



JOINT SPECIAL MEETING AGENDA
OF THE CITY OF MONTEBELLO CITY COUNCIL AND HOUSING SUCCESSOR AGENCY TO THE
FORMER COMMUNITY REDEVELOPMENT AGENCY

WEDNESDAY, APRIL 14, 2021 AT 5:30 P.M.

CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA

CITY COUNCIL/BOARD MEMBERS

Kimberly A. Cobos-Cawthorne, Mayor/Chairman
David N. Torres, Mayor Pro Tem/Vice Chairman
Salvador Melendez, Councilmember/Board Member
Angie M. Jimenez, Councilmember/Board Member
Scarlet Peralta, Councilmember/Board Member

CITY MANAGER/EXECUTIVE
DIRECTOR

René Bobadilla

CITY TREASURER/BOARD TREASURER

Rafael Gutierrez

CITY ATTORNEY/BOARD
COUNSEL

Arnold M. Alvarez-Glasman

CITY CLERK/BOARD SECRETARY

Christopher Jimenez

DEPARTMENT HEADS

Assistant City Manager
Fire Chief
Police Chief
Director of Finance
Director of Human Resources
Director of Planning/Community Development
Director of Public Works
Director of Recreation and Community Services
Director of Transportation

Arlene Salazar
Fernando Pelaez
Brad Keller
Michael Solorza
Nicholas Razo
Joseph Palombi
James Enriquez
David Sosnowski
Young-Gi Kim Harabedian

COVID-19 NOTICE: Pursuant to the Executive Order N-29-20, Council Members may attend City Council/Housing Successor Agency meetings via teleconferencing and make public meetings accessible telephonically or electronically to all members of the public seeking to observe and address the City Council/Housing Successor Agency. To ensure the health and safety of the public during the local, state, and federally declared COVID-19 Emergency, City Hall Council Chambers will not be open for this meeting, and all public participation must occur telephonically. Consistent with the Executive Order, the City Council/Housing Successor Agency meeting will continue to be live streamed and can be watched on the City's website at: www.cityofmontebello.com under the "City Council AGENDAS" tab and clicking the "Live Stream" tab.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act (ADA) any person with a disability who requires special accommodations in order to participate in a meeting should contact the Building Official at (323) 887-1497 Monday-Thursday from 7:30 a.m.-5:30 p.m. Please call 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II1203). If you require translation services, please contact the City Clerk's office 24 hours before this meeting. *Si necesita servicios de traducción, comuníquese con la Oficina del Secretario Municipal 24 horas antes de esta reunión.*

STATEMENT OF PUBLIC COMMENTS AND PARTICIPATION: Members of the public may address the City Council/Housing Successor Agency on any items listed on the Agenda. Anyone wishing to address the City Council/Housing Successor Agency on an item not listed on the Agenda (Non-Agenda Items) may do so during the "Public Comments" period. State Law prohibits the City Council/Housing Successor Agency from taking action or entertaining extended discussion on a topic not listed on the agenda. In order to conduct a timely meeting, the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per person. "Public Comments" may be limited to 30-minutes, those not accommodated during that time will have an opportunity to speak under "Oral Communications – Continued" after all scheduled matters have been considered. Please show courtesy to others and direct all of your comments to the Mayor.

For those interested in making public comments, you may call up until the day of the meeting, **Wednesday, April 14, 2021 between 7:30 a.m. – 3:30 p.m. at (323) 887-1359**. Staff will complete public comment cards and the public will be called during the City Council/Housing Successor Agency meeting – Closed Session begins at 5:30 p.m. and Regular Session begins at 6:30 p.m. The exact call back time is not predictable due to the nature of the City Council/Housing Successor Agency agenda. As a result, you must be available until the end of the meeting to receive a live call from staff during the meeting. The City has also created an email address, ccpubliccomment@cityofmontebello.com, where the public can submit public comments up until the day of the meeting, **Wednesday, April 14, 2021 between 7:30 a.m. – 3:30 p.m.** These comments will be read out loud and submitted for the record. Any requests to provide public comment which is submitted after the deadlines indicated above will not be addressed at the council meeting, with the exception of non-agenda item comments which will be held over to the next regularly scheduled meeting.

