



**MINUTES
CARSON CITY COUNCIL/SUCCESSOR AGENCY AND
CARSON RECLAMATION AUTHORITY
SPECIAL JOINT MEETING
JULY 19, 2018**

5:00 P.M.

CALL TO ORDER:

The meeting was called to order at 5:14 P.M., by Mayor/Agency Chairman/Authority Chairman Albert Robles in the Helen Kawagoe Council Chambers, Carson City Hall, located at 701 E. Carson Street, Carson, California 90745.

ROLL CALL:

Deputy City Clerk/Deputy Agency Secretary/Deputy Authority Secretary Joy Simarago called the roll:

Council Members/Agency Members Present:

Mayor/Agency Chairman Albert Robles, Mayor Pro Tem/Agency Vice Chairman Jawane Hilton, Council Member/Agency Member Elito Santarina, Council Member/Agency Member Lula Davis-Holmes, and Council Member/Agency Member Cedric Hicks

Authority Board Members Present:

Authority Chairman Albert Robles, Authority Vice Chairman Elito Santarina, Board Member Ray Aldridge, Jr., and Board Member Rashina Young

Other Elected Officials Present:

Donesia Gause-Aldana, City Clerk/Agency Secretary/Authority Secretary (entered at 5:18 P.M.)

Also Present:

Sunny Soltani, City/Agency/Authority Attorney; John Raymond, Assistant City Manager; David Roberts, Assistant City Manager; Joy Simarago, Deputy City Clerk/Deputy Agency Secretary/Deputy Authority Secretary; and Glenn Turner, Computer Systems Support Technician

CLOSED SESSION (Item 1)

ORAL COMMUNICATIONS – CLOSED SESSION ITEMS ONLY – None.

ANNOUNCEMENT OF CLOSED SESSION ITEMS

City/Agency/Authority Attorney Soltani presented the Closed Session item as listed on the agenda.

RECESS INTO CLOSED SESSION

The meeting was recessed at 5:17 P.M. by Mayor/Agency Chairman/Authority Chairman Robles.

RECONVENE TO OPEN SESSION

The meeting was reconvened by Mayor/Agency Chairman/Authority Chairman Robles with all members noted present previously.

REPORT ON CLOSED SESSION ACTIONS

City/Agency/Authority Attorney Soltani provided the Closed Session report as follows:

Item No. 1. 2018-547 CONFERENCE WITH REAL PROPERTY NEGOTIATOR (CITY COUNCIL, SUCCESSOR AGENCY AND CARSON RECLAMATION AUTHORITY)

Recommendation: A closed session will be held, pursuant to Government Code Section 54956.8, to enable Successor Agency to consider negotiations with Macerich, with whom the Successor Agency is negotiating, and to give direction to its negotiators Kenneth C. Farfing, Executive Director and John Raymond, Assistant City Manager, and Saied Naaseh, Director of Community Development, regarding that certain real property known as Assessor Parcel Nos. 7336-010-903 and 7336-010-904. The Successor Agency's real property negotiator will seek direction from the Agency member regarding the price, payment terms for purchase, sale or lease.

ACTION: Item No. 1 was heard in Closed Session. No reportable action was taken.

ORAL COMMUNICATIONS FOR MATTERS LISTED ON THE AGENDA (MEMBERS OF THE PUBLIC) – None.

DISCUSSION: (Item 2)

Item No. 2. 2018-548 CONSIDER IMPLEMENTATION OF PROJECT AGREEMENTS WITH CAM-CARSON, LLC, A DELAWARE LIMITED LIABILITY CORPORATION AND AN AFFILIATED ENTITY OF MACERICH, FOR THE DEVELOPMENT OF A FASHION OUTLET RETAIL CENTER ON THE CELL 2 SURFACE LOT OF A 157-ACRE

PARCEL, THE FORMER CAL-COMPACT LANDFILL; INCLUDING: (1) APPROVAL OF AN AGREEMENT TO UNDERTAKE A VALIDATION ACTION OF THE TRANSACTION AND PROVIDE FOR REIMBURSEMENT OF CITY/AUTHORITY EXPENSES; (2) REAPPROVE THE CONVEYANCING AGREEMENT APPROVED ON APRIL 3, 2018 TO PROVIDE THE OPTION FOR POSSESSION TO BE TRANSFERRED VIA A LEASE; AND (3) AUTHORIZING MAYOR, CHAIRMAN, CITY MANAGER OR EXECUTIVE DIRECTOR AS THE CASE MAY BE, TO APPROVE CERTAIN IMPLEMENTING AGREEMENTS INCLUDING AN OPERATIONAL AGREEMENT, EASEMENT, DEED OF TRUST, AND OTHER IMPLEMENTING AGREEMENTS

(THIS IS A JOINT ITEM BETWEEN RECLAMATION AUTHORITY, CITY COUNCIL AND SUCCESSOR AGENCY)

Assistant City Manager Raymond provided a brief staff report.

Mayor/Agency Chairman/Authority Chairman Robles requested individuals who are representing Macerich and Simon to introduce themselves for the record.

Ann Menard, representing Macerich and signatory on behalf of Cam-Carson, LLC, introduced herself.

