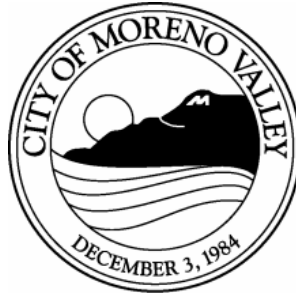

Board Members

GLENN MOSS
Chair

CHRIS CARLSON
Vice-Chair

JOHN STRICKLER
Board Member



JAMIL DADA
Board Member

MAYS KAKISH
Board Member

DAVE SLAWSON
Board Member

AHMAD ANSARI
Board Member

AGENDA

Oversight Board of the City as Successor Agency
for the Community Redevelopment Agency
of the City of Moreno Valley

Regular Meeting

December 11, 2013 -2:00p.m.

Moreno Valley City Hall, Council Chamber
14177 Frederick Street, Moreno Valley

CALL TO ORDER

ROLL CALL/INTRODUCTIONS

PUBLIC COMMENTS

Those wishing to speak should complete and submit a BLUE speaker slip to the Board Secretary. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley and not to any individual Board member, staff member or other person.

APPROVAL OF MINUTES

1. Approval of Minutes

REGULAR BUSINESS

1. CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING CERTAIN INTEREST PAYMENTS, IN THE AMOUNT OF \$419,393, MADE BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF

MORENO VALLEY IN CONNECTION WITH THE TOWNGATE REGIONAL MALL PROMISSORY NOTES

2. CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING CERTAIN INTEREST PAYMENTS, IN THE AMOUNT OF \$298,513, MADE BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF MORENO VALLEY IN CONNECTION WITH THE CONFERENCE AND RECREATION CENTER PURCHASE AND SALE AGREEMENT
3. CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING RDA RESOLUTION NO. RDA 2011-06 AUTHORIZING THE TRANSFER OF THE SENIOR CENTER PROPERTY TO THE CITY OF MORENO VALLEY IN EXCHANGE FOR THE REDUCTION OF DEBT OF \$2,686,600 OWED TO THE CITY BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY

ADJOURNMENT

Materials related to an item on this Agenda submitted to the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley after distribution of the agenda packet are available for public inspection in the Community & Economic Development Department at 14177 Frederick Street during normal business hours.

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Mel Alonzo, ADA Coordinator, at 951.413.3027 at least 48 hours before the meeting. The 48-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**MINUTES
OVERSIGHT BOARD OF THE CITY AS SUCCESSOR AGENCY
FOR THE COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF MORENO VALLEY**

**REGULAR MEETING – 2:00 P.M.
November 13, 2013**

CALL TO ORDER - Meeting of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley (Oversight Board) was called to order at 2:05 p.m. by Chairman Moss in the Council Chamber at Moreno Valley City Hall. Copies of the Agenda and items for review were made available to the public.

ROLL CALL/INTRODUCTIONS

Oversight Board:

Glenn Moss	Chairman
Mays Kakish	Board Member
David Slawson	Board Member
Ahmad Ansair	Board Member

Absent:

Chris Carlson	Vice Chair
John Strickler	Board Member
Jamil Dada	Board Member

Staff:

John Terell	Community & Economic Development Director
Rick Teichert	Financial & Administrative Services Director
Kathi Pierce	Board Secretary

Legal Representation:

Mark Huebsch	Successor Agency Counsel (Stradling, Yocca, Carlson & Rauth)
Jon Goetz	Oversight Board Counsel - KMTG (Kronick Moskovitz Tiedemann & Girard)

PUBLIC COMMENTS

No public comments

1. APPROVAL OF MINUTES

Motion to Approve Minutes of September 25, 2013 by m/Board Member Mays, s/Board Member Slawson (Approved by a vote of 4-0-3).

REGULAR BUSINESS

1. CONSIDERATION OF A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING A LONG RANGE PROPERTY MANAGEMENT PLAN

RESOLUTION NO. OB 2013-10

A Resolution of the Oversight Board to the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving a Long Range Property Management Plan

John Terell, Community & Economic Development Director provided background on the Long Range Master Plan for two properties held by the former Redevelopment Agency. Property One is two parcels that are improved with the Veteran's Memorial, the Conference and Recreation Center, and a parking area for the public facilities. Property Two is a vacant parcel of excess right of way created by the realignment for the 1-215 freeway at Cactus. He provided the Board with a copy of the Master Plan.

A detailed discussion between Board Members, Staff and Legal Counsel occurred regarding the Management Plan and the Legal Interpretations.

Motion to Adopt Resolution No. OB 2013-10 approved by m/Board Member Slawson, s/Board Member Ansari. (Approved by a vote of 4-0-3).

2. CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY TO RATIFY RESOLUTION NO. RDA 2011-01, WHICH WAS APPROVED BY THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY'S ACTIONS ON MARCH 8, 2011.

RESOLUTION NO OB 2013-11

A Resolution of the Oversight Board to the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Ratifying Resolution No. RDA 2011-01 of the Former Community Redevelopment Agency of the City of Moreno Valley

Rick Teichert, Chief Financial Officer provided background on the defeasance of the 2007 Taxable Tax Allocation Bonds, which occurred prior to the dissolution of the Redevelopment Agency.

A brief discussion between Board Members, Staff and Legal Counsel occurred.

Motion to approve Resolution No. OB 2013-11 by m/Board Member Mays, s/Board Member Slawson. (Approved by a vote of 4-0-3).

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 3:35 p.m. by unanimous informal consent.

NEXT MEETING

The next Meeting of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley is scheduled for December 11, 2013 from 2 – 4 p.m. in the Council Chamber.

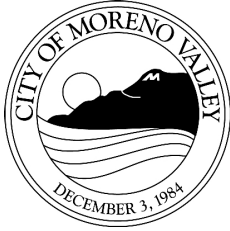
Submitted by:

Board Secretary, Kathi Pierce

Approved by:

Chairman, Glenn Moss

This page intentionally left blank.



Report to the Oversight Board for Successor Agency to Community Redevelopment Agency of the City of Moreno Valley

TO: Members of the Board

FROM: John Terell, Community & Economic Development Director

AGENDA DATE: December 11, 2013

TITLE: CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING CERTAIN INTEREST PAYMENTS, IN THE AMOUNT OF \$419,393, MADE BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF MORENO VALLEY IN CONNECTION WITH THE TOWNGATE REGIONAL MALL PROMISSORY NOTES

RECOMMENDED ACTION

Recommendation:

1. CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING CERTAIN INTEREST PAYMENTS, IN THE AMOUNT OF \$419,393, MADE BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF MORENO VALLEY IN CONNECTION WITH THE TOWNGATE REGIONAL MALL PROMISSORY NOTES.

DISCUSSION

The Towngate Promissory Notes were created as obligations of the Community Redevelopment Agency of the City of Moreno Valley (RDA) to the Towngate Regional Mall Company and were a part of a Disposition and Development Agreement that led to the development of the Moreno Valley Mall in 1992.

The Towngate Notes were later purchased by the City for the City's investment portfolio. The Purchase and Sale of Promissory Notes Agreement, dated May 3, 2004, was between the City of Moreno Valley and the Towngate Regional Mall Company. The Notes, after their assignment to the City, retain their original character as binding obligations of the RDA.

In June 2011, the State of California passed ABx1 26 that abolished redevelopment agencies statewide. The law became effective on January 31, 2012. The City established the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley on February 1, 2012.

During the period of time from January 1, 2011 through January 31, 2012, leading up to the effective date of ABx1 26, redevelopment agencies throughout the State of California may have disposed of certain assets as part of their operations. To confirm compliance with ABx1 26, the asset transfers of the former Community Redevelopment Agency of the City of Moreno Valley were reviewed.

Upon completion of the review, it is being proposed that interest payments made to the City, in the amount of \$419,393, in connection with the Towngate Regional Mall Promissory Notes for the period between March 31, 2011 through June 29, 2011 be presented to the Oversight Board for acceptance and ratification of these former actions.

The proposed actions by the Oversight Board shall accept and ratify the prior actions by the former RDA, following the amendments to the Health & Safety Codes.

ALTERNATIVES

The alternatives available to the Oversight Board are:

1. Consideration of the Oversight Board to the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley approving and ratifying certain interest payments made in the amount of \$419,393 by the former Community Redevelopment Agency to the City in connection with the Towngate Regional Mall Promissory Notes.
2. Provide staff with alternative direction.

ATTACHMENTS

Attachment 1 – Resolution OB 2013-12

Attachment 2 – April 13, 2004 Staff Report

Attachment 3 – Purchase and Sale Promissory Notes Agreement

Attachment 4 – Towngate Regional Mall Promissory Notes Payment Schedule

Prepared By:
Annie Clark
Sr. Financial Analyst

Department Head Approval:
Richard Teichert
Chief Financial Officer

Concurred By:
John Terell
Community & Economic Development Director

RESOLUTION NO. OB 2013-12

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING CERTAIN INTEREST PAYMENTS MADE IN THE AMOUNT OF \$419,393 BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF MORENO VALLEY IN CONNECTION WITH PROMISSORY NOTES KNOWN AS THE TOWNGATE REGIONAL MALL PROMISSORY NOTE

WHEREAS, prior to February 1, 2012, the Community Redevelopment Agency of the City of Moreno Valley (herein referred to as the "Former Agency") was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.), and was authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of Moreno Valley ("City"); and

WHEREAS, Assembly Bill x1 26, chaptered and effective on June 27, 2011 ("AB26"), added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484, chaptered and effective on June 27, 2012 (together, the "Dissolution Act"); and

WHEREAS, as of February 1, 2012, the Former Agency was dissolved pursuant to the Dissolution Act and as a separate legal entity the City serves as the Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley ("Successor Agency"); and

WHEREAS, the Successor Agency administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and

WHEREAS, after January 1, 2011, the Former Agency made interest payments to the City in the aggregate amount of \$419,393 (the "Towngate Note Payment Amount") in connection with a promissory note or notes known as the "Towngate Regional Mall Promissory Note"; and

WHEREAS, Successor Agency staff has provided the Oversight Board with a staff report concerning the Towngate Regional Mall Promissory Note as well as the Towngate Note Payment Amount as previously approved by the governing board of the Former Agency, together with related materials.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

SECTION 2. The Oversight Board hereby ratifies and approves the payment of the Towngate Note Payment Amount and authorizes the Successor Agency to transmit this Resolution to the Department of Finance.

SECTION 3. This Resolution shall be effective immediately upon adoption.

SECTION 4. The Oversight Board, through its secretary, shall maintain on file as a public record this Resolution.

PASSED, APPROVED, AND ADOPTED at a special meeting of the Oversight Board of Successor Agency to Community Redevelopment Agency of the City of Moreno Valley, held on this the 11th day of December, 2013.

Chairperson
Oversight Board of Successor
Agency to Community
Redevelopment Agency of the
City of Moreno Valley

ATTEST:

Oversight Board Secretary

2
Resolution No. OB 2013-12
Date Adopted: December 11, 2013

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Kathi Pierce, Secretary of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that Resolution No. OB 2013-12 was duly and regularly adopted by the Board Members of the Successor Agency Oversight Board at a regular meeting thereof held on the 11th day of December, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SECRETARY

3
Resolution No. OB 2013-12
Date Adopted: December 11, 2013



APPROVALS	
CITY ATTORNEY	
FINANCE DIRECTOR	
CITY MANAGER	

Report to City Council

TO: Mayor and City Council

FROM: Linda B. Guillis, Community & Economic Development Director

AGENDA DATE: April 13, 2004

TITLE: City Purchase of Outstanding Redevelopment Promissory Notes

RECOMMENDED ACTION

Staff recommends that the City Council:

1. Approve the Purchase and Sale of Promissory Notes Agreement with Towngate Regional Mall Company ("TRMC"), an indirect subsidiary of the Sears, Roebuck corporate family, to acquire 100% interest in the Notes for the sum of five million dollars (\$5,000,000) [these notes have historically been referred to as "the Sears Notes" because of the indirect involvement of Sears, Roebuck and Co.]; and
2. Appropriate \$5 Million from the general fund contingency reserve to fund the general fund's investment in the Notes in accordance with the City Council's-approved Investment Policy.

SUMMARY

Staff is proposing that the City purchase three promissory notes for a total of \$5 million from TRMC as a financial investment. The notes were issued by the Community Redevelopment Agency, which is responsible for the repayment of the notes. Including accrued interest, the amount owed on the notes exceeds \$16.5 million. The purchase of the notes at the discounted amount will provide the City's general fund an additional annual revenue stream from the Redevelopment Agency until the notes are paid in full.

BACKGROUND

Prior to the opening of the Towngate Mall, the Redevelopment Agency entered into an agreement with TRMC to facilitate the purchase of parcels by various Department stores proposing to locate at the Mall. The purpose of the agreement was to provide

incentives to the stores to ensure their location at the new Mall. These agreements, in part, took the form of promissory notes issued to TRMC for the benefit of each department store in negotiated amounts. The three anchor stores for which notes were issued were: Robinson's-May, Sears and JC Penney. The Redevelopment Agency has been making payments on the notes since the mall opened and 50% of the sales tax being generated by the Mall has also been pledged and used to repay the notes pursuant to contractual requirements associated with the project.

DISCUSSION

To facilitate the Mall development, the City, by ordinance, reallocated 50% of the Mall generated sales tax to the Redevelopment Agency. The Agency then pledged its portion of the sales tax as security to pay off the notes. The sales tax that is currently generated by the Mall, and collected by the RDA, is being used to pay interest on the notes. The amount currently exceeds \$675,000 per year. If the City owned the notes, this sales tax revenue could be paid to the City as general fund revenue. Based upon staff's analysis, assisted by the City's financial advisor, purchasing the notes from TRMC, at a discounted price, could be financially advantageous over the long term by providing a significant ongoing and growing investment revenue source to the City's general fund. City staff has negotiated an agreement with the representatives of TRMC to purchase the outstanding RDA notes at a steeply discounted value. As of April 1, the total value of the notes (including accrued interest) is \$16,575,940. TRMC has agreed to accept an immediate cash payment of \$5,000,000. Sears, Roebuck and Co., has agreed to guarantee the validity of TRMC's title and right to transfer the notes to the City up to the full \$5 Million purchase price.

The purchase would benefit the City by providing an additional General Fund investment revenue stream equal to 50% of the sales tax revenues currently collected by the RDA from the Towngate Mall stores. Instead of TRMC, these sales tax revenues would now be paid to the General Fund. Thus, by acquiring the notes from TRMC, the City's General Fund would become the beneficiary of the payments. The current value of the annual revenue stream is approximately \$675,000. It is expected to grow with the development of additional retail establishments in the mall.

By owning the notes, the City could also receive additional payments from the RDA if certain conditions exist. The terms of the notes also require that the RDA must also pay any excess TownGate area property tax increment toward the notes, after it has paid the debt service on the infrastructure bonds for TownGate. To date, there has not been excess tax increment available to pay towards the notes because property values have not yet risen to that level. However, staff believes that excess tax increment may be available in the future.

In a separate and subsequent transaction, the staff will be recommending a restoration of the City's \$5 million general fund investment by relieving the General Fund of certain capital project obligations that can be absorbed by the Redevelopment Agency, thereby restoring the \$5 million to the General Fund.

TRMC has drafted the attached Purchase and Sale of Promissory Notes agreement to memorialize the purchase. The basic terms of the agreement are (1) TRMC will execute and deliver the documents assigning the notes to the City, (2) within 48 hours of receipt of the documentation, the City will make a cash payment to TRMC of \$5,000,000 by wire transfer, (3) Sears agrees to indemnify the City from any third party claims to the notes up to \$5,000,000, and (4) TRMC releases all claims to any rights under the notes.

ALTERNATIVES

1. Approve the Agreement. **This is staff's recommendation.**
2. Do not approve the Agreement.

FISCAL IMPACT

Through its \$5,000,000 investment in the notes and using conservative projections of sales tax performance, the City's general fund would realize a first year return on its investment of about 13.5%. That far exceeds the City's current investment yield of 2.55%. The current Local Agency Investment Fund (LAIF) rate is 1.5%. Over a ten-year period the City could realize an additional \$7.7 million in investment revenue paid by the RDA from mall generated sales tax and that amount could increase in future years.

The City's Investment Policy authorizes the City Council to allow investments that are not otherwise identified and authorized in the City's Investment Policy. However, the City's purchase of the notes satisfies the investment goals and controls as set forth in the Council-approved Investment Policy, and specific Council approval of this investment is included for Council action. The purchase of the notes by the City would have no direct fiscal impact on the Redevelopment Agency. The obligations made under the notes would still exist, but the entity to which the RDA is indebted would change from TRMC to the City.

CITY COUNCIL GOALS

REVENUE DIVERSIFICATION AND PRESERVATION. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

STAFF RECOMMENDATION

Staff recommends that the City Council:

1. Approve the Purchase and Sale of Promissory Notes Agreement with Towngate Regional Mall Company ("TRMC"), an indirect subsidiary of the Sears, Roebuck

corporate family, to acquire 100% interest in the Notes for the sum of five million dollars (\$5,000,000); and

- 2. Appropriate \$5 Million from the general fund contingency reserve to fund the general fund's investment in the notes in accordance with the City Council's approved Investment Policy.

ATTACHMENTS/EXHIBITS

Purchase and Sale of Promissory Notes (Agreement)

Prepared By: _____ Department Head Approval: _____
Mitch Slagerman, Linda B. Guillis, Director
Redevelopment Manager Community and Economic
Development Department

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

Execution Copy**PURCHASE AND SALE OF PROMISSORY NOTES**

This Purchase and Sale Agreement ("Agreement"), is dated and entered into as of May 3, 2004 (the "Date of Agreement") by and between the CITY OF MORENO VALLEY, a municipal corporation ("City"), TOWNGATE REGIONAL MALL COMPANY, a general partnership ("Seller"), and, solely for purposes of Section 6, SEARS, ROEBUCK AND CO. ("Sears"), with respect to the following.

WHEREAS, Seller is the current owner and payee of three promissory notes: (i) the Promissory Note dated December 11, 1992 in the original principal amount of \$3,000,000, issued by the Community Redevelopment Agency of the City of Moreno Valley, a public body, corporate and politic (the "Agency") in favor of TownGate Regional Mall Company (the "\$3,000,000 Note"); (ii) the Promissory Note dated December 11, 1992 in the original principal amount of \$6,000,000, issued by the Agency in favor of TownGate Regional Mall Company (the "\$6,000,000 Note"); and (iii) the Promissory Note dated February 1, 1993 in the original principal amount of \$4,000,000, issued by the Agency in favor of TownGate Regional Mall Company (the "\$4,000,000 Note," and together with the \$3,000,000 Note and the \$6,000,000 Note, the "Notes").

WHEREAS, the aggregate outstanding principal balance on the Notes, plus accrued and unpaid interest thereon, is set forth in the Agency's estoppel certificate to be executed in the form of Exhibit "E" attached hereto.