AGENDA MATERIALS: The agenda and agenda packet related to items on this agenda are available for public inspection at City's website at: www.cityofmontebello.com under the "City Council AGENDAS" tab and clicking the "Council Agenda" tab. Copies of the agenda cover sheets will be available for pickup at the front and west entrance of City Hall, as well as the north side of the building on Masser Place. Please note that only 10 copies will be distributed between the three locations and will be available for pick up on a first come, first served basis. The agenda cover sheets may also be emailed upon request.

IN CONSIDERATION OF OTHERS, PLEASE TURN OFF, OR MUTE, ALL CELL PHONES AND PAGERS.
THANK YOU FOR YOUR COOPERATION.

OPENING CEREMONIES

CALL TO ORDER

ROLL CALL

CLOSED SESSION – NONE

PUBLIC COMMENTS

CONSENT ITEMS

All matters listed under the Consent Calendar are considered to be routine. Any items a Board Member wishes to discuss should be designated at this time. All other items, with the exception of an item upon which a member of the public or Housing Successor Agency Board Member has requested to speak on, may be approved in a single motion. Such approval will also waive the reading of any ordinance.

1. ADOPT RESOLUTION APPROVING AN INTERFUND LOAN TO PROVIDE FUNDING FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 612 W. WHITTIER BOULEVARD

RECOMMENDATION: It is recommended that the City Council/Housing Successor Agency:

- 1) Approve an interfund loan in the amount of \$575,000 from the Housing Successor Agency Fund to the General Fund; and
- 2) Take such additional, related, action that may be desirable.

2. ADOPT RESOLUTION APPROVING AN INTERFUND LOAN TO PROVIDE FUNDING FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 715 W. WHITTIER BOULEVARD

RECOMMENDATION: It is recommended that the City Council/Housing Successor Agency:

- 1) Approve an interfund loan in the amount of \$900,000 from the Housing Successor Agency Fund (Fund 810) to the General Fund to assist with funding a portion of the total acquisition costs of the Property; and
- 2) Take such additional, related, action that may be desirable.

ADJOURNMENT



Alicia Fernandez, Deputy City Clerk



CITY OF MONTEBELLO

CITY COUNCIL/HOUSING SUCCESSOR AGENCY AGENDA STAFF REPORT

TO: Honorable Mayor/Chairman and City Council/Board Members

FROM: René Bobadilla, P.E., City Manager/Executive Director of Housing Successor Agency

BY: Joseph Palombi, Director of Planning and Community Development

SUBJECT: **Adopt Resolution Approving an Interfund Loan to Provide Funding for the Purchase of Real Property located at 612 W. Whittier Boulevard**

DATE: April 14, 2021

RECOMMENDATIONS:

Staff recommends that the City Council/Housing Successor Agency to the former Community Redevelopment Agency of the City of Montebello adopt Resolution No. _____:

- 1) Approve an interfund loan in the amount of \$575,000 from the Housing Successor Agency Fund to the General Fund; and
- 2) Take such additional, related, action that may be desirable.

FISCAL IMPACT

Funding for the proposed acquisition of real property located at 612 W. Whittier Blvd. will come from available cash resources in the Housing Successor Agency Fund (Fund 810). This Fund has approximately \$1.948 million in available cash as of March 14, 2021. In an effort to balance ongoing needs for General Fund reserves with other available cash resources, an interfund loan is proposed to provide funding for the acquisition of this piece of real property.

The loan would be short-term in nature, with full repayment from the General Fund to the Housing Successor Agency fund completed by June 30, 2023. The Housing Successor Agency fund has adequate cash reserves to provide this short-term, interfund loan. This loan would help maintain current General Fund reserves, while using idle cash in the Housing Successor Agency fund to purchase this key piece of property.

