

LEMOORE
CALIFORNIA

OVERSIGHT BOARD FOR
SUCCESSOR AGENCY TO
THE FORMER LEMOORE
REDEVELOPMENT
AGENCY
COUNCIL CHAMBER
429 "C" STREET
November 12, 2015

AGENDA

SPECIAL MEETING 9:00 a.m.

Please silence all electronic devices as a courtesy to those in attendance. Thank you.

1. Call to Order: A. Pledge of Allegiance B. Roll Call
2. Public Comment

Public Comment may be addressed to the Regular Meeting Items listed below. In order to allow time for all public comments, each individual's comments are limited to five minutes. When addressing the Council, you are requested to come forward to the speaker's microphone, state your name and address, and then proceed with your presentation.

3. Approval – Minutes – Regular Meeting – September 24, 2015
4. Report and Recommendation – Disposition of Real Property APN 024-051-018 and APN 024-051-019 to Tom Vorhees for the amount of \$100,000 (approx. \$16,447 per acre) – Resolution 2015-03
5. Adjournment

Notice of ADA Compliance: If you or anyone in your party needs reasonable accommodation to attend, or participate in, any Oversight Board Meeting, please make arrangements by contacting City Hall at least 24 hours prior to the meeting by calling 924-6700, or by mail at 119 Fox Street, Lemoore, California 93245.

Any writings or documents provided to a majority of the Oversight Board regarding any item on this agenda will be made available for public inspection at the City Clerk's Counter at City Hall located at 119 Fox Street, Lemoore, CA during normal business hours. In addition, most documents will be posted on the City's website at www.lemoore.com.

CERTIFICATION OF POSTING

I, Mary J. Venegas, Board Clerk for the Oversight Board, do hereby declare that the foregoing agenda for the Oversight Board special meeting of November 12, 2015 was posted on the outside bulletin board located at City Hall, 119 Fox Street in accordance with applicable legal requirements on the 6th day of November 2015.

//s//

Mary J. Venegas, Board Clerk

WELCOME TO YOUR OVERSIGHT BOARD OF THE SUCCESSOR AGENCY MEETING

Whether you are attending this meeting because of general interest, or because a particular item of special interest is to be reviewed, your presence is an important means of helping to insure an informed public and responsible City Government.

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY

The purpose of the Oversight Board of the Successor Agency is to supervise and review the activities of the Successor Agency in administering the dissolution and wind down of the City of Lemoore's Redevelopment Agency. The Oversight Board has a fiduciary responsibility to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues.

CONDUCT AT PUBLIC MEETINGS

Your courtesy is requested to help our meeting run smoothly. If you'll be kind enough to follow these simple rules, we can make the best possible use of time. Please turn off all cell phones and pagers. Please refrain from public displays or outbursts such as unsolicited applause, comments, cheering, foul language, or obscenities. Any disruptive activities that substantially interfere with the ability of the City to carry out its meeting or prevents/disrupts others from fully participating in the meeting will not be permitted and offenders will be requested to leave the meeting pursuant to Government Code § 54957.9.

PUBLIC COMMENTS

At an Oversight Board meeting, those who wish to be heard on matters on the agenda should indicate their desire to speak when the item is ready for discussion. If you wish to comment on an item which is not on the agenda, you may do so under "Public Comments". In order to allow time for all public comments, each individual's comments are limited to five minutes. Time shall not be shared/loaned from speaker to speaker. If you wish to request time on an upcoming Board Agenda to present a particular item or matter to the Board, you may contact the City Manager at any time before 12:00 noon on the Thursday immediately preceding the Board meeting to so request. If the matter is within the Board's jurisdiction, and the Board has not taken action or considered the item at a recent meeting, the City Manager may place the item on the Agenda. When addressing the Board, you are requested to come forward to the speaker's microphone, state your name and address, and then proceed with your presentation.

Minutes of the Regular Meeting of the
OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY
TO THE LEMOORE REDEVELOPMENT AGENCY
September 24, 2015

ATTENDANCE: Chair Murray; Members Corl, Holwell, Siegel; City Manager Welsh; City Attorney Van Bindsbergen; Finance Director Silva; Board Clerk Venegas

ABSENT: Cavanagh, Stoppenbrink, Verboon

MEETING CALLED TO ORDER:
At 9:23 a.m. the meeting was called to order.