WHEREAS, Seller owns all right, title and interest in and to the Notes and all sums of money that may be had or obtained by means thereof or in any proceedings to be had thereupon, and Seller has all the power and authority to sell to City all of its right, title and interest in and to the Notes free and clear of all liens, claims and encumbrances;

WHEREAS, City desires to purchase from Seller, and Seller desires to sell to City, the Notes and all of Seller's right, title and interest in and to the Notes on the terms and conditions set forth herein;

NOW, THEREFORE, incorporating the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and City (and, solely for purposes of Section 6, Sears) agree to the following:

1. Purchase of Notes. Seller agrees to sell to City the Notes and all intangible and tangible rights of Seller relating to the Notes, and City agrees to buy from Seller the Notes and all intangible and tangible rights of Seller relating to the Notes, pursuant to the terms and conditions set forth below.

2. Purchase Price. The "Purchase Price" for the Notes and all intangible and tangible rights of Seller relating to the Notes shall be the sum of Five Million Dollars (\$5,000,000) by wire transfer to the following account:

Bank One, Illinois
1 Bank One Plaza
Chicago, Illinois 60607-0196
ABA #071000013
for credit Sears, Roebuck and Co.
Account #03-00225
Ref: TownGate Regional Mall Company
Sale of Notes

Payment shall be made by the City within forty-eight (48) hours after City's receipt of those items enumerated in Section 3 of this Agreement.

3. Deliveries by Seller. On or before May 3, 2004, Seller shall deliver to the City Attorney of the City, to be held in escrow by the City Attorney until the Purchase Price has been delivered to Seller: (a) the original Notes, (b) an original executed and acknowledged Assignment of Promissory Notes (the "Assignment") in the form of Exhibit "A" attached hereto, (c) an original executed Endorsement of Promissory Note in the form of Exhibit "B" attached hereto, (d) an original executed Endorsement of Promissory Note in the form of Exhibit "C" attached hereto, and (e) an original executed Endorsement of Promissory Note in the form of Exhibit "D" attached hereto.

4. City's Representations and Warranties. As a material inducement to Seller's execution of this Agreement, City hereby represents and warrants to Seller as follows:

4.1 Consents. City has obtained all consents and permissions related to the transactions herein contemplated and required under any covenant, agreement, encumbrance, law or regulation binding upon or affecting City.

4.2 Due Authorization, Execution, Organization. This Agreement and all agreements, instruments and documents herein provided to be executed by City are duly authorized, executed and will be binding upon City. City has the capacity and authority to enter into this Agreement and consummate the transactions herein provided and nothing prohibits or restricts the right or ability of City to consummate the transactions contemplated hereunder and carry out the terms hereof. Neither the execution of this Agreement nor the consummation of the transaction contemplated by this Agreement shall conflict with any agreement, contract, order or other restriction affecting City.

5. Seller's Representations and Warranties. As a material inducement to City's execution of this Agreement, Seller hereby represents and warrants to City as follows:

5.1 Consents. Seller has obtained all consents and permissions related to the transactions herein contemplated and required under any covenant, agreement, encumbrance, law or regulation binding upon or affecting Seller.

5.2 Due Authorization, Execution, Organization. This Agreement and all agreements, instruments and documents herein provided to be executed by Seller are duly authorized, executed and will be binding upon Seller. Seller has the capacity and authority to enter into this Agreement and consummate the transactions herein provided and nothing prohibits or restricts the right or ability of Seller to close the transactions contemplated hereunder and carry out the terms hereof. Neither the execution of this Agreement nor the consummation of the transaction contemplated by this Agreement shall conflict with any agreement, contract, order or other restriction affecting Seller or the Notes.

5.3 Notes. The Notes constitute all the documents affecting the Notes. Seller has good and marketable title to the Notes and Seller is and at all times from and after the original issuance of the Notes has been the sole holder and beneficial owner of the Notes and no other person or entity has claimed or is claiming an interest therein.

5.4 Litigation. Seller has not received written notice of any, and to Seller's actual knowledge there are no, actions, suits or proceedings pending or threatened, before or by any judicial, administrative or union body, any arbiter or any governmental authority, against or affecting Seller in connection with the Notes.

5.5 Title to Notes. Seller represents and warrants that: (a) it possesses all right, title and interest in and to the Notes, free and clear of all liens, claims and encumbrances, and has not pledged or otherwise encumbered the Notes; (b) it has the right to transfer all right, title and interest in the Notes to City; and (c) the Notes are being transferred to City free and clear of all liens, claims and encumbrances.

5.6 No Previous Transfers. Seller is the sole owner of the Notes and Seller has not previously pledged, encumbered, sold, conveyed or assigned any interest in the Notes to any other party. Seller's interest in the Notes is free from any liens or contract rights done or made or suffered by Seller or Seller's predecessors in interest. Seller has not received written notice of any claims against Seller's ownership of the Notes.

6. Indemnification by Sears; Limitation on Liability. Sears hereby indemnifies City for any breach by Seller of its representations and warranties set forth in Section 5 of this Agreement, subject to the following limitations: (a) if such breach arises as a result of the Notes being owned by a Sears affiliate other than Seller, Sears and Seller shall be entitled to mitigate City's damages by causing such Sears affiliate to assign the Notes to City; and (b) the aggregate liability of Sears and Seller under this Agreement (for any breach or other obligation whatsoever): (i) with respect to the \$3,000,000 Note shall not exceed an amount equal to 3/13 of \$5,000,000; (ii) with respect to the \$6,000,000 Note shall not exceed an amount equal to 6/13 of \$5,000,000; (iii) with respect to the \$4,000,000 Note shall not exceed an amount equal to 4/13 of \$5,000,000; and (iv) shall not in any event exceed an aggregate amount of \$5,000,000. Nothing in this agreement, including the limitation of liability of Sears under this paragraph, shall be construed to limit City's rights or remedies against Seller for any breach of any of its representations and warranties.

7. Release of Further Claim. Seller hereby relinquishes to City any and all further claims it may have against Agency under the Notes or any obligation secured by or represented by the Notes, including, but not limited to, any further payment obligations of Agency. Seller also relinquishes to City any consent, notice or participation rights Seller may have in respect of any future financings by Community Facilities District No. 87-1 of the City of Moreno Valley ("CFD 87-1") under that certain Cooperation and Reimbursement Agreement (CFD No. 87-1 Improvement Area Bonds), dated as of April 13, 1993, among the Agency, CFD 87-1 and the City. For the avoidance of doubt, nothing in this Section 7 shall be deemed to constitute a representation or agreement by Seller that it is relinquishing any rights held by any other than Seller.

8. Miscellaneous.

8.1 Further Instruments. Each party will, whenever and as often as it shall be requested to do so by the others, cause to be executed, acknowledged or delivered any and all such further instruments and documents as may be necessary or proper, in the reasonable opinion of the requesting party and at the cost of such requesting party, in order to carry out the intent and purpose of this Agreement.

8.2 Governing Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of California, without regard to its choice of law provisions.

8.3 No Third Party Beneficiaries Except for Agency. The Agency shall be a third party beneficiary of this Agreement. Excepting with respect to the Agency, nothing in this Agreement, expressed or implied, is intended to confer any rights or remedies upon any person, other than the parties hereto and, subject to any restrictions on assignment herein contained, their respective successors and assigns.

8.4 Amendments. This Agreement may be amended by written agreement of amendment executed by all parties, but not otherwise.

8.5 Attorneys' Fees. If any action is commenced to enforce any of the terms of this Agreement, the prevailing party will have the right to recover its reasonable attorneys' fees, professional fees, and costs of suit from the other party. This provision shall survive the closing or termination of this Agreement.

8.6 Entire Agreement. This Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements between the parties hereto respecting such matters.

8.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile signatures of this Agreement by City, Seller and Sears shall be treated as original signatures for the purpose of creating a valid and binding Agreement.

8.8 Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

8.9 Notices. Any notice which a party is required or may desire to give the other shall be in writing and may be sent by (i) facsimile or telecopier, or (ii) personal delivery or by mail either (a) by United States registered or certified mail, return receipt requested, postage prepaid, or (b) by Federal Express or similar generally recognized overnight carrier regularly providing proof of delivery, addressed as follows (subject to the right of a party to designate a different address for itself by notice similarly given):

To City:

City Of Moreno Valley
P.O. Box 88005
Moreno Valley, CA 92555-0805
Attn: Steve Chapman, City Treasurer
Tel: (909) 413-3074
Fax: (909) 413-3096

With Copies To:

Gene Rogers, City Manager
Tel: (909) 413-3025
Fax: (909) 413-3750

Robert D. Herrick, City Attorney
Tel: (909) 413-3036
Fax: (909) 413-3036

To Sears:

Sears, Roebuck and Co.
3333 Beverly Road
Hoffman Estates, Illinois 60179
Attn: Vice President, Real Estate

With Copies To:

Sears, Roebuck and Co.
3333 Beverly Road, B6-350B
Hoffman Estates, Illinois 60179
Attn: Assistant General Counsel, Real Estate

To Seller:

TownGate Regional Mall Company
c/o Sears, Roebuck and Co.
3333 Beverly Road
Hoffman Estates, Illinois 60179
Attn: Vice President, Real Estate

With Copies To:

Sears, Roebuck and Co.
3333 Beverly Road, B6-350B
Hoffman Estates, Illinois 60179
Attn: Assistant General Counsel, Real Estate

Any notice so given shall be effective upon the date of delivery (whether accepted or refused).

8.10 Assignment. Prior to the delivery of the Notes, the City may assign its rights and obligations under this Agreement upon prior written notice to Seller; *provided that* City shall nevertheless remain liable for performance of all of its obligations hereunder. Following the delivery of the Notes, the City may assign the Notes without necessity of notice to Seller.

8.11 Headings. The headings to sections of this Agreement are for convenient reference only and shall not be used in interpreting this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the date first set forth above.

CITY OF MORENO VALLEY, a municipal corporation

By: *Frank West*
Name: _____
Title: _____

APPROVED AS TO FORM:

By: *Robert D. Herrick*
Robert D. Herrick, City Attorney

**TOWNGATE REGIONAL MALL COMPANY,
a general partnership**

By: Delaware Moreno Development Co., its general partner

By: *James Terrell*
James Terrell
Vice President & Treasurer

By: Delaware Moreno Development II Company, its general partner

By: *James Terrell*
James Terrell
Vice President & Treasurer

Solely for purposes of Section 6 of the Agreement:

SEARS, ROEBUCK AND CO.

By: *James Terrell*
Name: *James Terrell*
Title: *Director*



EXHIBIT "A"

ASSIGNMENT OF PROMISSORY NOTES

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, TOWNGATE REGIONAL MALL COMPANY ("Assignor"), does hereby sell, transfer and assign to the CITY OF MORENO VALLEY, a municipal corporation ("Assignee"), all of Assignor's right, title and interest in and to the promissory note listed on Attachment No. 1 attached hereto and incorporated herein by this reference (collectively, the "Notes"). It is the intention of Assignor to transfer and assign to Assignee all of the right, title and interest and benefits and obligations and duties held by Assignor in, to and under the Notes.

IN WITNESS WHEREOF, Assignor has duly executed this Assignment to be effective as of the date set forth below.

Dated as of: May 3, 2004

"ASSIGNOR"

TOWNGATE REGIONAL MALL COMPANY,
a general partnership

By: Delaware Moreno Development Co., its general partner

By: 
James Terrell
Vice President & Treasurer

By: Delaware Moreno Development II Company, its general partner

By: 
James Terrell
Vice President & Treasurer



EXHIBIT "A"

Page 1 of 2

STATE OF ILLINOIS)
COUNTY OF COOK) ss.

On MAY 3, before me, THOMAS K. HORNACEK, a Notary Public in and for said state, personally appeared James Terrell, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Thomas K. Hornacek

Notary Public in and for said State

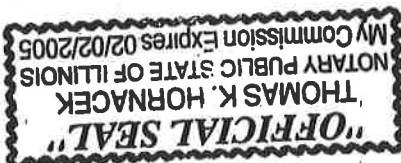


EXHIBIT "B"

ENDORSEMENT


The attached Promissory Note dated December 11, 1992 in the original principal amount of \$3,000,000, issued by the Community Redevelopment Agency of the City of Moreno Valley, California in favor of TownGate Regional Mall Company is hereby endorsed, set over and assigned to the City of Moreno Valley, a municipal corporation.

Dated as of: May 3, 2004

"ASSIGNOR"

TOWNGATE REGIONAL MALL COMPANY,
a general partnership

By: Delaware Moreno Development Co., its general partner

By: 
James Terrell
Vice President & Treasurer

By: Delaware Moreno Development II Company, its general partner

By: 
James Terrell
Vice President & Treasurer



EXHIBIT "B"

EXHIBIT "C"

ENDORSEMENT

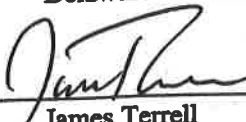
The attached Promissory Note dated December 11, 1992 in the original principal amount of \$6,000,000, issued by the Community Redevelopment Agency of the City of Moreno Valley, California in favor of TownGate Regional Mall Company is hereby endorsed, set over and assigned to the City of Moreno Valley, a municipal corporation.

Dated as of: May 3, 2004

"ASSIGNOR"

TOWNGATE REGIONAL MALL COMPANY,
a general partnership

By: Delaware Moreno Development Co., its general partner

By: 
James Terrell
Vice President & Treasurer

By: Delaware Moreno Development II Company, its general partner

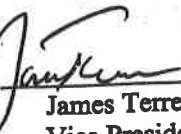
By: 
James Terrell
Vice President & Treasurer



EXHIBIT "D"

ENDORSEMENT


The attached Promissory Note dated February 1, 1993 in the original principal amount of \$4,000,000, issued by the Community Redevelopment Agency of the City of Moreno Valley, California in favor of TownGate Regional Mall Company is hereby endorsed, set over and assigned to the City of Moreno Valley, a municipal corporation.

Dated as of: May 3, 2004

"ASSIGNOR"

TOWNGATE REGIONAL MALL COMPANY,
a general partnership

By: Delaware Moreno Development Co., its general partner

By: 
James Terrell
Vice President & Treasurer

By: Delaware Moreno Development II Company, its general partner

By: 
James Terrell
Vice President & Treasurer



EXHIBIT "D"

EXHIBIT "E"

AGENCY ESTOPPEL CERTIFICATE

Dated as of May 3, 2004

The Community Redevelopment Agency of the City of Moreno Valley, a public body, corporate and politic (the "Agency") gives this estoppel certificate for the benefit of the City of Moreno Valley, a municipal corporation (the "City"), TownGate Regional Mall Company, a general partnership ("Seller"), and Sears, Roebuck and Co. ("Sears").

1. The Agency hereby consents to the transfer of the following promissory notes to the City (collectively, the "Notes"):

(a) The Promissory Note dated December 11, 1992 in the original principal amount of \$3,000,000, issued by the Agency in favor of Seller;

(b) The Promissory Note dated December 11, 1992 in the original principal amount of \$6,000,000, issued by the Agency in favor of Seller; and

(c) The Promissory Note dated February 1, 1993 in the original principal amount of \$4,000,000, issued by the Agency in favor of Seller.

2. The Agency hereby confirms to the City, the Seller and Sears as follows:

(a) As of April 1, 2004, the aggregate outstanding principal balance of the Notes was not less than Thirteen Million Dollars (\$13,000,000), overdue interest and penalties was not less than \$3,668,898.87, and interest is accruing at an annual rate of seven and one-quarter percent (7.25%).

(b) As of April 1, 2004, no less than Sixteen Million Five Hundred Seventy Five Thousand Nine Hundred Forty Dollars (\$16,575,940) in principal and interest is currently owed under the Notes.

(c) The Notes are, and after their assignment to City will continue to be, legally valid and binding obligations of the Agency, enforceable against the Agency in accordance with their terms.

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the date first set forth above.

**COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF MORENO VALLEY**

By: 
Name: _____
Title: _____

APPROVED AS TO FORM:

By: 
Robert D. Herrick, General Counsel

City of Moreno Valley
 Towngate Mall Acquisition Notes
 (Sears Notes)
 As of 6/30/2011

Fiscal Year 2008/2009

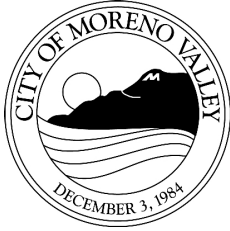
Balance Forward				3,608,380.42	13,000,000.00	
Based on Sales Tax Revenues Received			(97,638.00)	(97,638.00)		
Based on Sales Tax Revenues Received			(89,723.00)	(89,723.00)		
Based on Sales Tax Revenues Received			(159,774.00)	(159,774.00)		
Based on Sales Tax Revenues Received			(121,469.00)	(121,469.00)		
Accrued Interest	365	7.250%	942,500.00	942,500.00		
Total as of June 30, 2009			942,500.00	(468,604.00)	4,082,276.42	13,000,000.00

Fiscal Year 2009/2010

Balance Forward				4,082,276.42	13,000,000.00	
Based on Sales Tax Revenues Received			(129,169.00)	(129,169.00)		
Based on Sales Tax Revenues Received			(114,561.50)	(114,561.50)		
Based on Sales Tax Revenues Received			(174,635.50)	(174,635.50)		
Based on Sales Tax Revenues Received			(117,042.00)	(117,042.00)		
Accrued Interest	365	7.250%	942,500.00	942,500.00		
Total as of June 30, 2010			942,500.00	(535,408.00)	4,489,368.42	13,000,000.00

Fiscal Year 2010/2011

Balance Forward				4,489,368.42	13,000,000.00	
Based on Sales Tax Revenues Received	Jul - Sept 2010	2nd QTR 2010	(125,149.00)	(125,149.00)		
Based on Sales Tax Revenues Received	Oct -Dec 2010	3rd QTR 2010	(113,971.00)	(113,971.00)		
Based on Sales Tax Revenues Received	Jan - Mar 2011	4th QTR 2010	(181,257.00)	(181,257.00)		
Based on Sales Tax Revenues Received	April -Jun 2011	1st QTR 2011	(124,165.00)	(124,165.00)		
Accrued Interest	365	7.250%	942,500.00	942,500.00		
<i>J/E Interest Payment - Reduction of Debt Transfer of Sr. Center to City</i>			(2,686,600.00)	(2,686,600.00)		
Total as of June 30, 2011			(1,744,100.00)	(544,542.00)	2,200,726.42	13,000,000.00



Report to the Oversight Board for Successor Agency to Community Redevelopment Agency of the City of Moreno Valley

TO: Members of the Board

FROM: John Terell, Community & Economic Development Director

AGENDA DATE: December 11, 2013

TITLE: CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING CERTAIN INTEREST PAYMENTS, IN THE AMOUNT OF \$298,513, MADE BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF MORENO VALLEY IN CONNECTION WITH THE CONFERENCE AND RECREATION CENTER PURCHASE AND SALE AGREEMENT

RECOMMENDED ACTION

Recommendation:

1. CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING CERTAIN INTEREST PAYMENTS, IN THE AMOUNT OF \$298,513, MADE BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF MORENO VALLEY IN CONNECTION WITH THE CONFERENCE AND RECREATION CENTER PURCHASE AND SALE AGREEMENT.

DISCUSSION

On April 26, 2005, the City Council and the Board of Directors of the Redevelopment Agency (RDA), entered into a Purchase and Sale Agreement for the sale of the Conference and Recreation Center, in the amount of \$14,203,946 by the City to the RDA. The purchase price was based on the sum of the construction cost and the land value. The financing was structured to allow the RDA to make an initial payment of \$2,700,000 with the remainder amount of \$11,503,946 to be repaid over a 20-year period based on the approved repayment schedule and financing terms.