**Adopt Resolution Approving an Interfund Loan to Provide Funding for the
Purchase of Real Property located at 612 W. Whittier Boulevard**

Page 2 of 4

BACKGROUND

The Property and building located at 612 West Whittier Boulevard is offered for sale with an asking price of \$575,000. This property is located along the Whittier Boulevard corridor and within the proposed Downtown Montebello Specific Plan boundary. The City has been interested in improving the Whittier corridor with uses that activate the boulevard. The City Council discussed the price and terms of a proposed sale with the City's real property negotiator on December 16, 2020, and again on January 13, 2021 during closed session meetings.

The negotiated deal points include the full repayment of an outstanding loan by Mario Mojarro ("Seller") to the Successor Agency to the Former Montebello Redevelopment Agency ("Successor Agency") pursuant to the Loan Agreement dated March 30, 2006 . The original loan amount was \$150,000, with the seller having an outstanding balance of \$118,400. This amount would be paid to the Successor Agency, with funds distributed according to the statutes and rules governing redevelopment agency dissolution. Staff will work with the State Department of Finance (DOF) and County of Los Angeles to effectuate the transfer of funds as required.

The Seller is the fee owner of the Property consisting of approximately 3,250 gross square feet of real property located at 612 West Whittier Boulevard in the City of Montebello, Los Angeles County, California, specifically described as Los Angeles County Assessor's Parcel Number 6349-027-007, including all improvements located thereon, and all rights, privileges, easements and appurtenances thereto, if any, and all rights, title and interest in and to all minerals, oil, gas and other hydrocarbon substances, development rights and water stock relating thereto.

Staff commissioned an appraisal, which valued the Property at \$550,000. The negotiated sales price is \$575,000 with a projected closing date of the sale to be determined.

On March 16, 2021, the Planning Commission made the necessary finding that the acquisition of the Property conforms with the Montebello General Plan pursuant to Government Code Section 65402.

On March 24, 2021, the City Council approved the Purchase and Sale Agreement for the real property located at 612 W. Whittier Boulevard and authorized staff to continue negotiating the final form as long as there is no change to the purchase price or description of property being purchased.

PROPERTY DESCRIPTION

The Property is currently improved with a 1,488 square foot building located in the C-2 (General Commercial) Zone. The Property is currently developed with a permitted commercial use as a professional office, which is currently occupied by Mojarro Law

**Adopt Resolution Approving an Interfund Loan to Provide Funding for the
Purchase of Real Property located at 612 W. Whittier Boulevard**

Page 3 of 4

Offices. The Property is located on the Whittier Blvd. corridor and within the proposed Downtown Montebello Specific Plan area.

Pursuant to Government Code Section 65402, before the City may dispose or acquire the Property, the Planning Commission must find that the acquisition of the Property conforms with the adopted General Plan.

The Property is in conformance with the City of Montebello's General Plan Land Use Element:

A. Goals:

1. Provides for the development and location of commercial shopping areas within the community in a manner compatible with other land uses. (*Land Use Goal #3*).

B. Objectives:

1. Encourages cluster type commercial development as opposed to proliferation of strip commercial (*Land Use Objective #3*).

C. Policies; Commercial:

1. Encourages commercial development within the City in an appropriate location and according to need. (*Land Use Commercial Policy #1*).
2. Encourages a variety of commercial development, including regional and community shopping facilities, local neighborhood convenience centers, highway-oriented development and professional office type areas. (*Land Use Commercial Policy #2*).
3. Provides for continued commercial development on Whittier Boulevard, within a commercial cluster. (*Land Use Commercial Policy #3*).
4. Encourages future beautification of Whittier Boulevard by requiring future projects that require street landscaping, ample off-street parking, and some lot unification. (*Land Use Commercial Policy #4*).
5. Provides for ample commercial facilities aimed at meeting the needs of City residents as well as future taxable revenues to the City. (*Land Use Commercial Policy #5*).

The subject site is located in the C-2 Zone which provides for a variety of commercial uses to meet the needs of residents and visitors to the area. The Property also provides taxable revenues to the City, and meets the floor-to-area ratio of 3:1 approaching 100% lot coverage with reduced setback and parking requirements. As previously mentioned, the subject property is also located along Whittier Boulevard, a major corridor in the City, which offers sites for commercial land uses as well as contributes to the economic welfare of the community through the generation of sales and property taxes.

