

APPROVED AND ADOPTED this 6th day of December, by the following vote:

AYES: COUNCIL/BOARD MEMBERS: Banuelos, Long, Murray, Swearingen
NOES: COUNCIL/BOARD MEMBERS: Green
ABSENT: COUNCIL/BOARD MEMBERS: None
ABSTAIN: COUNCIL/BOARD MEMBERS: None


Patricia Athenour, MMC
City Clerk

I hereby certify that the foregoing is a true and correct copy of the original document on file in the City Clerk's Office, City of Pinole, Contra Costa County, State of California.


Patricia Athenour, City Clerk of the City of Pinole

Date: 4-3-2012

**COUNCIL RESOLUTION NO. 2011- 91
AGENCY RESOLUTION NO. 24-2011**

**A JOINT RESOLUTION OF THE CITY OF PINOLE AND THE
REDEVELOPMENT AGENCY OF THE CITY OF PINOLE AUTHORIZING
THE CITY MANAGER TO EXECUTE A PURCHASE AND SALE
AGREEMENT WITH TKG PINOLE, LLC FOR THE CITY'S FEE INTEREST
IN THE PINOLE VISTA CROSSING SHOPPING CENTER AND THE PYLON
SIGN PARCEL AND THE EXECUTIVE DIRECTOR TO EXECUTE RELATED
DOCUMENTS THERETO**

WHEREAS, the Redevelopment Agency of the City of Pinole ("**Agency**") is a Redevelopment Agency formed, existing and exercising its powers pursuant to the provisions of the California Community Redevelopment Law, Health and Safety Code Section 33000 et seq. (the "**Community Redevelopment Law**"); and

WHEREAS, on November 22, 1972, the City Council of the City of Pinole (the "**City**") adopted Ordinance No. 313, approving the Redevelopment Plan for the Pinole Vista Redevelopment Project (as amended and restated by Ordinance No. 2004-05 on May 5, 2004, and as may be amended from time to time, (the "**Redevelopment Plan**"), and establishing the Pinole Vista Redevelopment Project (the "**Project Area**") pursuant to California Community Redevelopment Law (Health & Safety Code Section 33000 et seq.) (the "**Redevelopment Law**"); and

WHEREAS, in 1993 the Agency and TKG Pinole, LLC ("**TKG Pinole**") entered into a Disposition and Development Agreement for the development of approximately 19 acres of real property located at 1200-1398 Fitzgerald Drive (with the exception of 1350 Fitzgerald Drive) (the "**Property**"); and

WHEREAS, in 1995 the Agency and TKG Pinole entered into a Ground Lease, (as further amended, the "**Ground Lease**"), pursuant to which the Agency conveyed a leasehold interest in the Property to TKG Pinole; and

WHEREAS, pursuant to the Ground Lease, TKG Pinole has constructed and operated the Pinole Vista Crossing Shopping Center (the "**Pinole Vista Center**"); and

WHEREAS, the Agency was the owner of the parcel of land known as assessor's parcel number 026-080-037 (the "**Pylon Sign Parcel**") on which the freeway pylon sign for the Pinole Vista Center was constructed in 1997, and the Agency agreed to incorporate the Pylon Sign Parcel into the property leased to TKG Pinole under the Ground Lease; and

WHEREAS, on February 24, 2011, a Public Hearing was held pursuant to Section 33433 of the Redevelopment Law, to transfer the Property and the Pylon Sign Parcel from the Agency to the City and the Property and the Pylon Sign Parcel were transferred to the City on February 25, 2011; and

WHEREAS, the City desires to sell its interest in the Pinole Vista Center and the Pylon Sign Parcel to TKG Pinole and TKG Pinole desires to purchase the City's interest in the Pinole Vista Center and the Pylon Sign Parcel; and

WHEREAS, the City and TKG Pinole have negotiated the terms of the sale of the City's interest in the Property and the Pylon Sign Parcel and desire to enter into a Purchase and Sale Agreement (the "**Pinole Vista Agreement**"), substantially in the form on file with the City Clerk, for the disposition of the Property and the Pylon Sign Parcel; and

WHEREAS, concurrently with the execution of the Pinole Vista Agreement, the City and TKG Pinole Valley, LLC, ("**TKG Pinole Valley**") will enter into a purchase and sale agreement (the "**Pinole Valley Agreement**") pursuant to which the City will agree to sell to TKG Pinole Valley, and TKG Pinole Valley will agree to purchase from the City the real property located at 2696-2830 Pinole Valley Road (the "**Pinole Valley Center**"); and

WHEREAS, the sale of the Pinole Vista Center is expressly contingent on the approval of the Pinole Valley Agreement for the sale of the Pinole Valley Center to TKG Pinole Valley.

NOW THEREFORE, THE CITY COUNCIL AND THE REDEVELOPMENT AGENCY BOARD DO HEREBY RESOLVE AS FOLLOWS:

Section 1. The City Council and Agency Board find and determine that the above recitals are true and correct and are incorporated in this Resolution by this reference.

Section 2. The City hereby approves the Pinole Vista Agreement, substantially in the form on file with the City Clerk.

Section 3. The City Manager (or her designee) is hereby authorized and directed, on behalf of the City, to execute the Pinole Vista Agreement, including but not limited to all exhibits attached to and required under the Pinole Vista Agreement, substantially in the form on file with the City Clerk with such changes that are approved by the City Attorney, and to make all approvals and take all actions necessary or appropriate to carry out and implement the terms of the Pinole Vista Agreement and the transfer of the Property and the Pylon Sign Parcel and to administer the City's obligations, responsibilities and duties to be performed under the Pinole Vista Agreement.

Section 4. The Executive Director (or her designee) is hereby authorized and directed, on behalf of the Agency, to execute documents related to the Pinole Vista Agreement, including but not limited to certain exhibits attached to and required under the Pinole Vista Agreement, and to make all approvals and take all actions, with the advice of agency counsel, necessary or appropriate to carry out and implement the terms of the Pinole Vista Agreement and the transfer of the Property and the Pylon Sign Parcel.

Section 5. The execution by City Manager of the Pinole Vista Agreement and the Executive Director of the related documents is expressly contingent on approval by this City Council of the Pinole Valley Agreement.

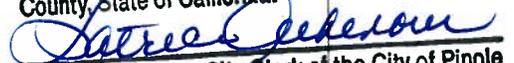
APPROVED AND ADOPTED this 6th day of December, by the following vote:

AYES: COUNCIL/BOARD MEMBERS: Banuelos, Long, Murray, Swearingen
NOES: COUNCIL/BOARD MEMBERS: Green
ABSENT: COUNCIL/BOARD MEMBERS: None
ABSTAIN: COUNCIL/BOARD MEMBERS: None


Patricia Athenour, MMC
City Clerk



I hereby certify that the foregoing is a true and correct copy of the original document on file in the City Clerk's Office, City of Pinole, Contra Costa County, State of California.


Patricia Athenour, City Clerk of the City of Pinole

Date: 4-3-2012