In June 2011, the State of California passed ABx1 26 that abolished redevelopment agencies statewide. The law became effective on January 31, 2012. The City established the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley on February 1, 2012.

During the period of time from January 1, 2011 through January 31, 2012, leading up to the effective date of ABx1 26, redevelopment agencies throughout the State of California may have disposed of certain assets as part of their operations. To confirm compliance with ABx1 26, the asset transfers of the former Community Redevelopment Agency of the City of Moreno Valley were reviewed.

Upon completion of the review, it is being proposed that interest payments made to the City, in the amount of \$298,513, in connection with the Conference and Recreation Center Purchase and Sale Agreement (Conference and Recreation Loan Note) for the period between March 31, 2011 through June 29, 2011 be presented to the Oversight Board for acceptance and ratification of these former actions.

The proposed actions by the Oversight Board shall accept and ratify the prior actions by the former RDA, following the amendments to the Health & Safety Codes.

ALTERNATIVES

The alternatives available to the Oversight Board are:

1. Consideration of the Oversight Board to the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley approving and ratifying certain interest payments made in the amount of \$298,513 by the former Community and Redevelopment Agency to the City in connection with the Conference and Recreation Center Purchase and Sale Agreement.
2. Provide staff with alternative direction.

ATTACHMENTS

Attachment 1 – Resolution OB 2013-13

Attachment 2 – April 26, 2005 Staff Report

Attachment 3 – CRC Purchase and Sale Agreement

Attachment 4 – Conference and Recreation Center Debt Payments Schedule

Prepared By:
Annie Clark
Sr. Financial Analyst

Department Head Approval:
Richard Teichert
Chief Financial Officer

Concurred By:
John Terell
Community & Economic Development Director

RESOLUTION NO. OB 2013-13

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING CERTAIN INTEREST PAYMENTS MADE IN THE AMOUNT OF \$298,513 BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF MORENO VALLEY IN CONNECTION WITH THE CONFERENCE AND RECREATION CENTER PURCHASE AND SALE AGREEMENT

WHEREAS, prior to February 1, 2012, the Community Redevelopment Agency of the City of Moreno Valley (herein referred to as the "Former Agency") was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.), and was authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of Moreno Valley ("City"); and

WHEREAS, Assembly Bill x1 26, chaptered and effective on June 27, 2011 ("AB26"), added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484, chaptered and effective on June 27, 2012 (together, the "Dissolution Act"); and

WHEREAS, as of February 1, 2012, the Former Agency was dissolved pursuant to the Dissolution Act and as a separate legal entity the City serves as the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley ("Successor Agency"); and

WHEREAS, the Successor Agency administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and

WHEREAS, after January 1, 2011, the Former Agency made interest payments to the City in the aggregate amount of \$298,513 (the "CRC Note Payment Amount") in connection with a Purchase and Sale Agreement known as the "Conference and Recreation Center Loan Note"; and

WHEREAS, Successor Agency staff has provided the Oversight Board with a staff report concerning the Conference and Recreation Center Loan Note as well as the CRC Note Payment Amount as previously approved by the governing board of the Former Agency, together with related materials.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AS FOLLOWS:

1
Resolution No. OB 2013-13
Date Adopted: December 11, 2013

SECTION 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

SECTION 2. The Oversight Board hereby ratifies and approves the payment of the CRC Note Payment Amount and authorizes the Successor Agency to transmit this Resolution to the Department of Finance.

SECTION 3. This Resolution shall be effective immediately upon adoption.

SECTION 4. The Oversight Board, through its secretary, shall maintain on file as a public record this Resolution.

PASSED, APPROVED, AND ADOPTED at a special meeting of the Oversight Board of Successor Agency to Community Redevelopment Agency of the City of Moreno Valley, held on this the 11th day of December, 2013.

Chairperson
Oversight Board of Successor
Agency to Community
Redevelopment Agency of the
City of Moreno Valley

ATTEST:

Oversight Board Secretary

Resolution No. OB 2013-13²
Date Adopted: December 11, 2013

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Kathi Pierce, Secretary of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that Resolution No. OB 2013-13 was duly and regularly adopted by the Board Members of the Successor Agency Oversight Board at a regular meeting thereof held on the 11th day of December, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SECRETARY

3
Resolution No. OB 2013-13
Date Adopted: December 11, 2013



CITY CLERK
 MORENO VALLEY
 RECEIVED
 05 APR 20 AM 9:05

APPROVALS	
CITY ATTORNEY	RDA
FINANCE DIRECTOR	FMC
CITY MANAGER	VAL

Report to City Council

TO: Mayor and City Council
 Chairperson and Members of the Board of Directors of the
 Community Redevelopment Agency of the City of Moreno Valley

FROM: George Guayante, Interim Economic Development Director

AGENDA DATE: April 26, 2005

TITLE: Purchase and Sale of Conference and Recreation Center by the
 Redevelopment Agency from the City.

RECOMMENDED ACTION

Staff recommends that the Mayor and City Council:

1. Adopt Resolution No. ~~2005-396~~ RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PROVISION OF PUBLIC IMPROVEMENTS AND AUTHORIZING SUCH IMPROVEMENTS IN CONNECTION THEREWITH; and

Staff recommends that the Chairperson and Members of the Board of Directors of the Community Redevelopment Agency of the City of Moreno Valley (RDA Board):

2. Adopt Resolution No. ^{RDA} ~~2005-04~~ RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH THE CITY OF MORENO VALLEY AND MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PROVISION OF PUBLIC IMPROVEMENTS AND AUTHORIZING SUCH IMPROVEMENTS IN CONNECTION THEREWITH
3. Authorize the acceptance of title to the Conference and Recreation Center parcel by the Community Redevelopment Agency in accordance with the

Purchase and Sale Agreement and direct the City Clerk, acting in the capacity of Secretary to the Community Redevelopment Agency to certify to the acceptance and attach said certification to the original grant deed for recordation.

BACKGROUND

On August 26, 2003, the City Council approved the budget to construct Phases I and II of the Conference and Recreation Center on the Civic Center site. The facility, which is nearing completion, is a 42,413 square-foot community building that contains a variety of elements including indoor gymnasium, class rooms/community meeting rooms, kitchen, locker rooms, staff offices, and banquet facilities.

As part of that August 26 action, a financing plan for the facility was discussed and the Redevelopment Agency Executive Director was directed to prepare documents relating to the purchase and sale of the Conference and Recreation Center by the Redevelopment Agency from the City. A grant deed (Attachment 4) describing the Conference and Recreation Center parcel was prepared and will be recorded subsequent to Council's action. This will transfer title to the parcel to the RDA in accordance with the Purchase and Sale Agreement.

DISCUSSION

The purchase of the Conference and Recreation Center by the Agency facilitates the implementation of the Redevelopment Plan by providing a needed public facility that will provide recreation amenities to the redevelopment project area, attract business use and potential investment, and generally upgrade Alessandro Boulevard.

ALTERNATIVES

1. That the Mayor and City Council and Chairperson and Members of the Board of Directors of the Community Redevelopment Agency of the City of Moreno Valley (RDA Board) approve the Purchase and Sale Agreement and the corresponding resolutions. **Staff recommends this alternative.**

2. That the Mayor and City Council and Chairperson and Members of the Board of Directors of the Community Redevelopment Agency of the City of Moreno Valley (RDA Board) not approve the Purchase and Sale Agreement and the corresponding resolutions. **Staff does not recommend this alternative. This alternative will not contribute to the implementation of the Redevelopment Plan.**

FISCAL IMPACT

The purchase price for the facility (including the eastern parking lot, landscaping, and western park area) is the sum of the construction cost and the value of the land that it sits upon as summarized below.

Construction Cost:	\$13,068,336
Land Value (6.519 acres):	<u>\$ 1,135,610</u>
Total	\$14,203,946

The construction cost value represents all the costs to construct the improvements on the property. The land value was determined by multiplying the property area by \$174,200 per acre. The per acre value is equal to the per acre value the City paid in August 2003 for 5.02 acres of land, which is now the western portion of the City's Civic Center site. Since the City's purchase is the closest to the facility and one of the most recent transactions, it is believed that the \$174,200 per acre value is a good comparison to use for the Conference and Recreation Center land value.

The Agency is providing an initial payment of \$2.7 million with the remainder amount (\$11,503,946) to be paid over a 20-year period.

Purchase Price	\$14,203,946
Initial Payment	<u>\$ 2,700,000</u>
Remainder Amount	\$11,503,946

The remainder amount will be repaid by the Agency to the City in annual payments subject to the schedule provided in Attachment 1. The debt service schedule anticipates that there will be a balance owed in year 20. At that time, the City and Agency will have three options to consider:

- 1) Agency pays balance in full
- 2) City forgives the balance
- 3) City and Agency negotiate a new loan in the amount of the balance owed

Preliminary analysis of the Agency's future revenues indicates, that the Agency may not have the funds to pay off the balance in the 20th year, but could pay off a renegotiated loan by the end of the time the Agency can collect tax increment (i.e. 2038). Since it is impossible to determine what the Agency's financial resources will be in 20 years, it is suggested that the decision be made then as opposed to now.

Interest Rate

The obligation shall bear interest at a rate of 12% per year. It is reasonable for the City to expect and require an interest rate of the Agency that reflects the level of risk the City takes by making the loan. Listed below are factors that affect risk and were used to determine the interest rate. These factors are commonly considered in the lending industry and were incorporated into determining the interest rate after consultation with the Agency's financial advisor, Fieldman, Rolapp and Associates, represented by Mr. Tim Schaefer.

Factors Affecting Rate	Interest Rate	Explanation
Beginning Rate	4.75%	The beginning rate to establish an interest rate begins with the U.S. Treasury Bill rate, traditionally a very secure investment.
Non-amortizing Loan	1.75%	The loan is not structured for complete repayment at the end of the term, but envisions a balloon payment. There may insufficient funds at the end of the term and the timing of repayment cannot be determined at present.
RDA as Borrower	3.00%	The source of revenue for the RDA to repay the debt is property tax increment. This revenue source is affected by changes in the economy and the vagaries of the State Legislature. Reductions in tax increment may impact the timing of repayment.
Loan is Subordinated	2.50%	The loan would be subordinate to all existing and future debts. Thus, the timing of repayment cannot be determined at present.
Total of all Factors	12.00%	

CITY COUNCIL GOALS

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

POSITIVE ENVIRONMENT:

Create a positive environment for the development of Moreno Valley's future.

COMMUNITY IMAGE, NEIGHBORHOOD PRIDE AND CLEANLINESS:

Promote a sense of community pride and foster an excellent image about our City by developing and executing programs, which will result in quality development, enhanced neighborhood preservation efforts (including home rehabilitation) and neighborhood restoration.

STAFF RECOMMENDATION

Staff recommends that the Mayor and City Council:

1. Adopt Resolution No. 2005-39 RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO

VALLEY AND MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PROVISION OF PUBLIC IMPROVEMENTS AND AUTHORIZING SUCH IMPROVEMENTS IN CONNECTION THEREWITH; and

Staff recommends that the Chairperson and Members of the Board of Directors of the Community Redevelopment Agency of the City of Moreno Valley (RDA Board):

2. Adopt Resolution No. ^{RDA}2005-04 RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH THE CITY OF MORENO VALLEY AND MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PROVISION OF PUBLIC IMPROVEMENTS AND AUTHORIZING SUCH IMPROVEMENTS IN CONNECTION THEREWITH

3. Authorize the acceptance of title to the Conference and Recreation Center parcel by the Community Redevelopment Agency in accordance with the Purchase and Sale Agreement and direct the City Clerk, acting in the capacity of Secretary to the Community Redevelopment Agency to certify to the acceptance and attach said certification to the original grant deed for recordation.

ATTACHMENT 1: Resolution No. ²⁰⁰⁵⁻³⁹ of the City of Moreno Valley

ATTACHMENT 2: Resolution No. ^{RDA}2005-04 of the Community Redevelopment Agency


 Prepared By
 Mitch Slagerman
 Redevelopment Manager


 Department Head Approval
 George Guayante
 Interim Economic Development Director

Council Action	
Approved as requested: 4/20/05	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

W:\NeighborPres\RDA\Conference and Rec Center\Purchase-Sale Agreement SR 042605.doc

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT, dated as of April 26, 2005, by and between the COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, a redevelopment agency and public body, corporate and politic, organized and existing under and by virtue of the laws of the State of California (the "Agency"), as buyer, and the CITY OF MORENO VALLEY, a municipal corporation organized and existing under and by virtue of the laws of the State of California (the "City"), as seller;

WHEREAS, the City desires to sell certain real property which is more particularly described in Exhibit "1" hereto (the "Property") to the Agency, and the Agency desires to purchase such Property from the City; and

WHEREAS, the City has agreed to improve the Property with "Improvements" as more particularly described in Exhibit "2" hereto, and the price for the Property takes into account such Improvements; and

WHEREAS, the ownership by the Agency of the Property is essential to the implementation of the Redevelopment Plan for the Moreno Valley Redevelopment Project, as heretofore amended (the "Redevelopment Plan") and the implementation plan adopted pursuant thereto; and

WHEREAS, the Agency intends to use the Property for its governmental purposes; and

WHEREAS, the City agrees to convey and the Agency agrees to accept conveyance of the Property; and

WHEREAS, the Agency and the City have mutually arrived at a price for the Property based upon the current value of the Property plus the cost of the Improvements; and

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants hereinafter contained the parties hereby agree as follows:

Section 1. Sale of the Property. The City agrees to sell and the Agency agrees to purchase the Property for the amount of Fourteen Million Two Hundred Three Thousand Nine Hundred Forty Six Dollars (\$14,203,946) (the "City/Agency Price"). The conveyance shall be completed as soon as reasonably practicable following the approval by the parties of this Agreement. The Agency consents that the City shall have access to the Property, following the conveyance by the City to the Agency, for the purpose of the City providing the Improvements.

The City agrees to proceed with diligence to complete the Improvements. The City further agrees to defend, indemnify and hold harmless the Agency from and against any claims, losses, demands, suits or liabilities arising from the construction of the Improvements.

Section 2. Payment; Pledge of Agency Tax Increment Revenues. The Agency shall provide an initial payment of Two Million Seven Hundred Thousand Dollars (\$2,700,000) on or before the thirtieth (30th) day following the conveyance of the Property by the City to the Agency.

Payment of the remainder of the Purchase Price shall be made based upon the availability of Agency funds, and is expected to be accomplished in the manner described in Exhibit "3" hereto; provided that the City may, upon ninety (90) days notice, accelerate the Agency's obligation to make payment of the remaining portion of the Purchase Price at any time. The obligation of the Agency to make payments under the Purchase and Sale Agreement shall constitute a pledge of tax increment revenues received by the Agency pursuant to Section 33670(b) of the California Health and Safety Code, within the meaning of Section 19 of Article XIII of the California Constitution and Sections 33670-33677 of the California Health and Safety Code, subject only to the lien of publicly-sold bonds issued prior to October 1, 2002 (and to publicly-sold bonds which refund such bonds so issued).

The obligation of the Agency shall bear interest until paid in full at the rate of twelve percent (12%) per annum, simple interest, or, if lower, the maximum interest rate that may lawfully be paid by a redevelopment agency as may from time to time be revised.

Section 3. Title; Grant Deed. Conveyance shall be effected by grant deed which shall be recorded among the official land records of the County Recorder of the County of Riverside. The grant deed shall be substantially in the form of Exhibit "4" hereto. The Agency assumes the obligation to pay all costs associated with the conveyance of title, including without limitation the obtaining of title insurance.

Section 4. Obligation to Refrain from Discrimination. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the City, nor shall the Agency itself or any person claiming under or through it established or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use of occupancy of tenants, lessees, subtenants, sublessees, or vendees of the City or any portion thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, all as of the date first above written.

CITY OF MORENO VALLEY

By: *Paul G. Stewart*
Mayor

[SEAL]

Attest:

Alice Reed
City Clerk

**COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF MORENO VALLEY**

By: *Paul G. Stewart*
Chairman

[SEAL]

Attest:

Alice Reed
Agency Secretary

**CITY ATTORNEY
Approved as to Form**

By: *Robert O. Smith* *5/24/05*
Date

EXHIBIT "1"

DESCRIPTION OF THE PROPERTY

All that real property situated in the State of California, City of Moreno Valley, County of Riverside, and described as follows:

[To Come: legal description of the various properties which together comprise "Property"; include listing of Assessors Parcel numbers]

Note to City Clerk:

**This document is coming separately and will be available to copy
with Agenda packet**

EXHIBIT "2"

IMPROVEMENTS

**MORENO VALLEY
CONFERENCE AND RECREATION CENTER**

LOCATION: 14075 Frederick Street, Moreno Valley

SIZE: Parcel Area: 6.519 acres (283,977 square feet)
Building Area: 42,413 square feet
(See attached site map)

AMENITIES: **CELEBRATION FACILITY**

Grand Ballroom w/Stage

8,181 sf

Banquet style seating to accommodate 400

Full kitchen

Stage w/ two dressing rooms

9' X 12' video/movie screen

Equipped with the latest video and sound technology

Outdoor Banquet Patio

10,800 sf patio fenced for privacy

Banquet style seating to accommodate 400

Reception Patio

4,400 sf patio fenced for privacy

Fire pit

Ideal for mixers, reception area,

Luncheon style seating to accommodate 100

Community Meeting Rooms

Combined meeting space 1,725 sf which can be divided into two separate meeting rooms

Meeting room "A" 851 sf

Meeting room "B" 874 sf

Arts and Crafts Room

880 sf

Counter tops and sinks for recreation classes

Child Care Room

While patrons treat themselves to the activities offered in the facility, child care services is a viable option to those who need that service.

RECREATION FACILITY

Gymnasium

11,000 sf

One full-size center court

Two full basketball cross-courts

Scoreboards

Bleachers

Multi-use court, which includes Volleyball

Aerobics and Dance Studio

1,680 sf

Wooden flooring

Mirrored walls

Dance barre

Fitness Facility

2,400 sf

Furnishings to be determined

Locker room Facilities

Showers in each locker room

24-day use lockers in each locker room

Recreation Administrative Offices

5,000 sf

Program registration counter

Staff offices and conference rooms

PARKING LOT

171 spaces located on western side of facility (does not include parking south of the facility)

PARK AREA

Located on the northwest section of the property, the park is approximately 14,000 sf and will have grass, shade trees, park benches and walkways.

EXHIBIT “3”

SCHEDULE

(Replace with Excel Spread sheet)

EXHIBIT "4"

GRANT DEED

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Community Redevelopment Agency of the City of Moreno Valley
14177 Frederick Street
Moreno Valley, CA 92552-0805

Attn: Executive Director

APN: _____

[Space above for recorder.]

Exempt from recording fee and documentary transfer tax pursuant to Government Code Section 27283.

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the City of Moreno Valley (the "Grantor"), hereby grants to the Community Redevelopment Agency of the City of Moreno Valley, a public body corporate and politic, that certain real property located in the County of Riverside, State of California, more particularly described on Attachment A and as illustrated on the plat shown on Attachment B attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of _____, 2005.