**Adopt Resolution Approving an Interfund Loan to Provide Funding for the
Purchase of Real Property located at 612 W. Whittier Boulevard**

Page 4 of 4

ANALYSIS

Purchasing this Property makes sense for several reasons, even during these relatively uncertain economic times.

Primarily, this is a unique opportunity for the City to assemble land, which creates opportunities for existing and future uses consistent with City Council policy direction. Moreover, this opportunity may not present itself during a healthy economic time. Lastly, the Property's location on a major corridor is central to the future vision of this area of the City that includes a downtown specific plan and would make it possible to incorporate the Property into a more beneficial and productive use that adds value to the downtown Whittier Blvd. corridor and surrounding areas.

ENVIRONMENTAL

The adoption of the proposed Resolution is not subject to California Environmental Quality Act (CEQA) because CEQA Guidelines section 15060(c)(2) states that a project is not subject to CEQA review where the activity will not result in a direct or reasonably foreseeable indirect physical change to the environment and is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) which states that a project is exempt from CEQA "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." The City's acquisition of the Property will not result in a direct or reasonably foreseeable indirect physical change to the environment and there is no possibility that the acquisition of the Property will have a significant effect on the environment because the Property will continue to be used as a commercial office building and any future changes to the Property shall comply with CEQA at that time.

NEXT STEPS/RECOMMENDATIONS

It is recommended that the City Council/Housing Successor Agency to the former Community Redevelopment Agency of the City of Montebello approve and adopt the attached Resolution approving the interfund loan between the Housing Successor Agency (Fund 810) and the General Fund in the amount of \$575,000. Loaning the General Fund the full purchase amount will assist with cash flow while utilizing idle cash in the Housing Successor Agency Fund.

ATTACHMENT:

A. Attachment A – Interfund Loan Resolution

ATTACHMENT A

CITY COUNCIL RESOLUTION NO. 21-_____ HOUSING SUCCESSOR RESOLUTION NO. 21-_____

JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO AND THE CITY COUNCIL OF THE CITY OF MONTEBELLO SERVING AS HOUSING SUCCESSOR OF THE FORMER MONTEBELLO REDEVELOPMENT AGENCY, APPROVING AN INTERFUND LOAN FROM THE HOUSING SUCCESSOR AGENCY FUND TO THE GENERAL FUND FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 612 WEST WHITTIER BOULEVARD

WHEREAS, the Planning Commission, on March 16, 2021, adopted a resolution making the finding that the acquisition of real property at 612 West Whittier Blvd. conforms with the Montebello General Plan pursuant to Government Code Section 65402; and

WHEREAS, the acquisition of said property conforms with Montebello's General Plan Land Use Element and meets numerous land use objectives and policies beneficial to the City and the surrounding community; and

WHEREAS, purchase of this property presents a unique opportunity for the City to assemble land, which creates opportunities for existing and future uses consistent with City Council policy direction, and the Property's location on a major corridor is central to the future vision of this area of the City that includes a downtown specific plan and would make it possible to incorporate the Property into a more beneficial and productive use that adds value to the downtown Whittier Blvd. corridor and surrounding areas; and

WHEREAS, in order to quickly and easily effectuate purchase of the property at 612 West Whittier Blvd., an interfund loan in the amount of \$575,000 from the Housing Successor Agency Fund to the General Fund is necessary; and

WHEREAS, the City Council and the Housing Successor finds and declares that adoption of this Resolution is necessary and appropriate and in furtherance of the City's best interests.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF MONTEBELLO AND THE CITY COUNCIL OF THE CITY OF MONTEBELLO SERVING AS THE HOUSING SUCCESSOR TO THE FORMER MONTEBELLO REDEVELOPMENT AGENCY HEREBY:

SECTION 1. Recitals. Based upon all information presented during its consideration of this matter, the City Council and the Housing Successor find and declare that the foregoing recitals are true and correct, and hereby incorporates the same as substantive findings into this Resolution.