George Mhlsten, representing Latham Watkins, counsel to Simon Property Group and will be a member of the Cam-Carson entity, introduced himself.

City/Agency/Authority Attorney Soltani discussed concerns raised by Simon entities who are new partners with Cam-Carson regarding some of the contracts that the Carson Reclamation Authority has entered into with Snyder Langston for the installation of the piles, construction of the foundation slab, any associated mechanical and building systems, and offsite improvements.

She further stated Cam-Carson LLC is asking for the contract to be converted into a form A102-2017 AIA contract form. Also, they are asking for a 45-day period to obtain real bids for the work to be done on the project in hopes of establishing a projected budget. She discussed in detail the next steps pertaining to the escrow instructions.

Assistant City Manager Raymond stated he would provide an estimate budget on July 20, 2018.

Mayor/Agency Chairman/Authority Chairman Robles asked both attorneys George Mhlsten and Ann Menard to confirm the agreements stated by City/Agency/Authority Attorney Soltani. Both attorneys responded in the affirmative.

City/Agency/Authority Attorney Soltani discussed the details of the conditions of the reimbursement agreement. Both attorneys concurred with the conditions of the agreement.

She further stated Cam-Carson will pay all the legal costs and other costs associated with the process of negotiating with Snyder Langston in addition to more payment conditions on the agreements. It was also agreed to bring the carry costs up to date at 100% as of the April date when the Development Agreement was first approved and to continue paying 100%.

(Mayor Pro Tem/Agency Vice Chairman/Authority Vice Chairman Hilton exited the meeting at 8:45 P.M. and reentered the meeting at 8:46 P.M.)

City/Agency/Authority Attorney Soltani also stated that all parties understand that under the Development Agreement and the Conveyancing Agreement as drafted that Simon or Macerich must maintain 50% ownership and an administrative member. Both attorneys concurred with the understanding.

City/Agency/Authority Attorney Soltani confirmed that Macerich will not have a concern who the city chooses for a broker. Attorney Menard confirmed the agreement as stated.

Attorney Menard explained the details of the escrow agreement and irrevocable letter of credit.

Attorney Muhlsten referred to the letter of credit and clarified that he and Executive Vice President Mark Silvestri are recommending the letter and believe would be accepted by David with Simon but would confirm tomorrow.

City/Agency/Authority Attorney Soltani recommended the City Council, Successor Agency and the Carson Reclamation Authority take actions subject to the terms and conditions as she described earlier as follows:

- 1) Approve the Agreement to Undertake Validation Action and Reimbursement Agreement Between the City of Carson and the Carson Reclamation Authority and CAM-Carson LLC;
- 2) Reapproving the Conveyancing Agreement as presented in the meeting packet but subject to all the caveat she stated earlier for the record;
- 3) Authorize the City Manager and/or Executive Director of the Carson Reclamation Authority to approve and execute certain implementing agreements including the Operational Agreement, Easements, Deed of Trust, and other Implementing Agreements; and
- 4) Authorize Mayor/Chairman to execute all other relevant agreements discussed.

Attorneys George Muhlsten and Ann Menard agreed with the recommendations.

Recommendation: TAKE the following actions:

- 1.APPROVE Agreement to Undertake Validation Action and Reimbursement Agreement II Between City of Carson and the Carson Reclamation Authority and CAM-Carson LLC;
- 2.AUTHORIZE City Manager and/or Executive Director of the Carson Reclamation Authority to approve and execute certain implementing agreements including an Operational Agreement, Easement, Deed of Trust, and other Implementing Agreements;
- 3.REAPPROVE the Conveyancing Agreement approved on April 3, 2018 to provide the option for possession to be transferred via a lease; and
4. AUTHORIZE Mayor/Chairman to execute all relevant Agreements.

ACTION: The Carson Reclamation Authority, City Council, and Successor Agency took the following actions:

Vote by Carson Reclamation Authority

It was moved to approve the four staff recommendations as stated for the record by City/Agency/Authority Attorney Soltani on motion of Santarina, seconded by Young and unanimously carried by the following vote:

Ayes: Authority Chairman Robles, Authority Vice Chairman Santarina, Board Member Aldridge, Jr., and Board Member Young
Noes: None
Abstain: None
Absent: None

Vote by City Council/Successor Agency

It was moved to approve the four staff recommendations as stated for the record by City/Agency/Authority Attorney Soltani on motion of Hilton, seconded by Santarina and unanimously carried by the following vote:

Ayes: Mayor/Agency Chairman Robles, Mayor Pro Tem/Agency Vice Chairman Hilton, Council Member/Agency Member Santarina, Council Member/Agency Member Davis-Holmes, and Council Member/Agency Member Hicks
Noes: None
Abstain: None
Absent: None

ORAL COMMUNICATIONS (COUNCIL MEMBERS) – None.

ADJOURNMENT

The meeting was adjourned at 8:52 P.M. by Mayor/Agency Chairman/Authority Chairman Robles.

Mayor/Agency Chairman Authority Chairman
Albert Robles

ATTEST:

City Clerk/Agency Secretary/Authority Secretary
Donesia Gause-Aldana, MMC