CITY OF MORENO VALLEY, a municipal corporation

By: _____
Mayor

Attest:

City Clerk

ATTACHMENT NO. A TO GRANT DEED

LEGAL DESCRIPTION

Real property in the City of Moreno Valley, County of Riverside, State of California, described as follows:

[To Come]

APN: _____

ATTACHMENT NO. B TO GRANT DEED

PLAT MAP

[To Come]

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

On _____, before me, _____, Notary Public,
(Print Name of Notary Public)

personally appeared _____,

- personally known to me
- or-
- proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Of Notary

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

Title(s)

- Partner(s) Limited
- Attorney-In-Fact General
- Trustee(s)
- Guardian/Conservator
- Other: _____

Title Or Type Of Document

Number Of Pages

Date Of Document

Signer(s) Other Than Named Above

Signer is representing:
Name Of Person(s) Or Entity(ies)

CERTIFICATE OF ACCEPTANCE

This is to certify that the fee interest in real property conveyed under the foregoing Grant Deed by the City of Moreno Valley as to the following property:

[To Come].

APN: _____

is hereby accepted by the Executive Director of the Community Redevelopment Agency of the City of Moreno Valley on behalf of the Agency Board pursuant to authority conferred by Resolution No. _____ of said Agency Board adopted on May __, 2005, and the Grantee consents to recordation thereof by its duly authorized officer.

**COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF MORENO VALLEY,**
a public body corporate and politic

Dated: _____, 2005

By: _____
Executive Director

ATTEST:

Agency Secretary

RESOLUTION NO. 2005-39**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PROVISION OF PUBLIC IMPROVEMENTS AND AUTHORIZING SUCH IMPROVEMENTS IN CONNECTION THEREWITH**

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (the "Agency") is a duly constituted redevelopment agency and is undertaking certain activities necessary for redevelopment under the provisions of the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.) and pursuant to the Redevelopment Plan (the "Plan") for the Moreno Valley Redevelopment Project, which is sometimes referred to as Project No. 1 (the "Project"); and

WHEREAS, from time to time in connection with the implementation of the Project, the Agency acquires interests in property; and

WHEREAS, the City desires to sell and, subject to the City's commitment to undertake certain improvements, the Agency desires to purchase certain real property described in Exhibit "1" to the Purchase Agreement submitted herewith as Attachment A (which real property is referred to below as the "Property"); and

WHEREAS, the improvements to be provided by the City on the Property (the "Improvements") are described in Exhibit "2" to the Purchase Agreement as submitted herewith as Attachment No. A; and

WHEREAS, it is a policy of the Agency to improve and provide public improvements which are of benefit to the Project and the project area thereof (the "Project Area"); and

WHEREAS, each of the City Council of the City of Moreno Valley and the governing board of the Agency has determined that the public health and safety will be promoted by the provision of the Improvements; and

WHEREAS, the Improvements are located in and would be of benefit to the Project Area; and

WHEREAS, the City and the Agency have proposed to and desire to enter into an agreement (the "Purchase and Sale Agreement") in the form submitted herewith; and

WHEREAS, without amending, limiting, or modifying any prior agreements between the City and the Agency ("Prior Agreements") and the ongoing effectiveness of such Prior Agreements, which shall remain in effect according to their terms for the greatest time legally allowable, the Agency and the City desire to approve the Purchase and Sale Agreement; and

WHEREAS, the Agency has the general purpose of redevelopment and the elimination of blight and the provision of public facilities as set forth in the Plan; and

WHEREAS, pursuant to Health and Safety Code Section 33445, the Agency is authorized, as provided in its redevelopment plan, to assist in the installation and construction of public improvements within the Project Area of the Project (the "Project Area"); and

WHEREAS, Section 33445 provides, in part, that notwithstanding Section 33440, an agency may, with the consent of the legislative body, pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvement which is publicly owned either within or without the project area, if the legislative body determines:

"(1) That the buildings, facilities, structures, or other improvements are of benefit to the project area or the immediate neighborhood in which the project is located, regardless of whether the improvement is within another project area, or in the case of a project area in which substantially all of the land is publicly owned that the improvement is of benefit to an adjacent project area of the agency.

(2) That no other reasonable means of financing the buildings, facilities, structures, or other improvements, are available to the community.

(3) That the payment of funds for the acquisition of land or the cost of buildings, facilities, structures, or other improvements will assist in the elimination of one or more blighting conditions inside the project area or provide housing for low- or moderate-income persons, and is consistent with the implementation plan adopted pursuant to Section 33490."; and

WHEREAS, the Agency desires to proceed to support the construction and provision of the Improvements by provision of the costs thereof as part of the purchase price for the Property; and

WHEREAS, the Agency and the City of Moreno Valley (the "City") have explored all possible funding sources for the Improvements, including federal, state, and local sources, and the efforts of private property owners and developers; and

WHEREAS, the City has sought to obtain from private property owners and developers resources to provide for provision of the Improvements; and

WHEREAS, there are no other reasonable means available to the Agency and the City to finance the Improvements other than Agency funds; and

WHEREAS, the Agency has reviewed evidence, including both oral testimony and writings, in connection with this matter, and has determined that the foregoing recitals, and each of them, are true and correct, and further has determined that the provision of the Improvements is in the best interests of the Agency and the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY DOES RESOLVE AS FOLLOWS:

Section 1. The City Council finds and determines that: (i) the provision of the Improvements is of benefit to the Project Area and the neighborhood in which such Improvements are to be situated; (ii) no other reasonable means of financing the Improvements are available to the community; (iii) the payment by Agency of funds for the Improvements will assist in the elimination of one or more blighting conditions within the Project Area and is consistent with the adopted

implementation plan; and (iv) the purchase price for the Property as set forth in the Purchase and Sale Agreement is fair and reasonable and represents the fair market value of the Property taking into account the value of the land and the cost of the Improvements.

Section 2. The City Council authorizes and directs the Mayor to execute on behalf of the City the Purchase and Sale Agreement. The City Council further authorizes and directs staff to take all actions necessary and appropriate to implement the participation by the City pursuant to the Purchase and Sale Agreement.

APPROVED AND ADOPTED this ____ day of _____, 2005.

By: _____
Mayor

ATTEST:

City Clerk

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)
CITY OF MORENO VALLEY)

I, _____, City Clerk of the City of Moreno Valley, do hereby certify that the foregoing Resolution No. ____ was introduced and adopted at a _____ meeting provided by law of the City Council of the City of Moreno Valley held on the _____ day of _____, 2005, by the following vote of the members thereof:

AYES: MEMBERS:
NOES: MEMBERS:
ABSENT: MEMBERS:
ABSTAIN: MEMBERS:

City Clerk

EXHIBIT 1

DESCRIPTION OF THE PROPERTY

THAT PORTION OF PARCEL 1, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, PER PARCEL MAP NO. 17864, FILED IN BOOK 129, PAGES 79 THROUGH 82 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID PARCEL 1; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 1 NORTH 00°06'28" WEST 224.03 FEET TO THE TRUE POINT OF BEGINNING; THENCE ALONG THE EASTERLY AND NORTHERLY LINES OF SAID PARCEL 1, THE FOLLOWING COURSES:

NORTH 00°06'28" WEST 422.46 FEET,
NORTH 45°43'39" WEST 32.88 FEET AND SOUTH 88°39'10" WEST 586.37 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 00°06'25" EAST 31.36 FEET;
THENCE SOUTH 89°36'50" WEST 26.26 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 11.80 FEET; THENCE SOUTHWESTERLY 18.67 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°39'46";
THENCE SOUTH 00°06'25" EAST 199.70 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 110.75 FEET; THENCE SOUTHEASTERLY 97.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 50°25'22" TO A POINT OF REVERSE CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 54.75 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF NORTH 39°28'13" EAST; THENCE SOUTHERLY 97.93 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 102°28'53" TO A POINT OF REVERSE CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 138.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF NORTH 38°02'54" WEST; THENCE SOUTHERLY 127.33 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 52°51'58" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 12.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 89°05'08" WEST; THENCE SOUTHEASTERLY 18.68 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°11'33" TO A POINT OF NON-TANGENCY, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 00°06'25" EAST;
THENCE SOUTH 90°00'00" EAST 37.06 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 90.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 81°02'56" WEST; THENCE NORTHEASTERLY AND EASTERLY 217.54 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 138°29'20" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 25.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 39°32'16" WEST; THENCE EASTERLY 30.39 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 69°38'44";
THENCE NORTH 59°53'32" EAST 31.46 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 55.00 FEET; THENCE EASTERLY 28.80 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°00'00";
THENCE NORTH 89°53'32" EAST 383.29 FEET TO THE TRUE POINT OF BEGINNING.

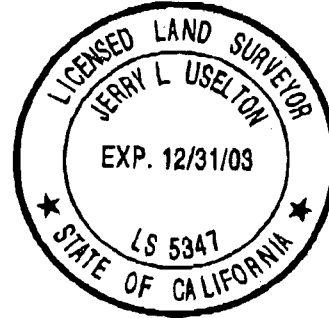
CONTAINING 283,977 SQUARE FEET, 6.519 ACRES MORE OR LESS.

M:\Mapping\630\01\Legals\63001 EX A.doc

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

DATED THIS _____ DAY OF _____, 2003.

JERRY L. USELTON, L.S. 5347, EXP. 12/31/03



PROPOSED RECREATION CENTER PLAT

LINE TABLE		
LINE	BEARING	LENGTH
L1	N00°06'28"W	224.02
L2	N00°06'28"W	422.46
L3	N45°43'39"W	32.88
L4	S88°39'10"W	586.37
L5	S00°06'25"E	31.36
L6	S89°36'50"W	26.26
L7	S00°06'25"E	199.70
L8	S90°00'00"E	37.06
L9	N59°53'32"E	31.46
L10	N89°53'32"E	383.29

CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	90°39'46"	11.80	18.67
C2	50°25'22"	110.75	97.46
C3	102°28'53"	54.75	97.93
C4	52°51'58"	138.00	127.33
C5	89°11'33"	12.00	18.68
C6	138°29'20"	90.00	217.54
C7	69°38'44"	25.00	30.39
C8	30°00'00"	55.00	28.80

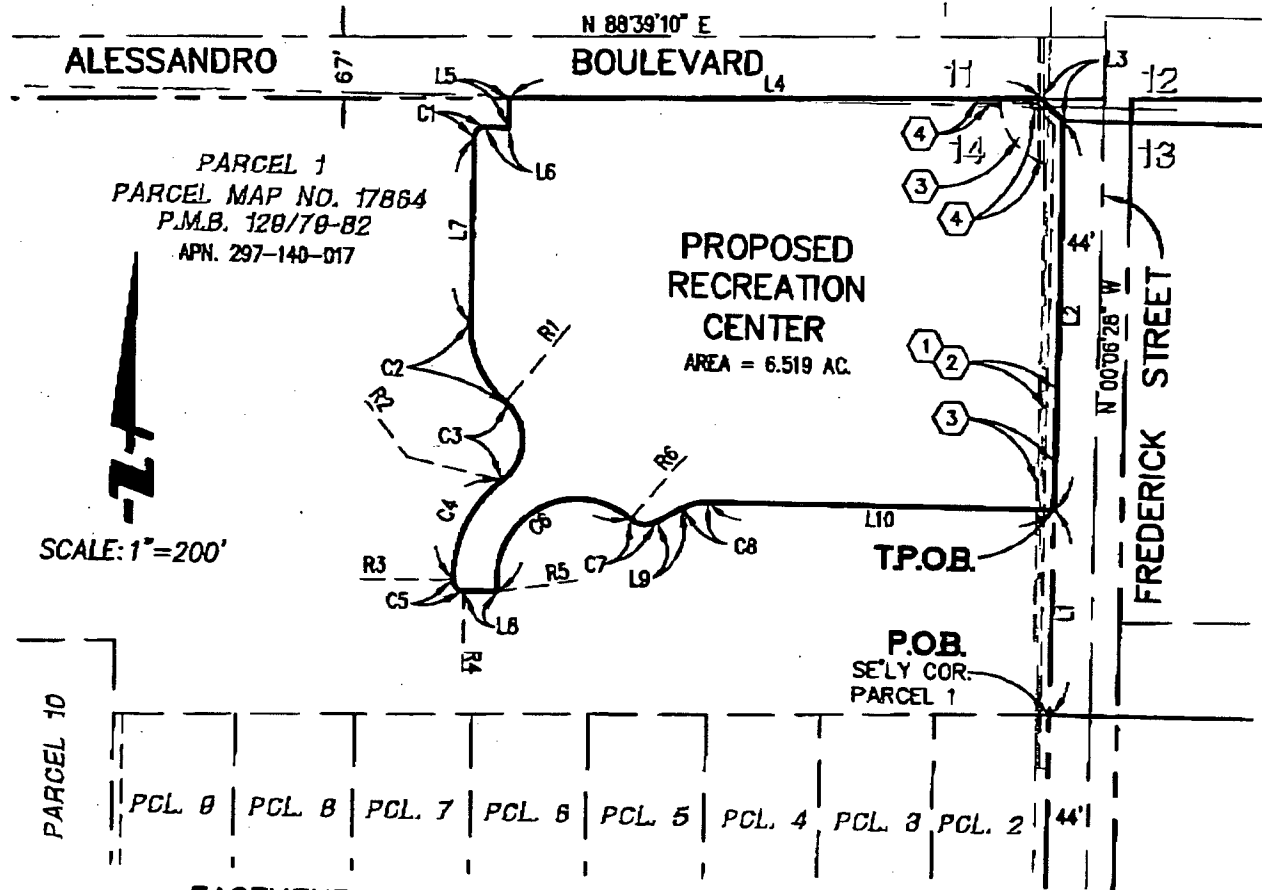
RADIAL	
RAD	TABLE BEARING
R1	N39°28'13"E
R2	N38°02'54"W
R3	S89°05'08"W
R4	S00°06'25"E
R5	S81°02'56"W
R6	S39°32'16"W

LEGEND

- RECORD LINES
- SECTION LINES
- PROPOSED PROPERTY LINE
- RIGHT OF WAY

PARCEL 1
 PARCEL MAP NO. 17864
 P.M.B. 128/79-82
 APN. 297-140-017

SCALE: 1"=200'



EASEMENT NOTES

- ① PER THE PARCEL MAP FILED IN PARCEL MAP BOOK 129/79-82, IN FAVOR OF PUBLIC, FOR DRAINAGE PER PM, NOTE: NEITHER DEDICATED NOR ACCEPTED PER SAID MAP.
- ② PER THE PARCEL MAP FILED IN PARCEL MAP BOOK 129/79-82, RECITAL ON MAP THAT DRAINAGE EASEMENTS TO BE KEPT CLEAR.
- ③ RECORDED ON 1/25/91, AS INSTRUMENT NUMBER 27209, IN FAVOR OF MORENO VALLEY COMMUNITY SERVICES DISTRICT, FOR LANDSCAPE CONST., AND MAINTENANCE
- ④ RECORDED ON 8/29/91, AS INSTRUMENT NUMBER 300398, IN FAVOR OF SCE, FOR ELECTRIC / COMMUNICATION SUPPLY

ATTACHMENT A

EXHIBIT "2"

IMPROVEMENTS

**MORENO VALLEY
CONFERENCE AND RECREATION CENTER**

LOCATION: 14075 Frederick Street, Moreno Valley

SIZE: Parcel Area: 6.519 acres (283,977 square feet)
Building Area: 42,413 square feet
(See attached site map)

AMENITIES: CELEBRATION FACILITY

Grand Ballroom w/Stage

8,181 sf
Banquet style seating to accommodate 400
Full kitchen
Stage w/ two dressing rooms
9' X 12' video/movie screen
Equipped with the latest video and sound technology

Outdoor Banquet Patio

10,800 sf patio fenced for privacy
Banquet style seating to accommodate 400

Reception Patio

4,400 sf patio fenced for privacy
Fire pit
Ideal for mixers, reception area,
Luncheon style seating to accommodate 100

Community Meeting Rooms

Combined meeting space 1,725 sf which can be divided into two separate meeting rooms

Meeting room "A" 851 sf

Meeting room "B" 874 sf

Arts and Crafts Room

880 sf
Counter tops and sinks for recreation classes

Child Care Room

While patrons treat themselves to the activities offered in the facility, child care services is a viable option to those who need that service.

RECREATION FACILITY

Gymnasium

11,000 sf
One full-size center court
Two full basketball cross-courts
Scoreboards
Bleachers
Multi-use court, which includes Volleyball

Aerobics and Dance Studio

1,680 sf
Wooden flooring
Mirrored walls
Dance barre

Fitness Facility

2,400 sf
Furnishings to be determined

Locker room Facilities

Showers in each locker room
24-day use lockers in each locker room

Recreation Administrative Offices

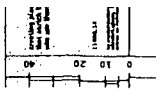
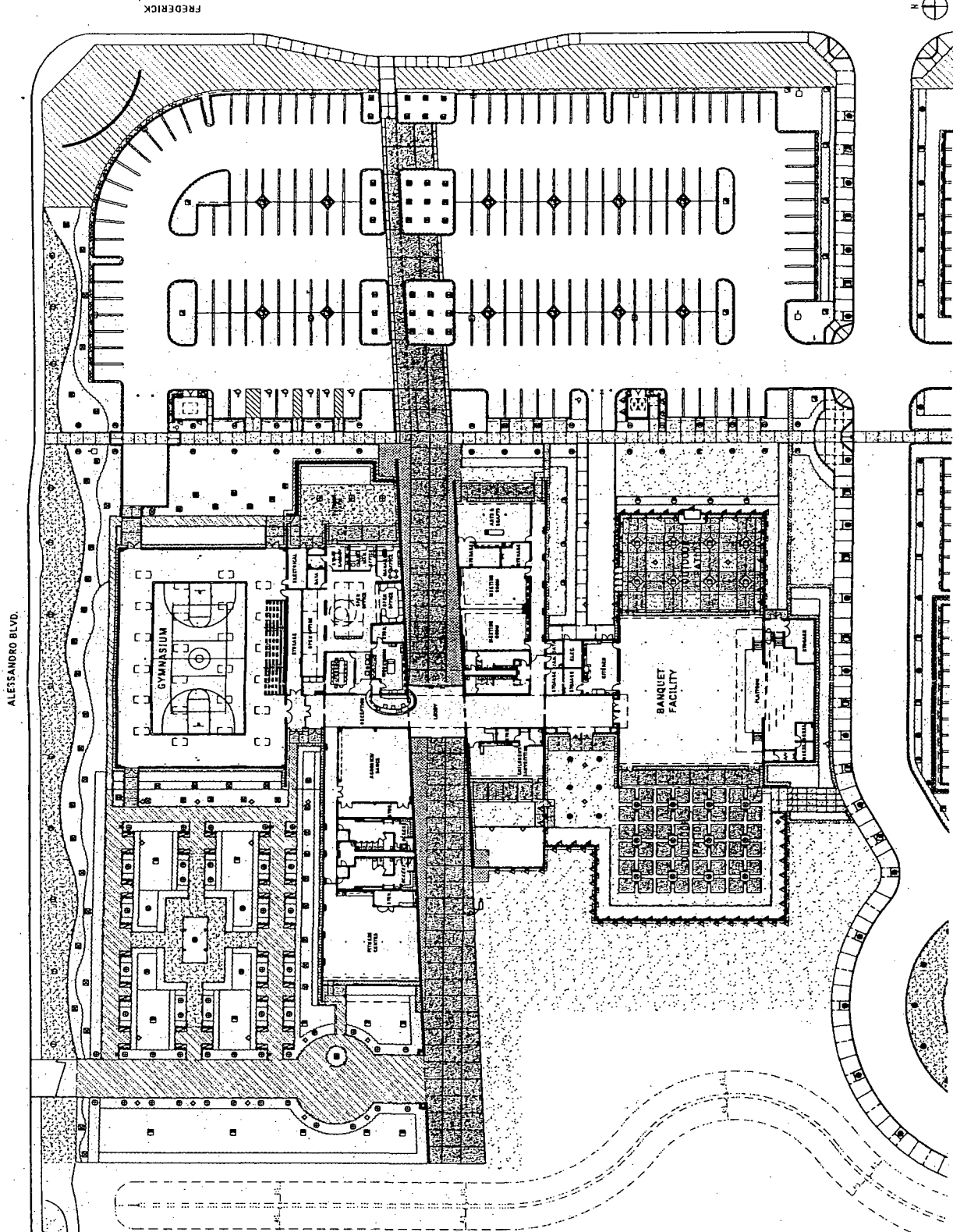
5,000 sf
Program registration counter
Staff offices and conference rooms

PARKING LOT

171 spaces located on western side of facility (does not include parking south of the facility)

PARK AREA

Located on the northwest section of the property, the park is approximately 14,000 sf and will have grass, shade trees, park benches and walkways.