SECTION 2. Appropriateness of Source Fund. The City Council and the Housing Successor have reviewed the appropriateness of the interfund loan made by

RESOLUTION NO. 21-__

Page 2 of 3

this Resolution, including but not limited to: the availability of cash balances and uncommitted funds in the Housing Successor Agency Fund (Fund No. 810); the reliability and volatility of revenues available to replenish the Housing Successor Agency Fund; any multi-year plans for use of the monies in the Housing Successor Agency Fund; and potential risks if the loaned monies are required by the Housing Successor Agency Fund if the monies are required during the loan term. Based on its review of such matters, the City Council and Housing Successor find and declare that the proposed loan is consistent with the purposes of the Housing Successor Fund, and monies in said account have not been appropriated for other purposes and thus the loan of monies therefrom will not pose significant risks to the Housing Successor Agency Fund or the City's budgetary needs if the loaned funds are repaid no later than Fiscal Year 2022-23.

SECTION 3. Authorization of Loan. The Successor Agency hereby authorizes an advance, in the form of a loan, from the City's Housing Successor Agency Fund available cash balance to the General Fund, in the amount of Five Hundred Seventy-Five Thousand Dollars (\$575,000) to the City of Montebello.

SECTION 4. Deposit of Loan Proceeds. The Finance Director for the City and Housing Successor are hereby authorized and directed to make the appropriation / transfer of Loan proceeds authorized by this Resolution, which shall be recorded in the financial statements as additions to cash in the General Fund, with a liability in the Housing Successor Agency Fund recorded to show the Loan proceeds that are to be repaid. The Finance Director shall keep and maintain records evidencing the transfer of Loan funds authorized by this Resolution in a manner that is consistent with generally accepted accounting practices for local governmental agencies.

SECTION 5. Repayment of Loan. The City Council expressly declares that the monies from the Housing Successor Agency Fund appropriated hereunder are a Loan, and not a grant, and that the City Council expects and directs that the Loan made by this Resolution shall be repaid in full by the General Fund by June 30, 2023.

SECTION 6. Ongoing Management. The City Council authorizes and directs staff to pursue and facilitate repayment of the Loan as described above, and to otherwise manage and administer the Loan in accordance with the terms hereof.

SECTION 7. This Resolution shall take effect immediately, and the City Clerk and Housing Successor Secretary shall certify to its adoption.

APPROVED AND ADOPTED this 14th day of April 2021.

Mayor/Housing Successor Chair

RESOLUTION NO. 21-__

Page 3 of 3

ATTEST:

APPROVED AS TO FORM:

City Clerk/Secretary

Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 21-__ was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of April 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

Christopher Jimenez, City Clerk



CITY OF MONTEBELLO

CITY COUNCIL/HOUSING SUCCESSOR AGENCY AGENDA STAFF REPORT

TO: Honorable Mayor/Chairman and City Council/Board Members

FROM: René Bobadilla, P.E., City Manager/Executive Director of Housing Successor Agency

BY: Joseph Palombi, Director of Planning and Community Development

SUBJECT: **Adopt Resolution Approving an Interfund Loan to Provide Funding for the Purchase of Real Property located at 715 W. Whittier Boulevard**

DATE: April 14, 2021

RECOMMENDATIONS:

Staff recommends that the City Council/Housing Successor Agency to the former Community Redevelopment Agency of the City of Montebello adopt Resolution No. _____:

- 1) Approve an interfund loan in the amount of \$900,000 from the Housing Successor Agency Fund (Fund 810) to the General Fund to assist with funding a portion of the total acquisition costs of the Property; and
- 2) Take such additional, related, action that may be desirable.

FISCAL IMPACT

Funding for the proposed acquisition of real property located at 715 West Whittier Blvd. will come from two sources: 1) available cash resources in the Housing Successor Agency Fund (\$900,000); and 2) available fund balance in the General Fund (\$300,000). Combined, the two sources will provide the total \$1,200,000 purchase price.