PUBLIC COMMENT:
There was no comment.

APPROVAL – Minutes – Regular Meeting – September 24, 2015:
It was moved by Board Member Corl, seconded by Board Member Siegel, and carried that the Board approve the Minutes of February 26, 2015.

Ayes: Corl, Holwell, Siegel, Murray
Absent: Cavanagh, Stoppenbrink, Verboon

REPORT AND RECOMMENDATION – Approval of the Recognized Obligation Payment Schedule for the Period of January 1, 2016 to June 30, 2016 (ROPS 15-16B), Resolution 2015-02

It was moved by Board Member Siegel, seconded by Board Member Holwell, and carried that the Board approve the Recognized Obligation Payment Schedule for the Period of January 1, 2016 to June 30, 2016 (ROPS 15-16B), Resolution 2015-02.

Ayes: Siegel, Holwell, Corl, Murray
Absent: Cavanagh, Stoppenbrink, Verboon

Adjournment: At 9:27 a.m. the meeting adjourned.

Full digital audio recording is available.

Approved the 12th day of November 2015.

ATTEST:

APPROVED:

Mary J. Venegas, City Clerk

John Murray, Chair

Mayor
Lois Wynne
Mayor Pro Tem
Jeff Chedester
Council Members
Ray Madrigal
Eddie Neal
William Siegel



**Lemoore
Oversight Board**

119 Fox Street
Lemoore, CA 93245
Phone (559) 924-6704
Fax (559) 924-6708

Staff Report

ITEM NO. 4

To: Oversight Board for the Lemoore Successor Agency
From: Judy Holwell, Interim Planning Director
Date: November 2, 2015 Meeting Date: November 12, 2015
Subject: Disposition of Real Property APN 024-051-018 and APN 024-051-019 to Tom Vorhees for the amount of \$100,000 (approx. \$16,447 per acre) – Resolution 2015-03

Proposed Motion:

Adopt Resolution No. 2015-03 approving the Agreement for Purchase and Sale of Real Property between the Lemoore Successor Agency to the former Lemoore Redevelopment Agency and Tom Vorhees for the disposition of real property identified as APN 024-051-018 and APN 024-051-019 for the amount of \$100,000.

Subject/Discussion:

The City of Lemoore, acting on behalf of the Lemoore Successor Agency, received a Letter of Intent (LOI) from Tom Vorhees (Vorhees) to purchase Lot 15 (APN 024-051-019) and Lot 16 (APN 024-051-018), which are vacant properties in the Lemoore Industrial Park located on Commerce Way. Both lots are approximately 3.04+/- acres totaling approximately 6.08+/- acres. Mr. Vorhees has agreed to pay a total of \$100,000 (approximately \$16,447 per acre) for the two parcels.

The Lemoore City Council, acting as the Lemoore Successor Agency to the former Lemoore Redevelopment Agency, met in closed session on June 2, 2015, June 16, 2015, August 18, 2015 and October 20, 2015 to discuss Vorhees' proposal. On October 20, 2015, during a duly noticed Public Hearing, Council directed staff to recommend the sale of the property to the Oversight Board.

The terms set forth below were negotiated with Mr. Vorhees and are acceptable to him and Council. Additionally, Mr. Vorhees agreed to commence development of a project on one of the two parcels that will increase the property value by at least \$250,000 within twelve (12) months from the close of escrow. The new development will generate additional property tax revenue for the taxing entities. The terms below are also included in the attached Agreement for Purchase and Sale of Real Property.

Properties: Lot 15 – 3.04± acres – APN 024-051-019 and
Lot 16 – 3.04± acres – APN 024-051-018

Zoning: Light Industrial

Price:	\$100,000
Deposit:	\$5,000 per lot non-refundable once sale is approved by California Department of Finance
Due Diligence Period:	30 days following execution of agreement by buyer
Balance:	\$90,000 to be paid prior to close of escrow
Escrow fees:	Split 50/50
Escrow period:	30 days

This project meets the intent of the Successor Agency's Long Range Property Management Plan, which governs the disposition and use of the available properties. The Plan indicates properties of the former Redevelopment Agency will be sold for economic development purposes. Mr. Vorhees' proposal provides an opportunity for one lot in the industrial park to be developed, which will increase the amount of property tax revenue for the taxing entities.