CITY OF MORENO VALLEY
 MORENO VALLEY, CA

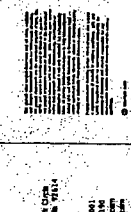
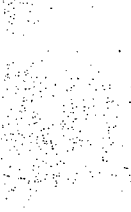
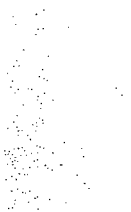


EXHIBIT "2"

IMPROVEMENTS SITE MAP

MORENO VALLEY
CONFERENCE AND RECREATION CENTER

DATE: 11/11/11
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 APPROVED BY: [Name]

11/11/11
 11/11/11
 11/11/11

LPA
 Landscape Architecture
 11111
 11111

EXHIBIT 3

Moreno Valley Conference And Recreation Center Purchase and Sale Agreement

Debt Service Schedule

INITIAL LOAN

	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012
Principal Balance	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946
Interest Due 12.00%	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474
D/S Payment 3.00%	250,000	257,500	265,225	273,182	281,377	289,819	298,513	307,468
Shortfall Accrued & Unpaid Interest	1,130,474	1,122,974	1,115,249	1,107,292	1,099,096	1,090,655	1,081,960	1,073,005
		1,130,474	2,253,447	3,368,696	4,475,987	5,575,084	6,665,739	7,747,699

	2005	2006	2007	2008	2009	2010	2011	2012
Annual Loan Payment	250,000	257,500	265,225	273,182	281,377	289,819	298,513	307,468

EXHIBIT 3

Moreno Valley Conference And Recreation Center Purchase and Sale Agreement

Debt Service Schedule

9 2013	10 2014	11 2015	12 2016	13 2017	14 2018	15 2019	16 2020	17 2021	18 2022	19 2023	20 2024
11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946
1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474
<u>316,693</u>	<u>326,193</u>	<u>335,979</u>	<u>346,058</u>	<u>356,440</u>	<u>367,133</u>	<u>378,147</u>	<u>389,492</u>	<u>401,177</u>	<u>413,212</u>	<u>425,608</u>	<u>438,377</u>
1,063,781	1,054,280	1,044,494	1,034,415	1,024,033	1,013,340	1,002,326	990,982	979,297	967,262	954,865	942,097
8,820,704	9,884,485	10,938,765	11,983,260	13,017,675	14,041,708	15,055,048	16,057,374	17,048,356	18,027,653	18,994,915	19,949,780
										Balloon Payment Due	\$ 31,453,726

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
316,693	326,193	335,979	346,058	356,440	367,133	378,147	389,492	401,177	413,212	425,608	438,377

EXHIBIT "4"

GRANT DEED

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Community Redevelopment Agency of the City of Moreno Valley
14177 Frederick Street
Moreno Valley, CA 92552-0805

Attn: Executive Director

APN: _____

[Space above for recorder.]

Exempt from recording fee and documentary transfer tax pursuant to Government Code Section 27283.

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the City of Moreno Valley (the "Grantor"), hereby grants to the Community Redevelopment Agency of the City of Moreno Valley, a public body corporate and politic, that certain real property located in the County of Riverside, State of California, more particularly described on Attachment A and as illustrated on the plat shown on Attachment B attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of _____, 2005.

CITY OF MORENO VALLEY, a municipal corporation

By: _____
Mayor

Attest:

City Clerk

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 1, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, PER PARCEL MAP NO. 17864, FILED IN BOOK 129, PAGES 79 THROUGH 82 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID PARCEL 1; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 1 NORTH 00°06'28" WEST 224.03 FEET TO THE TRUE POINT OF BEGINNING; THENCE ALONG THE EASTERLY AND NORTHERLY LINES OF SAID PARCEL 1, THE FOLLOWING COURSES:

NORTH 00°06'28" WEST 422.46 FEET,
NORTH 45°43'39" WEST 32.88 FEET AND SOUTH 88°39'10" WEST 586.37 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 00°06'25" EAST 31.36 FEET;
THENCE SOUTH 89°36'50" WEST 26.26 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 11.80 FEET; THENCE SOUTHWESTERLY 18.67 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°39'46";
THENCE SOUTH 00°06'25" EAST 199.70 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 110.75 FEET; THENCE SOUTHEASTERLY 97.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 50°25'22" TO A POINT OF REVERSE CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 54.75 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF NORTH 39°28'13" EAST; THENCE SOUTHERLY 97.93 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 102°28'53" TO A POINT OF REVERSE CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 138.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF NORTH 38°02'54" WEST; THENCE SOUTHERLY 127.33 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 52°51'58" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 12.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 89°05'08" WEST; THENCE SOUTHEASTERLY 18.68 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°11'33" TO A POINT OF NON-TANGENCY, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 00°06'25" EAST;
THENCE SOUTH 90°00'00" EAST 37.06 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 90.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 81°02'56" WEST; THENCE NORTHEASTERLY AND EASTERLY 217.54 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 138°29'20" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 25.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 39°32'16" WEST; THENCE EASTERLY 30.39 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 69°38'44";
THENCE NORTH 59°53'32" EAST 31.46 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 55.00 FEET; THENCE EASTERLY 28.80 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°00'00";
THENCE NORTH 89°53'32" EAST 383.29 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 283,977 SQUARE FEET, 6.519 ACRES MORE OR LESS.

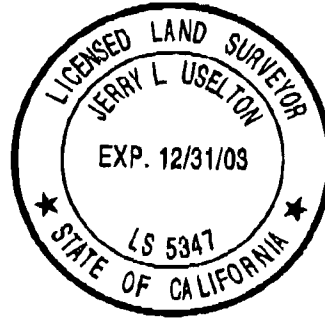
ATTACHMENT A TO GRANT DEED

LEGAL DESCRIPTION

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

DATED THIS ____ DAY OF _____, 2003.

JERRY L. USELTON, L.S. 5347, EXP. 12/31/03



PROPOSED RECREATION CENTER PLAT

LINE TABLE		
LINE	BEARING	LENGTH
L1	N00°06'28"W	224.02
L2	N00°06'28"W	422.46
L3	N45°43'39"W	32.88
L4	S88°39'10"W	586.37
L5	S00°06'25"E	31.36
L6	S89°36'50"W	26.26
L7	S00°06'25"E	199.70
L8	S90°00'00"E	37.06
L9	N59°53'32"E	31.46
L10	N89°53'32"E	383.29

CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	90°39'46"	11.80	18.67
C2	50°25'22"	110.75	97.46
C3	102°28'53"	54.75	97.93
C4	52°51'58"	138.00	127.33
C5	89°11'33"	12.00	18.68
C6	138°29'20"	90.00	217.54
C7	69°38'44"	25.00	30.39
C8	30°00'00"	55.00	28.80

RADIAL	
RAD	BEARING
R1	N39°28'13"E
R2	N38°02'54"W
R3	S89°05'08"W
R4	S00°06'25"E
R5	S81°02'56"W
R6	S39°32'16"W

LEGEND

- RECORD LINES
- SECTION LINES
- PROPOSED PROPERTY LINE
- RIGHT OF WAY

EASEMENT NOTES

- ① PER THE PARCEL MAP FILED IN PARCEL MAP BOOK 129/79-82, IN FAVOR OF PUBLIC, FOR DRAINAGE PER PM, NOTE: NEITHER DEDICATED NOR ACCEPTED PER SAID MAP.
- ② PER THE PARCEL MAP FILED IN PARCEL MAP BOOK 129/79-82, RECITAL ON MAP THAT DRAINAGE EASEMENTS TO BE KEPT CLEAR.
- ③ RECORDED ON 1/25/91, AS INSTRUMENT NUMBER 27209, IN FAVOR OF MORENO VALLEY COMMUNITY SERVICES DISTRICT, FOR LANDSCAPE CONST., AND MAINTENANCE
- ④ RECORDED ON 8/29/91, AS INSTRUMENT NUMBER 300398, IN FAVOR OF SCE, FOR ELECTRIC / COMMUNICATION SUPPLY

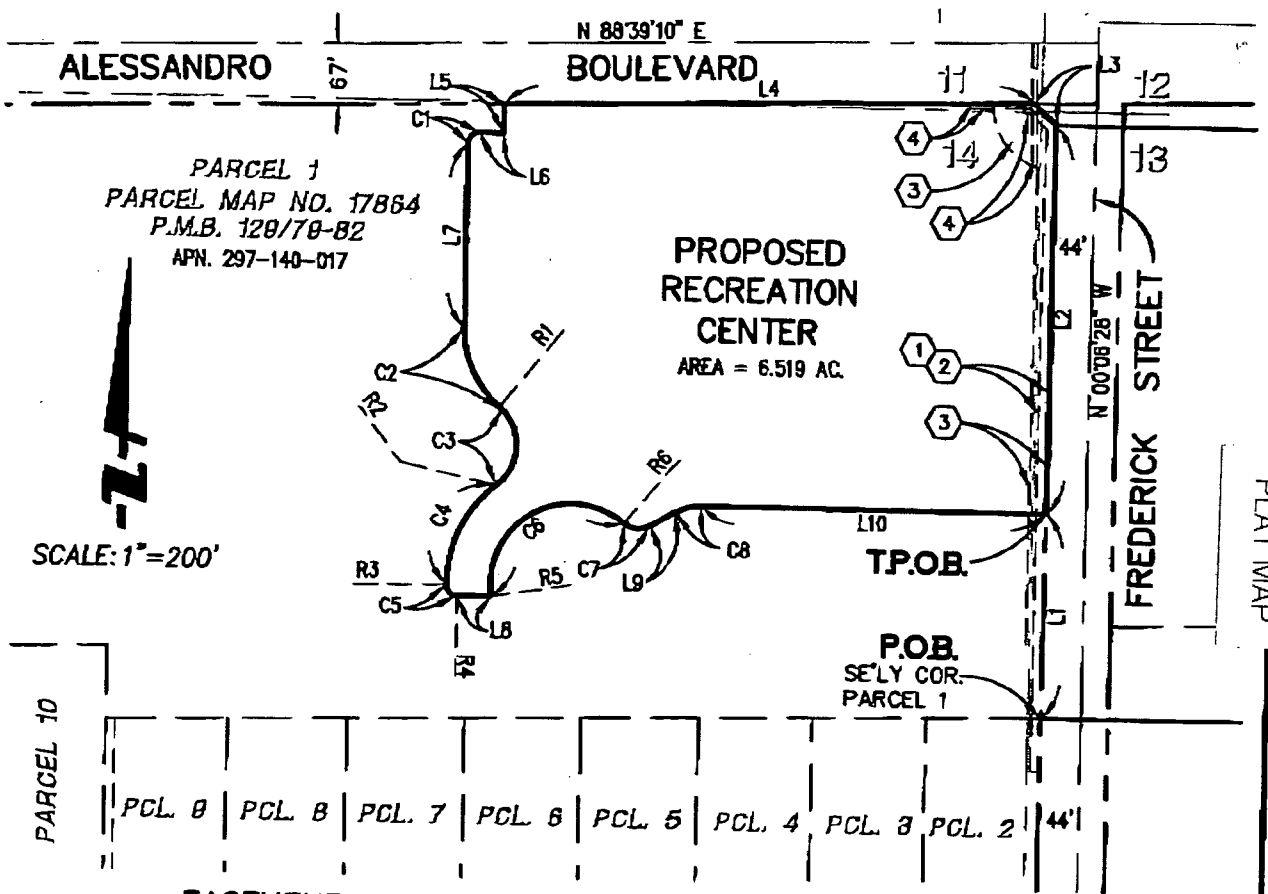


EXHIBIT 4-PAGE 3

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

On _____, before me, _____, Notary Public,
(Print Name of Notary Public)

personally appeared _____,

personally known to me

-or-

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Of Notary

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

Title(s)

Title Or Type Of Document

- Partner(s) Limited
- General

- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other:

Number Of Pages

Signer is representing:
Name Of Person(s) Or Entity(ies)

Date Of Document

Signer(s) Other Than Named Above

CERTIFICATE OF ACCEPTANCE

This is to certify that the fee interest in real property conveyed under the foregoing Grant Deed by the City of Moreno Valley as to the following property:

[To Come].

APN: _____

is hereby accepted by the Executive Director of the Community Redevelopment Agency of the City of Moreno Valley on behalf of the Agency Board pursuant to authority conferred by Resolution No. _____ of said Agency Board adopted on May __, 2005, and the Grantee consents to recordation thereof by its duly authorized officer.

**COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF MORENO VALLEY,**
a public body corporate and politic

Dated: _____, 2005

By: _____
Executive Director

ATTEST:

Agency Secretary

RESOLUTION NO. RDA 2005-04**A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH THE CITY OF MORENO VALLEY AND MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PROVISION OF PUBLIC IMPROVEMENTS AND AUTHORIZING SUCH IMPROVEMENTS IN CONNECTION THEREWITH**

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (the "Agency") is a duly constituted redevelopment agency and is undertaking certain activities necessary for redevelopment under the provisions of the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.) and pursuant to the Redevelopment Plan (the "Plan") for the Moreno Valley Redevelopment Project, which is sometimes referred to as Project No. 1 (the "Project"); and

WHEREAS, from time to time in connection with the implementation of the Project, the Agency acquires interests in property; and

WHEREAS, the City desires to sell and, subject to the City's commitment to undertake certain improvements, the Agency desires to purchase certain real property described in Exhibit "1" to the Purchase Agreement submitted herewith as Attachment A (which real property is referred to below as the "Property"); and

WHEREAS, the improvements to be provided by the City on the Property (the "Improvements") are described in Exhibit "2" to the Purchase Agreement as submitted herewith as Attachment No. A; and

WHEREAS, it is a policy of the Agency to improve and provide public improvements which are of benefit to the Project and the project area thereof (the "Project Area"); and

WHEREAS, each of the City Council of the City of Moreno Valley and the governing board of the Agency has determined that the public health and safety will be promoted by the provision of the Improvements; and

WHEREAS, the Improvements are located in and would be of benefit to the Project Area; and

WHEREAS, the City and the Agency have proposed to and desire to enter into an agreement (the "Purchase and Sale Agreement") in the form submitted herewith; and

WHEREAS, without amending, limiting, or modifying any prior agreements between the City and the Agency ("Prior Agreements") and the ongoing effectiveness of such Prior Agreements, which shall remain in effect according to their terms for the greatest time legally allowable, the Agency and the City desire to approve the Purchase and Sale Agreement; and

WHEREAS, the Agency has the general purpose of redevelopment and the elimination of blight and the provision of public facilities as set forth in the Plan; and

WHEREAS, pursuant to Health and Safety Code Section 33445, the Agency is authorized, as provided in its redevelopment plan, to assist in the installation and construction of public improvements within the Project Area of the Project (the "Project Area"); and

WHEREAS, Section 33445 provides, in part, that notwithstanding Section 33440, an agency may, with the consent of the legislative body, pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvement which is publicly owned either within or without the project area, if the legislative body determines:

"(1) That the buildings, facilities, structures, or other improvements are of benefit to the project area or the immediate neighborhood in which the project is located, regardless of whether the improvement is within another project area, or in the case of a project area in which substantially all of the land is publicly owned that the improvement is of benefit to an adjacent project area of the agency.

(2) That no other reasonable means of financing the buildings, facilities, structures, or other improvements, are available to the community.

(3) That the payment of funds for the acquisition of land or the cost of buildings, facilities, structures, or other improvements will assist in the elimination of one or more blighting conditions inside the project area or provide housing for low- or moderate-income persons, and is consistent with the implementation plan adopted pursuant to Section 33490."; and

WHEREAS, the Agency desires to proceed to support the construction and provision of the Improvements by provision of the costs thereof as part of the purchase price for the Property; and

WHEREAS, the Agency and the City of Moreno Valley (the "City") have explored all possible funding sources for the Improvements, including federal, state, and local sources, and the efforts of private property owners and developers; and

WHEREAS, the City has sought to obtain from private property owners and developers resources to provide for provision of the Improvements; and

WHEREAS, there are no other reasonable means available to the Agency and the City to finance the Improvements other than Agency funds; and

WHEREAS, the Agency has reviewed evidence, including both oral testimony and writings, in connection with this matter, and has determined that the foregoing recitals, and each of them, are true and correct, and further has determined that the provision of the Improvements is in the best interests of the Agency and the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law requirements.

NOW, THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY DOES RESOLVE AS FOLLOWS:

Section 1. The Agency finds and determines that: (i) the provision of the Improvements is of benefit to the Project Area and the neighborhood in which such Improvements are to be situated; (ii) no other reasonable means of financing the Improvements are available to the community; (iii) the payment by Agency of funds for the Improvements will assist in the elimination of one or more blighting conditions within the Project Area and is consistent with the adopted implementation plan;

and (iv) the purchase price for the Property as set forth in the Purchase and Sale Agreement is fair and reasonable and represents the fair market value of the Property taking into account the value of the land and the cost of the Improvements.

Section 2. The Agency authorizes and directs the Chairperson to execute on behalf of the Agency the Purchase and Sale Agreement. The Agency further authorizes and directs staff to take all actions necessary and appropriate to implement the participation by the Agency pursuant to the Purchase and Sale Agreement, including without limitation the payment of the "City/Agency Price" (as defined in the Purchase and Sale Agreement) and the execution of a deed acceptance for the Property.

APPROVED AND ADOPTED this ____ day of _____, 2005.