The Housing Successor Agency Fund (Fund 810) has approximately \$1.948 million in available cash as of March 14, 2021. In an effort to balance ongoing needs for General Fund reserves with other available cash resources, an interfund loan is proposed to provide a portion of the funding necessary for the acquisition of this piece of real property. There is another item on the March 24, 2021 City Council agenda

Adopt Resolution Approving an Interfund Loan to Provide Funding for the Purchase of Real Property located at 715 W. Whittier Boulevard

Page 2 of 5

recommending an interfund loan to purchase a property at 612 West Whittier Blvd. Combined, the two interfund loans will utilize \$1,425,000 of existing cash balance in Fund 810. This will leave approximately \$562,600 in available cash in Fund 810.

The \$900,000 loan would be short-term in nature, with full repayment from the General Fund to the Housing Successor Agency fund completed by June 30, 2023. The Housing Successor Agency fund has adequate cash reserves to provide this short-term, interfund loan. This loan would help maintain current General Fund reserves, while using idle cash in the Housing Successor Agency fund to purchase this key piece of property.

The remaining \$300,000 would come from General Fund reserves. Staff is requesting a budget amendment to the Fiscal Year 2020-21 budget to Account 100-99-7060 (Acquisition). The two sources of funds (interfund loan and General Fund reserves) will provide the \$1,200,000 necessary to purchase the property at 715 West Whittier Blvd.

BACKGROUND

The Property and building located at 715 W. Whittier Boulevard is offered for sale with an asking price of \$1,200,000. This property is located along the Whittier Boulevard corridor and within the proposed Downtown Montebello Specific Plan boundary. The City has been interested in improving the Whittier corridor with uses that activate the boulevard. The City Council discussed the price and terms of a proposed sale with the City's real property negotiator on December 16, 2020, and again on January 13, 2021 during closed session meetings.

Phillip J. Pace and Phyllis M. Pace (collectively the "Seller") are the fee owner of the Property consisting of approximately 5,195 gross square feet of real property located at 715 West Whittier Boulevard in the City of Montebello, Los Angeles County, California, specifically described as Los Angeles County Assessor's Parcel Number 6349-007-004, including all improvements located thereon, and all rights, privileges, easements and appurtenances thereto, if any, and all rights, title and interest in and to all minerals, oil, gas and other hydrocarbon substances, development rights and water stock relating thereto.

Staff commissioned an appraisal, which valued the Property at \$1,050,000. The negotiated sales price is \$1,200,000 with a projected closing date to be determined.

On March 16, 2021, the Planning Commission made the necessary finding that the acquisition of the Property conforms with the Montebello General Plan pursuant to Government Code Section 65402.

On March 24, 2021, the City Council approved the Purchase and Sale Agreement for the real property located at 715 W. Whittier Boulevard and authorized staff to continue

**Adopt Resolution Approving an Interfund Loan to Provide Funding for the
Purchase of Real Property located at 715 W. Whittier Boulevard**

Page 3 of 5

negotiating the final form as long as there is no change to the purchase price or description of property being purchased.

PROPERTY DESCRIPTION

The Property is currently improved with a 5,000 square foot building located in the C-2 (General Commercial) Zone. The Property is located on the Whittier Boulevard corridor and currently developed with a permitted commercial building, which is currently vacant. The subject property is located within the proposed Downtown Montebello Specific Plan area.

Pursuant to Government Code Section 65402, before the City may dispose or acquire the Property, the Planning Commission must find that the acquisition of the Property conforms with the adopted General Plan.

The Property is in conformance with the City of Montebello's General Plan Land Use Element:

A. Goals:

1. Provides for the development and location of commercial shopping areas within the community in a manner compatible with other land uses. (*Land Use Goal #3*).

B. Objectives:

1. Encourages cluster type commercial development as opposed to proliferation of strip commercial (*Land Use Objective #3*).