Pursuant to California Health & Safety Code (HSC) Section 34181(a), an oversight board shall direct its successor agency to dispose of all assets and properties of the former redevelopment agency that were funded by tax increment revenues of the dissolved redevelopment agency. The required 10-day Public Notice announcing the potential property sale was posted at City Hall and published in the Hanford Sentinel beginning on October 30, 2015. If the Lemoore Oversight Board determines that the proposed project is acceptable, then following the Board's approval, staff will seek approval from the California Department of Finance for the proposed property transaction.

Financial Consideration(s):

The revenue from the sale of former Redevelopment Agency property is placed in the Successor Agency's Other Funds account to pay expenditures identified in the Recognized Obligation Payment Schedule (ROPS).

Alternatives or Pros/Cons:

Pros:

- Disposes of vacant Redevelopment Agency property.
- No other offers at this time.

Cons:

- Purchase price may not be representative of true market value.

Staff Recommendation:

It is recommended that the Lemoore Oversight Board adopt Resolution No. 2015-03 approving the Agreement for Purchase and Sale of Real Property between the Lemoore Successor Agency to the former Lemoore Redevelopment Agency and Tom Vorhees for the disposition of real property listed as APN 024-051-019 and APN 024-051-018 for the amount of \$100,000.

RESOLUTION NO. 2015-03

A RESOLUTION OF THE LEMOORE OVERSIGHT BOARD FOR THE LEMOORE SUCCESSOR AGENCY TO THE FORMER LEMOORE REDEVELOPMENT AGENCY APPROVING THE AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY BETWEEN THE LEMOORE SUCCESSOR AGENCY TO THE FORMER LEMOORE REDEVELOPMENT AGENCY AND TOM VORHEES FOR THE DISPOSITION OF PROPERTY – APN 024-051-018 AND APN 024-051-019

WHEREAS, AB X1 26 (“AB 26”) was passed by the California State Legislature on June 15, 2011, signed by the Governor on June 28, 2011, and on February 1, 2012 redevelopment agencies in the state of California were dissolved; and

WHEREAS, AB 1484 was subsequently passed by the California State Legislature and signed into law by the Governor on June 27, 2012 modifying the provisions of AB 26; and

WHEREAS, pursuant to AB 1484, Health and Safety Code (HSC) sections 34177(e) and 34181(a) were suspended forbidding successor agencies from disposing of any property until they receive a Finding of Completion and receive approval of a Long Range Property Management Plan (LRPMP) from the California Department of Finance (DOF); and

WHEREAS, on June 7, 2013, the DOF issued its Finding of Completion to the Lemoore Successor Agency; and

WHEREAS, on March 12, 2014, the Lemoore Successor Agency received notification from the DOF that its LRPMP was approved and that pursuant to HSC section 34191.3, the approved LRPMP shall govern and supersede all other provisions relating to the disposition and use of all real property assets of the former redevelopment agency; and

WHEREAS, in accordance with HSC section 34191.4, upon receiving a Finding of Completion and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements of an existing enforceable obligation; and

WHEREAS, actions taken by successor agencies pursuant to a DOF approved LRPMP are subject to oversight board approval per HSC Section 34181 (f); and

WHEREAS, the City of Lemoore as Successor Agency to the former Lemoore Redevelopment Agency, received a Letter of Intent dated May 28, 2015 (Exhibit A) from Tom Vorhees (Vorhees) to purchase APN 024-051-018 (approximately 3.04 acres) and APN 024-051-019 (approximately 3.04 acres) of vacant land in the Lemoore Industrial Park; and

WHEREAS, the terms of the agreement were negotiated with and accepted by Vorhees to purchase said properties in an Agreement for Purchase and Sale of Real Property (Exhibit B); and

WHEREAS, the Lemoore Successor Agency convened on October 20, 2015 during a duly noticed public hearing and directed staff to present the proposed sale to the Lemoore Oversight Board for approval; and

WHEREAS, HSC section 34180 requires the actions of a successor agency shall first be approved by its oversight board; and

WHEREAS, the Lemoore Oversight Board convened on November 12, 2014 and directed the Successor Agency to execute said Agreement; and

WHEREAS, HSC Section 34181(f) requires that actions to dispose of assets and properties of a former redevelopment agency shall be approved by resolution of its oversight board at a public meeting after at least 10 days' notice to the public of the specific proposed actions and that such notice was posted for the required 10 days beginning on October 30, 2015.