By: _____
Chairperson

ATTEST:

Agency Secretary

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)
CITY OF MORENO VALLEY)

I, _____, Secretary of the Community Redevelopment Agency of the City of Moreno Valley, do hereby certify that the foregoing Resolution No. ____ was introduced and adopted at a _____ meeting provided by law of the Community Redevelopment Agency of the City of Moreno Valley held on the _____ day of _____, 2005, by the following vote of the members thereof:

AYES: MEMBERS:

NOES: MEMBERS:

ABSENT: MEMBERS:

ABSTAIN: MEMBERS:

Agency Secretary

EXHIBIT 1

DESCRIPTION OF THE PROPERTY

THAT PORTION OF PARCEL 1, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, PER PARCEL MAP NO. 17864, FILED IN BOOK 129, PAGES 79 THROUGH 82 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID PARCEL 1; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 1 NORTH 00°06'28" WEST 224.03 FEET TO THE TRUE POINT OF BEGINNING; THENCE ALONG THE EASTERLY AND NORTHERLY LINES OF SAID PARCEL 1, THE FOLLOWING COURSES:

NORTH 00°06'28" WEST 422.46 FEET,
NORTH 45°43'39" WEST 32.88 FEET AND SOUTH 88°39'10" WEST 586.37 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 00°06'25" EAST 31.36 FEET;
THENCE SOUTH 89°36'50" WEST 26.26 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 11.80 FEET; THENCE SOUTHWESTERLY 18.67 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°39'46";
THENCE SOUTH 00°06'25" EAST 199.70 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 110.75 FEET; THENCE SOUTHEASTERLY 97.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 50°25'22" TO A POINT OF REVERSE CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 54.75 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF NORTH 39°28'13" EAST; THENCE SOUTHERLY 97.93 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 102°28'53" TO A POINT OF REVERSE CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 138.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF NORTH 38°02'54" WEST; THENCE SOUTHERLY 127.33 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 52°51'58" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 12.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 89°05'08" WEST; THENCE SOUTHEASTERLY 18.68 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°11'33" TO A POINT OF NON-TANGENCY, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 00°06'25" EAST;
THENCE SOUTH 90°00'00" EAST 37.06 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 90.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 81°02'56" WEST; THENCE NORTHEASTERLY AND EASTERLY 217.54 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 138°29'20" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 25.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 39°32'16" WEST; THENCE EASTERLY 30.39 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 69°38'44";
THENCE NORTH 59°53'32" EAST 31.46 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 55.00 FEET; THENCE EASTERLY 28.80 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°00'00";
THENCE NORTH 89°53'32" EAST 383.29 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 283,977 SQUARE FEET, 6.519 ACRES MORE OR LESS.

M:\Mapping\630\01\Legals\63001 EX A.doc

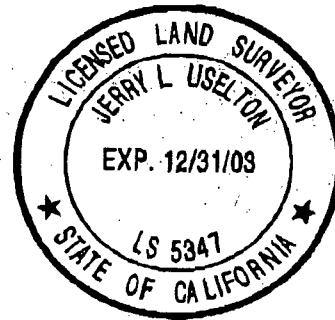
EXHIBIT 1

PAGE 1 OF 3

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

DATED THIS _____ DAY OF _____, 2003.

JERRY L. USELTON, L.S. 5347, EXP. 12/31/03



PROPOSED RECREATION CENTER PLAT

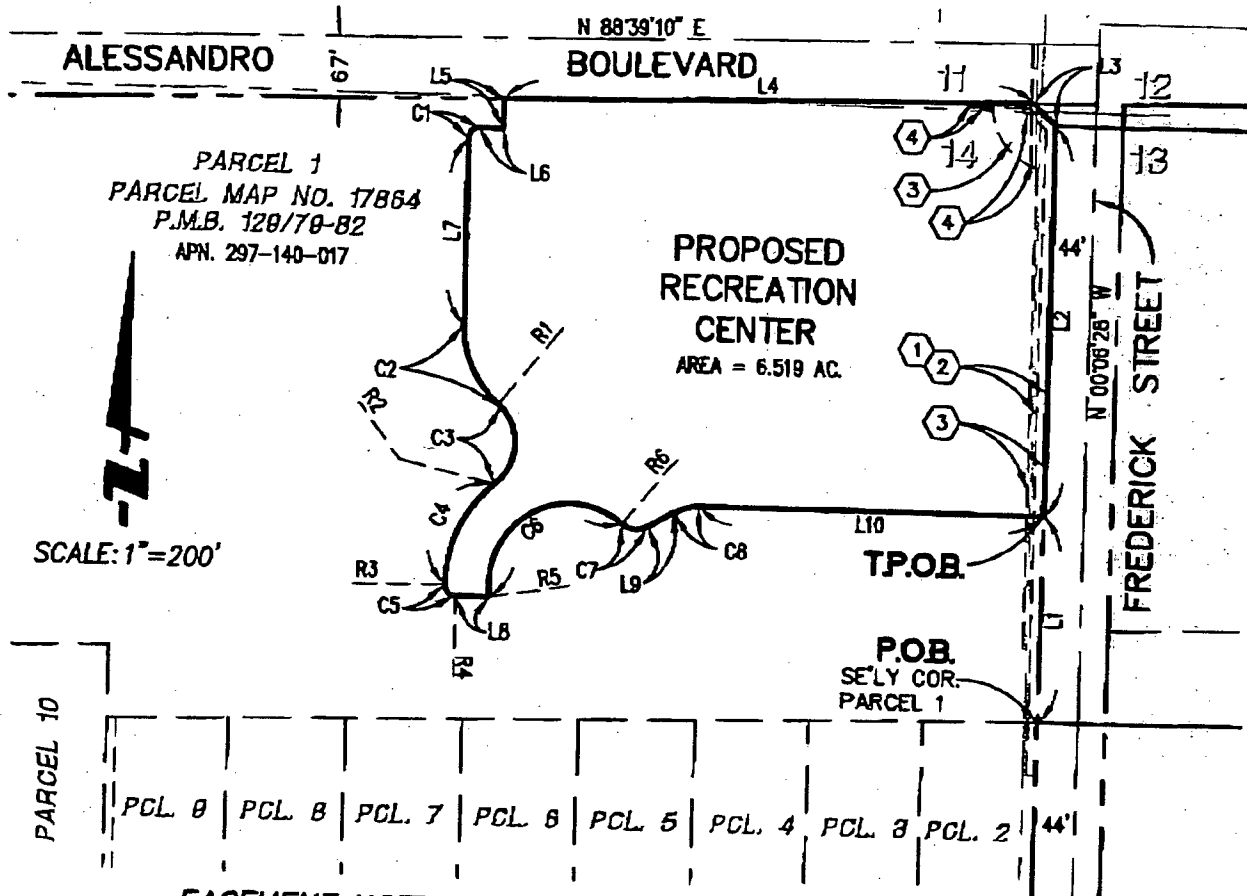
LINE TABLE		
LINE	BEARING	LENGTH
L1	N00°06'28"W	224.02
L2	N00°06'28"W	422.46
L3	N45°43'39"W	32.88
L4	S88°39'10"W	586.37
L5	S00°06'25"E	31.36
L6	S89°36'50"W	26.26
L7	S00°06'25"E	199.70
L8	S90°00'00"E	37.06
L9	N59°53'32"E	31.46
L10	N89°53'32"E	383.29

CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	90°39'46"	11.80	18.67
C2	50°25'22"	110.75	97.46
C3	102°28'53"	54.75	97.93
C4	52°51'58"	138.00	127.33
C5	89°11'33"	12.00	18.68
C6	138°29'20"	90.00	217.54
C7	69°38'44"	25.00	30.39
C8	30°00'00"	55.00	28.80

RADIAL TABLE	
RAD	BEARING
R1	N39°28'13"E
R2	N38°02'54"W
R3	S89°05'08"W
R4	S00°06'25"E
R5	S81°02'56"W
R6	S39°32'16"W

LEGEND

- RECORD LINES
- - - SECTION LINES
- PROPOSED PROPERTY LINE
- - - RIGHT OF WAY



EASEMENT NOTES

- ① PER THE PARCEL MAP FILED IN PARCEL MAP BOOK 129/79-82, IN FAVOR OF PUBLIC, FOR DRAINAGE PER PM, NOTE: NEITHER DEDICATED NOR ACCEPTED PER SAID MAP.
- ② PER THE PARCEL MAP FILED IN PARCEL MAP BOOK 129/79-82, RECITAL ON MAP THAT DRAINAGE EASEMENTS TO BE KEPT CLEAR.
- ③ RECORDED ON 1/25/91, AS INSTRUMENT NUMBER 27209, IN FAVOR OF MORENO VALLEY COMMUNITY SERVICES DISTRICT, FOR LANDSCAPE CONST., AND MAINTENANCE
- ④ RECORDED ON 8/29/91, AS INSTRUMENT NUMBER 300398, IN FAVOR OF SCE, FOR ELECTRIC / COMMUNICATION SUPPLY

ATTACHMENT A

EXHIBIT "2"

IMPROVEMENTS

**MORENO VALLEY
CONFERENCE AND RECREATION CENTER**

LOCATION: 14075 Frederick Street, Moreno Valley

SIZE: Parcel Area: 6.519 acres (283,977 square feet)
Building Area: 42,413 square feet
(See attached site map)

AMENITIES: **CELEBRATION FACILITY**

Grand Ballroom w/Stage

8,181 sf
Banquet style seating to accommodate 400
Full kitchen
Stage w/ two dressing rooms
9' X 12' video/movie screen
Equipped with the latest video and sound technology

Outdoor Banquet Patio

10,800 sf patio fenced for privacy
Banquet style seating to accommodate 400

Reception Patio

4,400 sf patio fenced for privacy
Fire pit
Ideal for mixers, reception area,
Luncheon style seating to accommodate 100

Community Meeting Rooms

Combined meeting space 1,725 sf which can be divided into two separate meeting rooms

Meeting room "A" 851 sf

Meeting room "B" 874 sf

Arts and Crafts Room

880 sf
Counter tops and sinks for recreation classes

Child Care Room

While patrons treat themselves to the activities offered in the facility, child care services is a viable option to those who need that service.

RECREATION FACILITY

Gymnasium

11,000 sf
One full-size center court
Two full basketball cross-courts
Scoreboards
Bleachers
Multi-use court, which includes Volleyball

Aerobics and Dance Studio

1,680 sf
Wooden flooring
Mirrored walls
Dance barre

Fitness Facility

2,400 sf
Furnishings to be determined

Locker room Facilities

Showers in each locker room
24-day use lockers in each locker room

Recreation Administrative Offices

5,000 sf
Program registration counter
Staff offices and conference rooms

PARKING LOT

171 spaces located on western side of facility (does not include parking south of the facility)

PARK AREA

Located on the northwest section of the property, the park is approximately 14,000 sf and will have grass, shade trees, park benches and walkways.

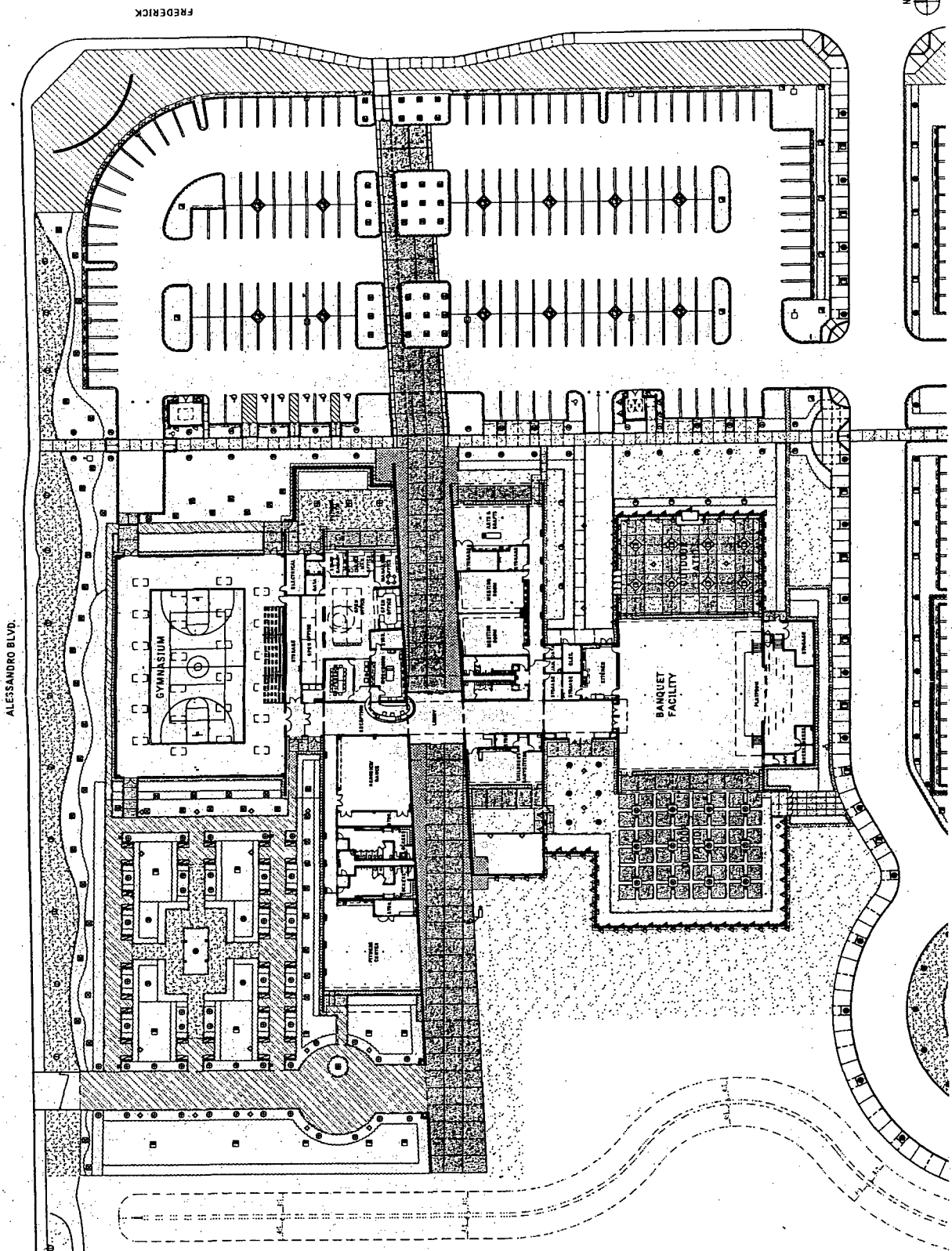
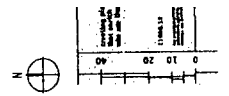


EXHIBIT "2"

IMPROVEMENTS SITE MAP

MORENO VALLEY
CONFERENCE AND RECREATION CENTER



SPORTS AND RECREATION CENTER
CITY OF MORENO VALLEY
MORENO VALLEY, CA

17400 1/2 PINE CREEK
PINE CREEK, CALIFORNIA 92514
(951) 240-0001
FAX (951) 240-1100
WWW.LPA-ARCHITECTS.COM

LPA
Landscape Architecture
Architects
Planners
Engineers

EXHIBIT 3

**Moreno Valley
Conference And Recreation Center
Purchase and Sale Agreement**

Debt Service Schedule

INITIAL LOAN

	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012
Principal Balance	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946
Interest Due 12.00%	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474
D/S Payment 3.00%	250,000	257,500	265,225	273,182	281,377	289,819	298,513	307,468
Shortfall	1,130,474	1,122,974	1,115,249	1,107,292	1,099,096	1,090,655	1,081,960	1,073,005
Accrued & Unpaid Interest		1,130,474	2,253,447	3,368,696	4,475,987	5,575,084	6,665,739	7,747,699

	2005	2006	2007	2008	2009	2010	2011	2012
Annual Loan Payment	250,000	257,500	265,225	273,182	281,377	289,819	298,513	307,468

EXHIBIT 3

**Moreno Valley
Conference And Recreation Center
Purchase and Sale Agreement**

Debt Service Schedule

9 2013	10 2014	11 2015	12 2016	13 2017	14 2018	15 2019	16 2020	17 2021	18 2022	19 2023	20 2024
11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946	11,503,946
1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474	1,380,474
<u>316,693</u>	<u>326,193</u>	<u>335,979</u>	<u>346,058</u>	<u>356,440</u>	<u>367,133</u>	<u>378,147</u>	<u>389,492</u>	<u>401,177</u>	<u>413,212</u>	<u>425,608</u>	<u>438,377</u>
1,063,781	1,054,280	1,044,494	1,034,415	1,024,033	1,013,340	1,002,326	990,982	979,297	967,262	954,865	942,097
8,820,704	9,884,485	10,938,765	11,983,260	13,017,675	14,041,708	15,055,048	16,057,374	17,048,356	18,027,653	18,994,915	19,949,780
										Balloon Payment Due	\$ 31,453,726

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
316,693	326,193	335,979	346,058	356,440	367,133	378,147	389,492	401,177	413,212	425,608	438,377

EXHIBIT "4"

GRANT DEED

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Community Redevelopment Agency of the City of Moreno Valley
14177 Frederick Street
Moreno Valley, CA 92552-0805

Attn: Executive Director

APN: _____

[Space above for recorder.]

Exempt from recording fee and documentary transfer tax pursuant to Government Code Section 27283.

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the City of Moreno Valley (the "Grantor"), hereby grants to the Community Redevelopment Agency of the City of Moreno Valley, a public body corporate and politic, that certain real property located in the County of Riverside, State of California, more particularly described on Attachment A and as illustrated on the plat shown on Attachment B attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of _____, 2005.

CITY OF MORENO VALLEY, a municipal corporation

By: _____
Mayor

Attest:

City Clerk

LEGAL DESCRIPTION.

THAT PORTION OF PARCEL 1, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, PER PARCEL MAP NO. 17864, FILED IN BOOK 129, PAGES 79 THROUGH 82 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID PARCEL 1; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 1 NORTH 00°06'28" WEST 224.03 FEET TO THE TRUE POINT OF BEGINNING; THENCE ALONG THE EASTERLY AND NORTHERLY LINES OF SAID PARCEL 1, THE FOLLOWING COURSES:

NORTH 00°06'28" WEST 422.46 FEET,

NORTH 45°43'39" WEST 32.88 FEET AND SOUTH 88°39'10" WEST 586.37 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 00°06'25" EAST 31.36 FEET;
 THENCE SOUTH 89°36'50" WEST 26.26 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 11.80 FEET; THENCE SOUTHWESTERLY 18.67 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°39'46";
 THENCE SOUTH 00°06'25" EAST 199.70 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 110.75 FEET; THENCE SOUTHEASTERLY 97.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 50°25'22" TO A POINT OF REVERSE CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 54.75 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF NORTH 39°28'13" EAST; THENCE SOUTHERLY 97.93 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 102°28'53" TO A POINT OF REVERSE CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 138.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF NORTH 38°02'54" WEST; THENCE SOUTHERLY 127.33 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 52°51'58" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 12.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 89°05'08" WEST; THENCE SOUTHEASTERLY 18.68 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°11'33" TO A POINT OF NON-TANGENCY, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 00°06'25" EAST;
 THENCE SOUTH 90°00'00" EAST 37.06 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 90.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 81°02'56" WEST; THENCE NORTHEASTERLY AND EASTERLY 217.54 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 138°29'20" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 25.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 39°32'16" WEST; THENCE EASTERLY 30.39 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 69°38'44";
 THENCE NORTH 59°53'32" EAST 31.46 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 55.00 FEET; THENCE EASTERLY 28.80 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°00'00";
 THENCE NORTH 89°53'32" EAST 383.29 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 283,977 SQUARE FEET, 6.519 ACRES MORE OR LESS.