C. Policies; Commercial:

1. Encourages commercial development within the City in an appropriate location and according to need. (*Land Use Commercial Policy #1*).
2. Encourages a variety of commercial development, including regional and community shopping facilities, local neighborhood convenience centers, highway-oriented development and professional office type areas. (*Land Use Commercial Policy #2*).
3. Provides for continued commercial development on Whittier Boulevard, within a commercial cluster. (*Land Use Commercial Policy #3*).
4. Encourages future beautification of Whittier Boulevard by requiring future projects that require street landscaping, ample off-street parking, and some lot unification. (*Land Use Commercial Policy #4*).
5. Provides for ample commercial facilities aimed at meeting the needs of City residents as well as future taxable revenues to the City. (*Land Use Commercial Policy #5*).

**Adopt Resolution Approving an Interfund Loan to Provide Funding for the
Purchase of Real Property located at 715 W. Whittier Boulevard**

Page 4 of 5

The subject site is located in the C-2 Zone which provides for a variety of commercial uses to meet the needs of residents and visitors to the area. The Property also provides taxable revenues to the City, and meets the floor-to-area ratio of 3:1 approaching 100% lot coverage with less required setback and parking requirements. As previously mentioned, the subject property is also located along Whittier Boulevard, a major corridor in the City, which offers sites for commercial/retail facilities as well as contributes to the economic welfare of the community through the generation of sales and property taxes.

ANALYSIS

Purchasing this Property makes sense for several reasons, even during these relatively uncertain economic times. This is a unique opportunity for the City to assemble land, which creates opportunities for existing and future uses consistent with City Council policy direction. Moreover, this opportunity may not present itself during a healthy economic time. Lastly, the Property's location on a major corridor is central to the future vision of this area of the City that includes a downtown specific plan and would make it possible to incorporate the Property into a more beneficial and productive use that adds value to the downtown Whittier Boulevard corridor and the surrounding area.

ENVIRONMENTAL

The adoption of the proposed Resolution is not subject to California Environmental Quality Act (CEQA) because CEQA Guidelines section 15060(c)(2) states that a project is not subject to CEQA review where the activity will not result in a direct or reasonably foreseeable indirect physical change to the environment and is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) which states that a project is exempt from CEQA "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." The City's acquisition of the Property will not result in a direct or reasonably foreseeable indirect physical change to the environment and there is no possibility that the acquisition of the Property will have a significant effect on the environment because the Property will continue to be used as a commercial office building and any future changes to the Property shall comply with CEQA at that time.

NEXT STEPS/RECOMMENDATIONS

It is recommended that the City Council/Housing Successor Agency to the former Community Redevelopment Agency of the City of Montebello approve and adopt the attached Resolution approving the interfund loan between the Housing Successor Agency (Fund 810) and the General Fund in the amount of \$900,000. Loaning the General Fund a portion of the full purchase amount will assist with cash flow while utilizing idle cash in the Housing Successor Agency Fund. Staff also recommends amending the FY 2020-21 budget by increasing appropriations by \$300,000 in Account

**Adopt Resolution Approving an Interfund Loan to Provide Funding for the
Purchase of Real Property located at 715 W. Whittier Boulevard**

Page 5 of 5

100-99-7060 (Acquisition) to provide the remaining funding necessary to acquire the property. The two sources of funding combined will provide the total purchase price of \$1,200,000.

ATTACHMENT:

A. Attachment A – Interfund Loan Resolution

ATTACHMENT A

CITY COUNCIL RESOLUTION NO. 21-_____ HOUSING SUCCESSOR RESOLUTION NO. 21-_____

JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY MONTEBELLO AND THE CITY COUNCIL OF THE CITY OF MONTEBELLO SERVING AS HOUSING SUCCESSOR OF THE FORMER MONTEBELLO REDEVELOPMENT AGENCY, APPROVING AN INTERFUND LOAN FROM THE HOUSING SUCCESSOR AGENCY FUND TO THE GENERAL FUND FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 715 WEST WHITTIER BOULEVARD

WHEREAS, the Planning Commission, on March 16, 2021, adopted a resolution making the finding that the acquisition of real property at 715 West Whittier Blvd. conforms with the Montebello General Plan pursuant to Government Code Section 65402; and,

WHEREAS, the acquisition of said property conforms with Montebello's General Plan Land Use Element and meets numerous land use objectives and policies beneficial to the City and the surrounding community; and,

WHEREAS, purchase of this property presents a unique opportunity for the City to assemble land, which creates opportunities for existing and future uses consistent with City Council policy direction, and the Property's location on a major corridor is central to the future vision of this area of the City that includes a downtown specific plan and would make it possible to incorporate the Property into a more beneficial and productive use that adds value to the downtown Whittier Blvd. corridor and surrounding areas; and,

WHEREAS, in order to quickly and easily effectuate purchase of the property at 715 West Whittier Blvd., an interfund loan in the amount of \$900,000 from the Housing Successor Agency Fund to the General Fund is necessary; and,

WHEREAS, the City Council and the Housing Successor finds and declares that adoption of this Resolution is necessary and appropriate and in furtherance of the City's best interests.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF MONTEBELLO, CALIFORNIA AND THE CITY COUNCIL OF THE CITY OF MONTEBELLO SERVING AS THE HOUSING SUCCESSOR TO THE FORMER MONTEBELLO REDEVELOPMENT AGENCY, HEREBY:

SECTION 1. Recitals. Based upon all information presented during its consideration of this matter, the City Council and the Housing Successor find and declare that the foregoing recitals are true and correct, and hereby incorporates the same as substantive findings into this Resolution.

SECTION 2. Appropriateness of Source Fund. The City Council and the Housing Successor have reviewed the appropriateness of the interfund loan made by this Resolution, including but not limited to: the availability of cash balances and

RESOLUTION NO. 21-__

Page 2 of 3

uncommitted funds in the Housing Successor Agency Fund (Fund No. 810); the reliability and volatility of revenues available to replenish the Housing Successor Agency Fund; any multi-year plans for use of the monies in the Housing Successor Agency Fund; and potential risks if the loaned monies are required by the Housing Successor Agency Fund if the monies are required during the loan term. Based on its review of such matters, the City Council and Housing Successor find and declare that the proposed loan is consistent with the purposes of the Housing Successor Fund, and monies in said account have not been appropriated for other purposes and thus the loan of monies therefrom will not pose significant risks to the Housing Successor Agency Fund or the City's budgetary needs if the loaned funds are repaid no later than Fiscal Year 2022-23.

SECTION 3. Authorization of Loan. The City Council hereby authorizes an advance, in the form of a loan, from the City's Housing Successor Agency Fund available cash balance to the General Fund, in the amount of Nine Hundred Thousand Dollars (\$900,000) to the City of Montebello.

SECTION 4. Deposit of Loan Proceeds. The Finance Director for the City and Housing Successor are hereby authorized and directed to make the appropriation / transfer of Loan proceeds authorized by this Resolution, which shall be recorded in the financial statements as additions to cash in the General Fund, with a liability in the Housing Successor Agency Fund recorded to show the Loan proceeds that are to be repaid. The Finance Director shall keep and maintain records evidencing the transfer of Loan funds authorized by this Resolution in a manner that is consistent with generally accepted accounting practices for local governmental agencies.

SECTION 5. Repayment of Loan. The City Council expressly declares that the monies from the Housing Successor Agency Fund appropriated hereunder are a Loan, and not a grant, and that the City Council expects and directs that the Loan made by this Resolution shall be repaid in full by the General Fund by June 30, 2023.

SECTION 6. Ongoing Management. The City Council authorizes and directs staff to pursue and facilitate repayment of the Loan as described above, and to otherwise manage and administer the Loan in accordance with the terms hereof.

SECTION 7. This Resolution shall take effect immediately, and the City Clerk and Housing Successor Secretary shall certify to its adoption.

APPROVED AND ADOPTED this 24th day of March 2021.

Mayor/Housing Successor Chair

RESOLUTION NO. 21-__

Page 3 of 3

ATTEST:

APPROVED AS TO FORM:

City Clerk/Secretary

Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 21-__ was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 24th day of March 2021 and that said Resolution was adopted by the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

Christopher Jimenez, City Clerk