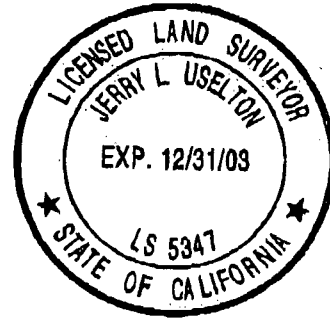
ATTACHMENT A TO GRANT DEED

LEGAL DESCRIPTION

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

DATED THIS ____ DAY OF _____, 2003.

JERRY L. USELTON, L.S. 5347, EXP. 12/31/03



LINE TABLE		
LINE	BEARING	LENGTH
L1	N00°06'28"W	224.02
L2	N00°06'28"W	422.46
L3	N45°43'39"W	32.88
L4	S88°39'10"W	586.37
L5	S00°06'25"E	31.36
L6	S89°36'50"W	26.26
L7	S00°06'25"E	199.70
L8	S90°00'00"E	37.06
L9	N59°53'32"E	31.46
L10	N89°53'32"E	383.29

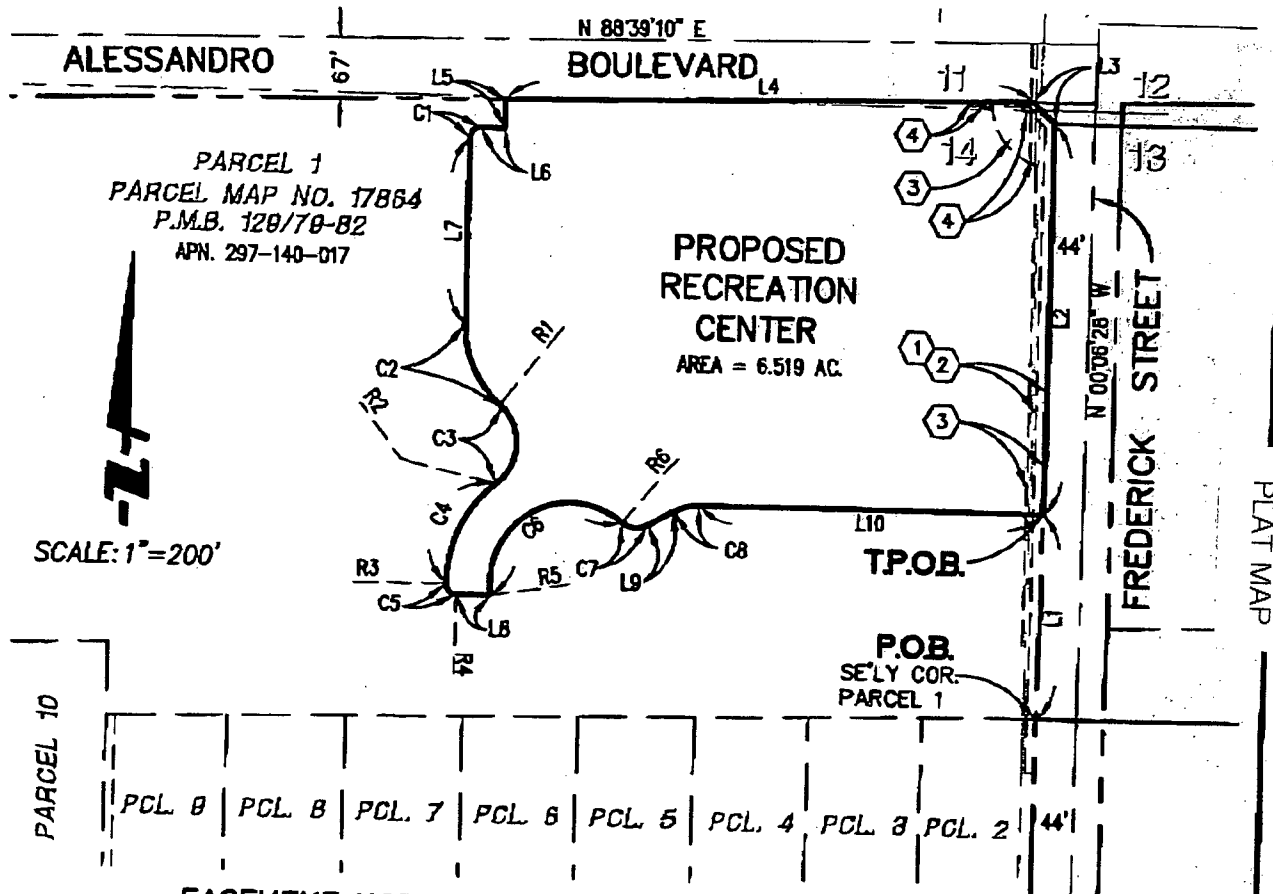
CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	90°39'46"	11.80	18.67
C2	50°25'22"	110.75	97.46
C3	102°28'53"	54.75	97.93
C4	52°51'58"	138.00	127.33
C5	89°11'33"	12.00	18.68
C6	138°29'20"	90.00	217.54
C7	69°38'44"	25.00	30.39
C8	30°00'00"	55.00	28.80

RADIAL	
RAD	BEARING
R1	N39°28'13"E
R2	N38°02'54"W
R3	S89°05'08"W
R4	S00°06'25"E
R5	S81°02'56"W
R6	S39°32'16"W

LEGEND

- — — — RECORD LINES
- - - - SECTION LINES
- PROPOSED PROPERTY LINE
- - - - RIGHT OF WAY

PROPOSED RECREATION CENTER PLAT



SCALE: 1"=200'

EASEMENT NOTES

- ① PER THE PARCEL MAP FILED IN PARCEL MAP BOOK 129/79-82, IN FAVOR OF PUBLIC, FOR DRAINAGE PER PM, NOTE: NEITHER DEDICATED NOR ACCEPTED PER SAID MAP.
- ② PER THE PARCEL MAP FILED IN PARCEL MAP BOOK 129/79-82, RECITAL ON MAP THAT DRAINAGE EASEMENTS TO BE KEPT CLEAR.
- ③ RECORDED ON 1/25/91, AS INSTRUMENT NUMBER 27209, IN FAVOR OF MORENO VALLEY COMMUNITY SERVICES DISTRICT, FOR LANDSCAPE CONST., AND MAINTENANCE
- ④ RECORDED ON 8/29/91, AS INSTRUMENT NUMBER 300398, IN FAVOR OF SCE, FOR ELECTRIC / COMMUNICATION SUPPLY

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

On _____, before me, _____, Notary Public,
(Print Name of Notary Public)

personally appeared _____,

- personally known to me
- or-
- proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Of Notary

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- Individual
- Corporate Officer

Title(s)

- Partner(s) Limited
- Attorney-In-Fact General
- Trustee(s)
- Guardian/Conservator
- Other: _____

Signer is representing:
Name Of Person(s) Or Entity(ies)

DESCRIPTION OF ATTACHED DOCUMENT

Title Or Type Of Document

Number Of Pages

Date Of Document

Signer(s) Other Than Named Above

CERTIFICATE OF ACCEPTANCE

This is to certify that the fee interest in real property conveyed under the foregoing Grant Deed by the City of Moreno Valley as to the following property:

[To Come].

APN: _____

is hereby accepted by the Executive Director of the Community Redevelopment Agency of the City of Moreno Valley on behalf of the Agency Board pursuant to authority conferred by Resolution No. _____ of said Agency Board adopted on May __, 2005, and the Grantee consents to recordation thereof by its duly authorized officer.

**COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF MORENO VALLEY,**
a public body corporate and politic

Dated: _____, 2005

By: _____
Executive Director

ATTEST:

Agency Secretary

CITY CLERK
MORENO VALLEY
RECEIVED

05 JUL 27 PM 1:26

GRANT DEED

DOC # 2005-0557184

07/12/2005 08:00A Fee:NC

Page 1 of 6

Recorded in Official Records

County of Riverside

Larry W. Ward

Assessor, County Clerk & Recorder



RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

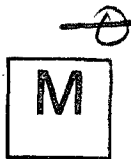
Community Redevelopment Agency of the
City of Moreno Valley
14177 Frederick Street
Moreno Valley, CA 92552-0805

Attn: City Clerk

APN: 297-140-017

M	S	U	PAGE	SIZE	DA	PCOR	NOCOR	SMF	MISC.	
	1		6							
								✓	L	
A	R	L				COPY	LONG	REFUND	NCHG	EXAM

Exempt from recording fee and documentary
transfer tax pursuant to Government Code Section
27283.



GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the City of Moreno Valley (the "Grantor"), hereby grants to the Community Redevelopment Agency of the City of Moreno Valley, a public body corporate and politic, that certain real property located in the County of Riverside, State of California, more particularly described on Attachment No. 1 attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of June 29, 2005.

CITY OF MORENO VALLEY, a municipal corporation

By: Richard A. Stanton
Mayor

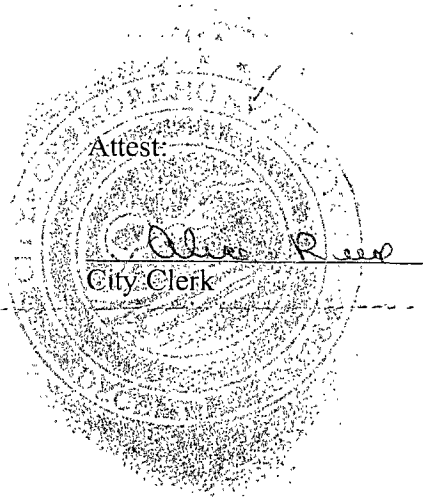


EXHIBIT A

THAT PORTION OF PARCEL 1, IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, PER PARCEL MAP NO. 17864, FILED IN BOOK 129, PAGES 79 THROUGH 82 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID PARCEL 1; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 1 NORTH 00°06'28" WEST 224.03 FEET TO THE **TRUE POINT OF BEGINNING**; THENCE ALONG THE EASTERLY AND NORTHERLY LINES OF SAID PARCEL 1, THE FOLLOWING COURSES:

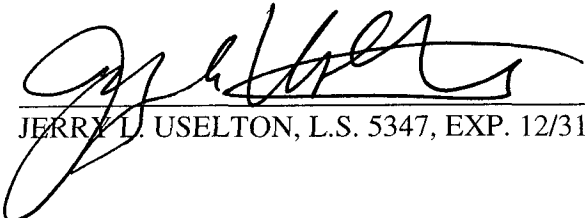
NORTH 00°06'28" WEST 422.46 FEET,
NORTH 45°43'39" WEST 32.88 FEET AND SOUTH 88°39'10" WEST 586.37 FEET;

THENCE LEAVING SAID NORTHERLY LINE, SOUTH 00°06'25" EAST 31.36 FEET;
THENCE SOUTH 89°36'50" WEST 26.26 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 11.80 FEET; THENCE SOUTHWESTERLY 18.67 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°39'46";
THENCE SOUTH 00°06'25" EAST 199.70 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 110.75 FEET; THENCE SOUTHEASTERLY 97.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 50°25'22" TO A POINT OF REVERSE CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 54.75 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF NORTH 39°28'13" EAST; THENCE SOUTHERLY 97.93 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 102°28'53" TO A POINT OF REVERSE CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 138.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF NORTH 38°02'54" WEST; THENCE SOUTHERLY 127.33 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 52°51'58" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 12.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 89°05'08" WEST; THENCE SOUTHEASTERLY 18.68 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89°11'33" TO A POINT OF NON-TANGENCY, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 00°06'25" EAST;
THENCE SOUTH 90°00'00" EAST 37.06 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 90.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 81°02'56" WEST; THENCE NORTHEASTERLY AND EASTERLY 217.54 FEET ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 138°29'20" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 25.00 FEET, A RADIAL LINE TO SAID POINT HAVING A BEARING OF SOUTH 39°32'16" WEST; THENCE EASTERLY 30.39 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 69°38'44";
THENCE NORTH 59°53'32" EAST 31.46 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 55.00 FEET; THENCE EASTERLY 28.80 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 30°00'00";
THENCE NORTH 89°53'32" EAST 383.29 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINING 283,977 SQUARE FEET, 6.519 ACRES MORE OR LESS.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

DATED THIS 2nd DAY OF May, 2005.



JERRY L. USELTON, L.S. 5347, EXP. 12/31/05

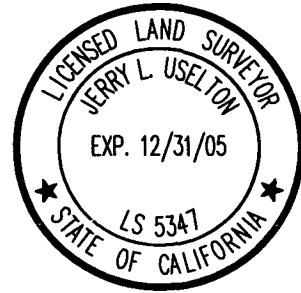
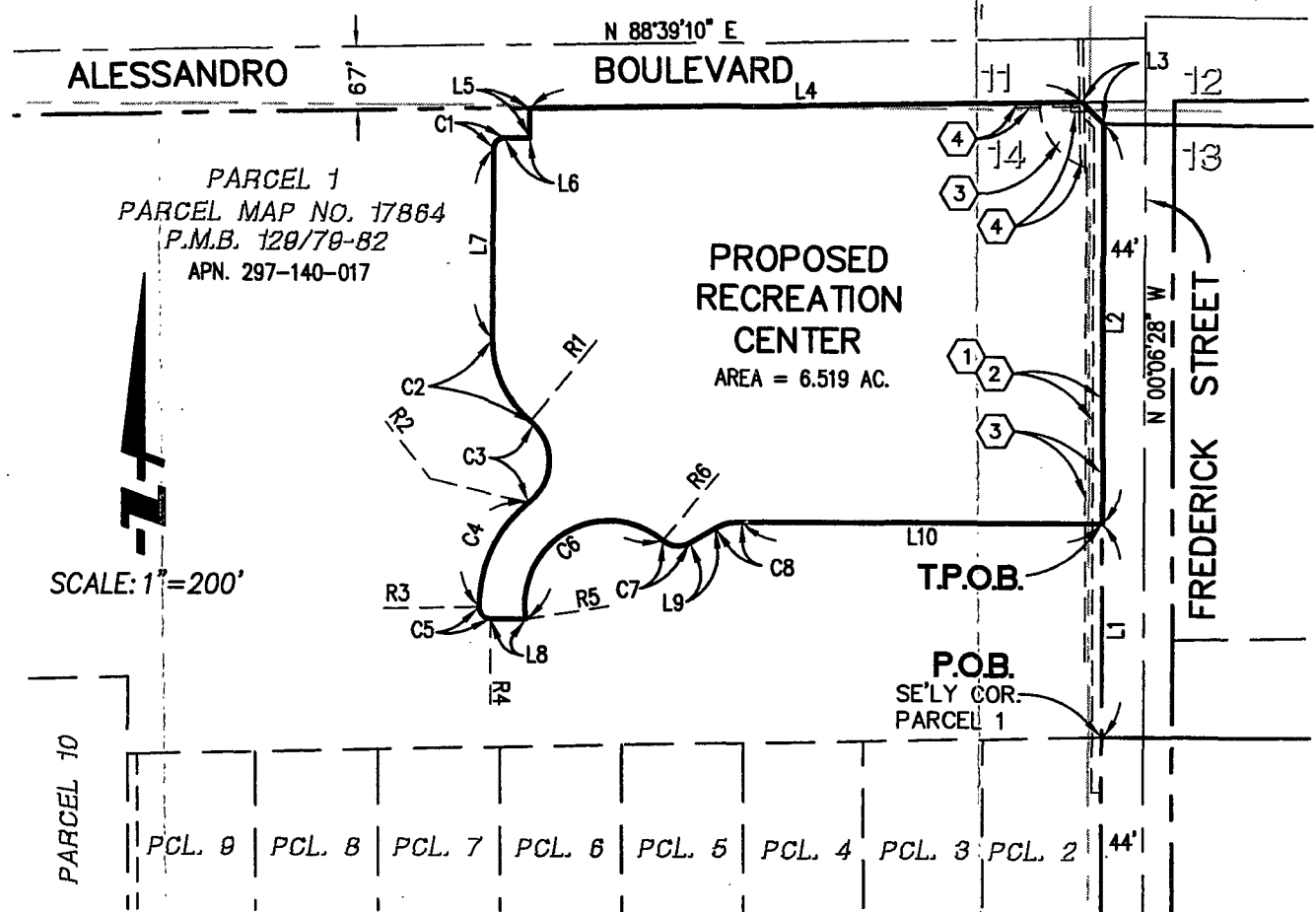


EXHIBIT "B" PROPOSED RECREATION CENTER PLAT

LINE TABLE		
LINE	BEARING	LENGTH
L1	N00°06'28"W	224.02
L2	N00°06'28"W	422.46
L3	N45°43'39"W	32.88
L4	S88°39'10"W	586.37
L5	S00°06'25"E	31.36
L6	S89°36'50"W	26.26
L7	S00°06'25"E	199.70
L8	S90°00'00"E	37.06
L9	N59°53'32"E	31.46
L10	N89°53'32"E	383.29

CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	90°39'46"	11.80	18.67
C2	50°25'22"	110.75	97.46
C3	102°28'53"	54.75	97.93
C4	52°51'58"	138.00	127.33
C5	89°11'33"	12.00	18.68
C6	138°29'20"	90.00	217.54
C7	69°38'44"	25.00	30.39
C8	30°00'00"	55.00	28.80

RADIAL	
RAD	TABLE BEARING
R1	N39°28'13"E
R2	N38°02'54"W
R3	S89°05'08"W
R4	S00°06'25"E
R5	S81°02'56"W
R6	S39°32'16"W



LEGEND

- RECORD LINES
- SECTION LINES
- PROPOSED PROPERTY LINE
- - - RIGHT OF WAY

EASEMENT NOTES

- 1 PER THE PARCEL MAP FILED IN PARCEL MAP BOOK 129/79-82, IN FAVOR OF PUBLIC, FOR DRAINAGE PER PM, NOTE: NEITHER DEDICATED NOR ACCEPTED PER SAID MAP.
- 2 PER THE PARCEL MAP FILED IN PARCEL MAP BOOK 129/79-82, RECITAL ON MAP THAT DRAINAGE EASEMENTS TO BE KEPT CLEAR.
- 3 RECORDED ON 1/25/91, AS INSTRUMENT NUMBER 27209, IN FAVOR OF MORENO VALLEY COMMUNITY SERVICES DISTRICT, FOR LANDSCAPE CONST., AND MAINTENANCE
- 4 RECORDED ON 8/29/91, AS INSTRUMENT NUMBER 300398, IN FAVOR OF SCE, FOR ELECTRIC / COMMUNICATION SUPPLY

STATE OF CALIFORNIA)

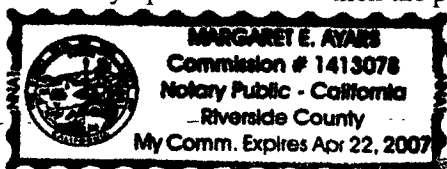
COUNTY OF RIVERSIDE)

) ss.
)

On July 1, 2005, before me, Margaret E. Ayars, Notary Public,
(Print Name of Notary Public)

personally appeared Richard A. Stewart,

- personally known to me
- or-
- proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Margaret E. Ayars
Signature Of Notary

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- Individual
- Corporate Officer

Title(s)

- Partner(s) Limited General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: Mayor

DESCRIPTION OF ATTACHED DOCUMENT

Grant Deed

Title Or Type Of Document

4

Number Of Pages

June 29, 2005

Date Of Document

Signer is representing:
Name Of Person(s) Or Entity(ies)

City of Moreno Valley

None

Signer(s) Other Than Named Above

CERTIFICATE OF ACCEPTANCE

This is to certify that the fee interest in real property conveyed under the foregoing Grant Deed by the City of Moreno Valley as to the following property:

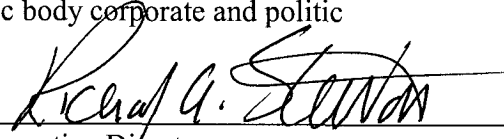
[To Come].

APN: 297-140-017


is hereby accepted by the Executive Director of the Community Redevelopment Agency of the City of Moreno Valley on behalf of the Agency Board pursuant to authority conferred by Resolution No. RDA 2005-04 of said Agency Board adopted on April 26, 2005, and the Grantee consents to recordation thereof by its duly authorized officer.

**COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF MORENO VALLEY,**
a public body corporate and politic

Dated: July 1, 2005, 2005

By: 
Executive Director

ATTEST:

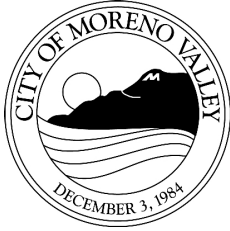

Agency Secretary

Moreno Valley Conference And Recreation Center Purchase and Sale Agreement

Debt Service Schedule (Revised July 19, 2005)

INITIAL LOAN	1	2	3	4	5	6	7	8	9	10	11
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Principal Balance	11,503,946	11,474,822	11,474,822	11,474,822	11,474,822	11,474,822	11,474,822	11,474,822	11,474,822	11,474,822	11,474,822
Interest Due	12.00% 220,876	1,376,979	1,376,979	1,376,979	1,376,979	1,376,979	1,376,979	1,376,979	1,376,979	1,376,979	1,376,979
D/S Payment	3.00% 250,000	257,500	265,225	273,182	281,377	289,819	298,513	307,468	316,693	326,193	335,979
Shortfall Accrued & Unpaid Interest	(29,124)	1,119,479	1,111,754	1,103,797	1,095,601	1,087,160	1,078,466	1,069,510	1,060,286	1,050,785	1,041,000

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Annual Loan Payment	250,000	257,500	265,225	273,182	281,377	289,819	298,513	307,468	316,693	326,193	335,979



Report to the Oversight Board for Successor Agency to Community Redevelopment Agency of the City of Moreno Valley

TO: Members of the Board

FROM: John Terell, Community & Economic Development Director

AGENDA DATE: December 11, 2013

TITLE: CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING RDA RESOLUTION NO. RDA 2011-06 AUTHORIZING THE TRANSFER OF THE SENIOR CENTER PROPERTY TO THE CITY OF MORENO VALLEY IN EXCHANGE FOR THE REDUCTION OF DEBT OF \$2,686,600 OWED TO THE CITY BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY

RECOMMENDED ACTION

Recommendation:

1. CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING RDA RESOLUTION NO. RDA 2011-06 AUTHORIZING THE TRANSFER OF THE SENIOR CENTER PROPERTY TO THE CITY OF MORENO VALLEY IN EXCHANGE FOR THE REDUCTION OF DEBT IN THE AMOUNT OF \$2,686,600 OWNED TO THE CITY BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY.

DISCUSSION

On May 24, 2011, the Board of Directors of the Community Redevelopment Agency of the City of Moreno Valley (RDA) adopted Resolution No. RDA 2011-06 authorizing the transfer of the Senior Center property at appraised value of \$2,686,600 from the RDA to the City of Moreno Valley in exchange for the reduction of an outstanding debt on the Towngate Regional Mall Notes. Subsequent to the acceptance of the property by the City, the property was pledged to secure the private placement loan with Bank of America Public Capital Corp. in order to proceed with the refunding of the 1997 Variable Rate Certificates of Participation.

In June 2011, the State of California passed ABx1 26 that abolished redevelopment agencies statewide. The law became effective on January 31, 2012. The City established the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley on February 1, 2012.

During the period of time from January 1, 2011 through January 31, 2012, leading up to the effective date of ABx1 26, redevelopment agencies throughout the State of California may have disposed of certain assets as part of their operations. To confirm compliance with ABx1 26, the asset transfers of the former Community Redevelopment Agency of the City of Moreno Valley were reviewed.

Upon completion of the review, it is being proposed that RDA Resolution No. 2011-06 be presented to the Oversight Board for acceptance and ratification of these former actions.

The proposed actions by the Oversight Board shall accept and ratify the prior actions by the former RDA, following the amendments to the Health & Safety Codes.

ALTERNATIVES

The alternatives available to the Oversight Board are:

1. Consideration of the Oversight Board to the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley approving Resolution OB 2013-14 approving and ratifying Resolution No. RDA 2011-06 which was approved by the former Community Redevelopment Agency of the City of Moreno Valley's actions on May 24, 2011.
2. Provide staff with alternative direction.

ATTACHMENTS

Attachment 1 – Resolution OB 2013-14

Attachment 2 – May 24, 2011 Staff Report

Attachment 3 – Resolution RDA 2011-06

Attachment 4 – Towngate Regional Mall Notes Debt Payment Schedule – Sr. Center

Prepared By:
Annie Clark
Sr. Financial Analyst

Department Head Approval:
Richard Teichert
Chief Financial Officer

Concurred By:
John Terrell
Community & Economic Development Director

RESOLUTION NO. OB 2013-14

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND RATIFYING RDA RESOLUTION NO. RDA 2011-06 AUTHORIZING THE TRANSFER OF THE SENIOR CENTER PROPERTY TO THE CITY OF MORENO VALLEY IN EXCHANGE FOR THE REDUCTION OF DEBT OF \$2,686,600 OWED TO THE CITY BY THE FORMER COMMUNITY REDEVELOPMENT AGENCY

WHEREAS, prior to February 1, 2012, the Community Redevelopment Agency of the City of Moreno Valley (herein referred to as the "Former Agency") was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.), and was authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of Moreno Valley ("City"); and

WHEREAS, Assembly Bill x1 26, chaptered and effective on June 27, 2011 ("AB26"), added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484, chaptered and effective on June 27, 2012 (together, the "Dissolution Act"); and

WHEREAS, as of February 1, 2012, the Former Agency was dissolved pursuant to the Dissolution Act and as a separate legal entity the City serves as the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley ("Successor Agency"); and

WHEREAS, the Successor Agency administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and

WHEREAS, on May 24, 2011, prior to the enactment of AB26, the Former Agency transferred certain property known as the "Senior Center Property" to the City in exchange for the reduction of \$2,686,600 of debt owed by the Former Agency to the City with respect to the Senior Center Property; and

WHEREAS, Successor Agency staff has provided the Oversight Board with a staff report concerning Resolution No. RDA 2011-06 (the "RDA Resolution") as previously approved by the governing board of the Former Agency, together with related materials; and

WHEREAS, Successor Agency staff requests that the Oversight Board ratify the RDA Resolution, which RDA Resolution concerned the transfer of the Senior Center Property by the Former Agency, all as more fully described in the accompanying staff report.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

SECTION 2. The Oversight Board hereby approves and ratifies the RDA Resolution in the form submitted to the Oversight Board concurrently herewith, as well as the activities provided for thereunder, including without limitation the transfer of the Senior Center Property by the Former Agency, and authorizes the Successor Agency to transmit this Resolution to the Department of Finance.

SECTION 3. This Resolution shall be effective immediately upon adoption.

SECTION 4. The Oversight Board, through its secretary, shall maintain on file as a public record this Resolution.

PASSED, APPROVED, AND ADOPTED at a special meeting of the Oversight Board of Successor Agency to Community Redevelopment Agency of the City of Moreno Valley, held on this the 11th day of December, 2013.

Chairperson
Oversight Board of Successor
Agency to Community
Redevelopment Agency of the
City of Moreno Valley

ATTEST:

Oversight Board Secretary

2
Resolution No. OB 2013-14
Date Adopted: December 11, 2013

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Kathi Pierce, Secretary of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that Resolution No. OB 2013-14 was duly and regularly adopted by the Board Members of the Successor Agency Oversight Board at a regular meeting thereof held on the 11th day of December, 2013 by the following vote:

AYES:

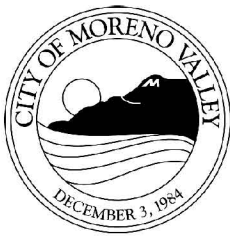
NOES:

ABSENT:

ABSTAIN:

SECRETARY

3
Resolution No. OB 2013-14
Date Adopted: December 11, 2013



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>[Signature]</i>
CITY MANAGER	<i>[Signature]</i>

Report to City Council

TO: Mayor and City Council and Chairman and Members of the Board of Directors of the Community Redevelopment Agency of the City of Moreno Valley

FROM: Richard Teichert, Financial & Administrative Services Director

AGENDA DATE: May 24, 2011

TITLE: ADOPTION OF RESOLUTIONS AUTHORIZING THE TRANSFER OF CERTAIN REAL PROPERTY FROM THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY TO THE CITY OF MORENO VALLEY

RECOMMENDED ACTION

Staff recommends that:

1. The City Council, acting in its capacity as the Board of Directors of the Community Redevelopment Agency of the City of Moreno Valley (RDA) adopt Resolution No. RDA 2011-06 authorizing the transfer of certain real property (the Moreno Valley Senior Center) from the RDA to the City of Moreno Valley for an amount equal to \$2,686,600.
2. The City Council adopt Resolution No. 2011-41 authorizing accepting the transfer of certain real property (the Moreno Valley Senior Center) from the RDA to the City of Moreno Valley for an amount equal to \$2,686,600.

BACKGROUND

The City of Moreno Valley is taking action to refund the 1997 Variable Rate Certificates of Participation. The City requires additional City owned assets to secure the private placement loan proposed with Banc of America Public Capital Corp. Staff is proposing to transfer title to the Moreno Valley Senior Center located at 25075 Fir Avenue in the City of Moreno Valley from the Redevelopment Agency (Agency) to the City.

DISCUSSION

On March 8, 2011, the City Council and the Community Redevelopment Agency of the City of Moreno Valley (RDA) took action to affirm the outstanding debt owed by the RDA to the City in the form of a Cooperative Agreement. The total outstanding debt owed by the RDA to the City as of March 8, 2011 is \$57,283,676. Staff is proposing to transfer the ownership of the Moreno Valley Senior Center from the RDA to the City in exchange for the reduction of debt in the amount of the most recent appraised value of the Senior Center, or \$2,686,600. This will reduce the outstanding debt owed to the City by the RDA to a reduced amount of \$54,597,076. Staff will return to City Council with an updated debt service schedule within 6 months.

ALTERNATIVES

1. Adopt the proposed resolution approving the transfer of the Senior Center property from the RDA to the City, allowing the refinancing of the 1997 Variable Rate Certificates of Participation.
2. Do not adopt the proposed resolution and direct staff to not proceed with the current plans as recommended by the Finance Subcommittee to refinance the 1997 Variable Rate Certificates of Participation with a fixed rate private placement loan with Banc of America Public Capital Corp.

FISCAL IMPACT

The proposed action will reduce the debt and debt service owed by the RDA to the City. The debt principle will reduce from \$57,283,676 to \$54,597,076. This reduction is based on the transfer of ownership of the Senior Center from the RDA to the City in exchange for reducing the debt owed by the appraised value of \$2,686,600.

CITY COUNCIL GOALS

Revenue diversification and preservation; and positive environment.

SUMMARY

The Finance Subcommittee is recommending proceeding with the refunding of the 1997 Variable Rate Certificates of Participation with a fixed rate private placement loan with Banc of America Public Capital Corp at a fixed rate of 2.92%. The City requires sufficient assets to pledge as security against the proposed fixed rate private placement loan with Banc of America Public Capital Corp. The proposed action transfers the City's Senior Center from the RDA to the City for the sum of \$2,686,600. The outstanding debt owed by the RDA to the City is reduced by this amount. Staff will update the outstanding debt worksheet and schedule of payments reflecting this transfer as part of the FY 2010-11 year end procedures.

NOTIFICATION

Publication of the agenda

ATTACHMENTS/EXHIBITS

Exhibit A – Resolution No. RDA 2011-06 of the Community Redevelopment Agency of the City of Moreno Valley authorizing the transfer of certain real property to the City of Moreno Valley

Attachment 1 – Grant Deed

Exhibit B – Resolution No. 2011-41 of the City of Moreno Valley authorizing the execution of a substitution of trustee and full reconveyance relating to a deed of trust executed by the Community Redevelopment Agency of the City of Moreno Valley, as Trustor, for the benefit of the City, as beneficiary, and approving the transfer of real property conveyed by the Agency to the City

Attachment 1 – Grant Deed

Attachment 2 - Substitution of Trustee and Full Reconveyance

.

Prepared By:
Brooke McKinney
Treasury Operations Division Manager

Concurred By:
Richard Teichert
Financial & Administrative Services Director

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

RESOLUTION NO. RDA 2011-06

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AUTHORIZING THE TRANSFER OF CERTAIN REAL PROPERTY TO THE CITY OF MORENO VALLEY

RESOLVED, by the Community Redevelopment Agency of the City of Moreno Valley (the "Agency"), as follows:

WHEREAS, the City of Moreno Valley (the "City"), working together with Moreno Valley Public Facilities Financing Corporation (the "Corporation"), has heretofore caused the execution and delivery of the \$10,955,000 Variable Rate Demand Certificates of Participation (1997 City Hall Refinancing Project) (the "1997 Certificates") evidencing direct, undivided fractional interests of the owners thereof in lease payments to be made by the City as the rental for certain property pursuant to a lease agreement with the Corporation to provide for the refunding and defeasance of certificates of participation executed and delivered in 1995 to finance the acquisition of land and the construction of the Moreno Valley City Hall;

WHEREAS, the 1997 Certificates are currently outstanding in the principal amount of \$4,260,000 and interest with respect to the 1997 Certificates is payable at a variable interest rate which is set weekly and payable monthly;

WHEREAS, the City has determined at this time, due to prevailing interest rates in the municipal bond market and for other reasons, to refinance its obligations with respect to the 1997 Certificates on a fixed rate basis to maturity on November 1, 2016;

WHEREAS, in connection with such refinancing, the City proposes to enter into a lease/leaseback transaction with the Corporation;

WHEREAS, the property to be the subject of such lease/leaseback transaction includes the City's Senior Center located at 25075 Fir Avenue in the City (the "Senior Center");

WHEREAS, title to the Senior Center is currently held by the Agency and the Senior Center property is currently encumbered by a deed of trust (the "Deed of Trust") executed by the Agency, as trustor, for the benefit of the City, as beneficiary;

WHEREAS, for the Senior Center to be included as a portion of the property to be included in the lease/leaseback transaction, title to such property must be held by the City and such property must be unencumbered; and

WHEREAS, to facilitate the lease/leaseback transaction, the City agrees to reconvey the Deed of Trust and the Agency agrees to transfer title to the Senior Center property to the City;

NOW, THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Agency hereby authorizes the transfer of title to the Senior Center property to the City at an amount equal to \$2,686,600.

Section 2. The Chair, the Executive Director, the Treasurer, the Secretary and all other appropriate officials of the Agency are hereby authorized and directed to execute such other agreements, documents and certificates and to take such other actions as may be necessary to effect the purposes of this resolution.

Section 3. This Resolution shall take effect upon its adoption by the Agency.

APPROVED AND ADOPTED this 24th day of May, 2011.

By Ricardo S. Soto
Mayor

ATTEST:

Jane Hilde
Secretary

APPROVED AS TO FORM:

Barbara A. ...
City Attorney

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

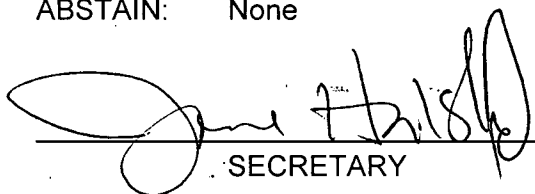
I, JANE HALSTEAD, Secretary of the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that RDA Resolution No. 2011-06 was duly and regularly adopted by the Agency Members of the Community Redevelopment Agency of the City of Moreno Valley at a regular meeting thereof held on the 24th day of May, 2011 by the following vote:

AYES: Agency Members Hastings, Co, Batey, Vice Chairman Molina and Chairman Stewart

NOES: None

ABSENT: None

ABSTAIN: None



SECRETARY

(SEAL)



City of Moreno Valley
 Towngate Mall Acquisition Notes
 (Sears Notes)
 As of 6/30/2011

Fiscal Year 2008/2009

Balance Forward				3,608,380.42	13,000,000.00	
Based on Sales Tax Revenues Received			(97,638.00)	(97,638.00)		
Based on Sales Tax Revenues Received			(89,723.00)	(89,723.00)		
Based on Sales Tax Revenues Received			(159,774.00)	(159,774.00)		
Based on Sales Tax Revenues Received			(121,469.00)	(121,469.00)		
Accrued Interest	365	7.250%	942,500.00	942,500.00		
Total as of June 30, 2009			942,500.00	(468,604.00)	4,082,276.42	13,000,000.00
						17,082,276.42

Fiscal Year 2009/2010

Balance Forward				4,082,276.42	13,000,000.00	
Based on Sales Tax Revenues Received			(129,169.00)	(129,169.00)		
Based on Sales Tax Revenues Received			(114,561.50)	(114,561.50)		
Based on Sales Tax Revenues Received			(174,635.50)	(174,635.50)		
Based on Sales Tax Revenues Received			(117,042.00)	(117,042.00)		
Accrued Interest	365	7.250%	942,500.00	942,500.00		
Total as of June 30, 2010			942,500.00	(535,408.00)	4,489,368.42	13,000,000.00
						17,489,368.42

Fiscal Year 2010/2011

Balance Forward				4,489,368.42	13,000,000.00	
Based on Sales Tax Revenues Received Jul - Sept 2010 2nd QTR 2010			(125,149.00)	(125,149.00)		
Based on Sales Tax Revenues Received Oct -Dec 2010 3rd QTR 2010			(113,971.00)	(113,971.00)		
Based on Sales Tax Revenues Received Jan - Mar 2011 4th QTR 2010			(181,257.00)	(181,257.00)		
Based on Sales Tax Revenues Received April -Jun 2011 1st QTR 2011			(124,165.00)	(124,165.00)		
Accrued Interest	365	7.250%	942,500.00	942,500.00		
<i>J/E Interest Payment - Reduction of Debt Transfer of Sr. Center to City</i>			<i>(2,686,600.00)</i>	<i>(2,686,600.00)</i>		
Total as of June 30, 2011			(1,744,100.00)	(544,542.00)	2,200,726.42	13,000,000.00
						15,200,726.42

This page intentionally left blank.