NOW, THEREFORE, THE LEMOORE OVERSIGHT BOARD FOR THE LEMOORE SUCCESSOR AGENCY TO THE FORMER LEMOORE REDEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The recitals above are true and correct and are incorporated into this Resolution.

SECTION 2. The Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency hereby approves the Agreement for Purchase and Sale of Real Property for the sale of APN 024-051-018 and APN 024-051-019 with Tom Vorhees for an amount not less than \$100,000 (minus one-half title and escrow fees).

SECTION 3. Approval by the State of California Department of Finance will be obtained prior to the disposition of any individual property sale.

SECTION 4. The proceeds from the sale of each property will be placed in the Lemoore Successor Agency's Other Funds account to pay expenditures identified in the Recognized Obligation Payment Schedule.

SECTION 5. The City Manager of the City of Lemoore, or designee, acting as the Successor Agency to the former Lemoore Redevelopment Agency is authorized to execute said Agreement.

SECTION 6. Pursuant to HSC section 34179(h), all actions taken by an oversight board may be reviewed by the State of California Department of Finance, and therefore, this Resolution shall not be effective for five (5) business days unless the Department requests a review.

PASSED, APPROVED, AND ADOPTED by the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency at a special meeting this 12th day of November 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

John F. Murray, Chairperson

ATTEST:

Mary J. Venegas, Board Clerk

Tom Vorhees

Phone (760) 510-6795

Cell (650) 255-2073

tvorhees@me.com

May 28, 2015

Mayor Wynne and City Council Members
City of Lemoore
Lemoore Successor Agency
119 Fox Street
Lemoore, CA 93245

RE: Letter of Intent to purchase vacant land in the Lemoore Industrial Park
Lot 15 – APN 024-051-019 approximately 3.04± acres and
Lot 16 – APN 024-051-018 approximately 3.04± acres

Dear Mayor Wynne and City Council Members:

This letter serves as an official offer to purchase Lot 15 (APN 024-051-019) approximately 3.04± acres and Lot 16 (APN 024-051-018) approximately 3.04± acres in the Lemoore Industrial Park for the amount of \$100,000. In an effort to show good faith, upon signing a purchase agreement, I will place a \$10,000 deposit into an escrow account (\$5,000 per lot), which will become non-refundable following a 30-day due diligence period.

As you may recall, last year I purchased Lot 14 in the Lemoore Industrial Park and agreed to construct a road – Venture Place – on the property. The improvements on the property are to be complete within 12 months of close of escrow, which is January 14, 2016, and I am on schedule to complete construction as agreed. Zumwalt-Hansen has prepared the initial plans and I am currently reviewing them. I also purchased Lot 4, which is on the Southeast Corner of Iona Avenue and Commerce Way. The two parcels I wish to purchase are directly south of Lot 4.

I believe this area is a great location for development since the interchange at 19th Avenue is now complete, and the property is near Highway 198 and Highway 41. My intention is to develop the lots within two years of close of escrow, which will increase the amount of property tax revenue for the taxing entities, and may generate additional sales tax revenue to the City's General Fund.

In addition to Council's approval, I understand that the sale of these properties are contingent on approval by the Lemoore Oversight Board and the California Department of Finance. I request escrow be opened within 14 business days following notification by the Department of Finance of its approval, and that escrow close after 30 days. Additionally, as was done previously, I would appreciate splitting the escrow fees fifty-fifty.

Thank you in advance for your consideration of my offer. If I can answer any questions, please feel free to contact me at either of the numbers listed above.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Vorhees', with a long horizontal flourish extending to the right.

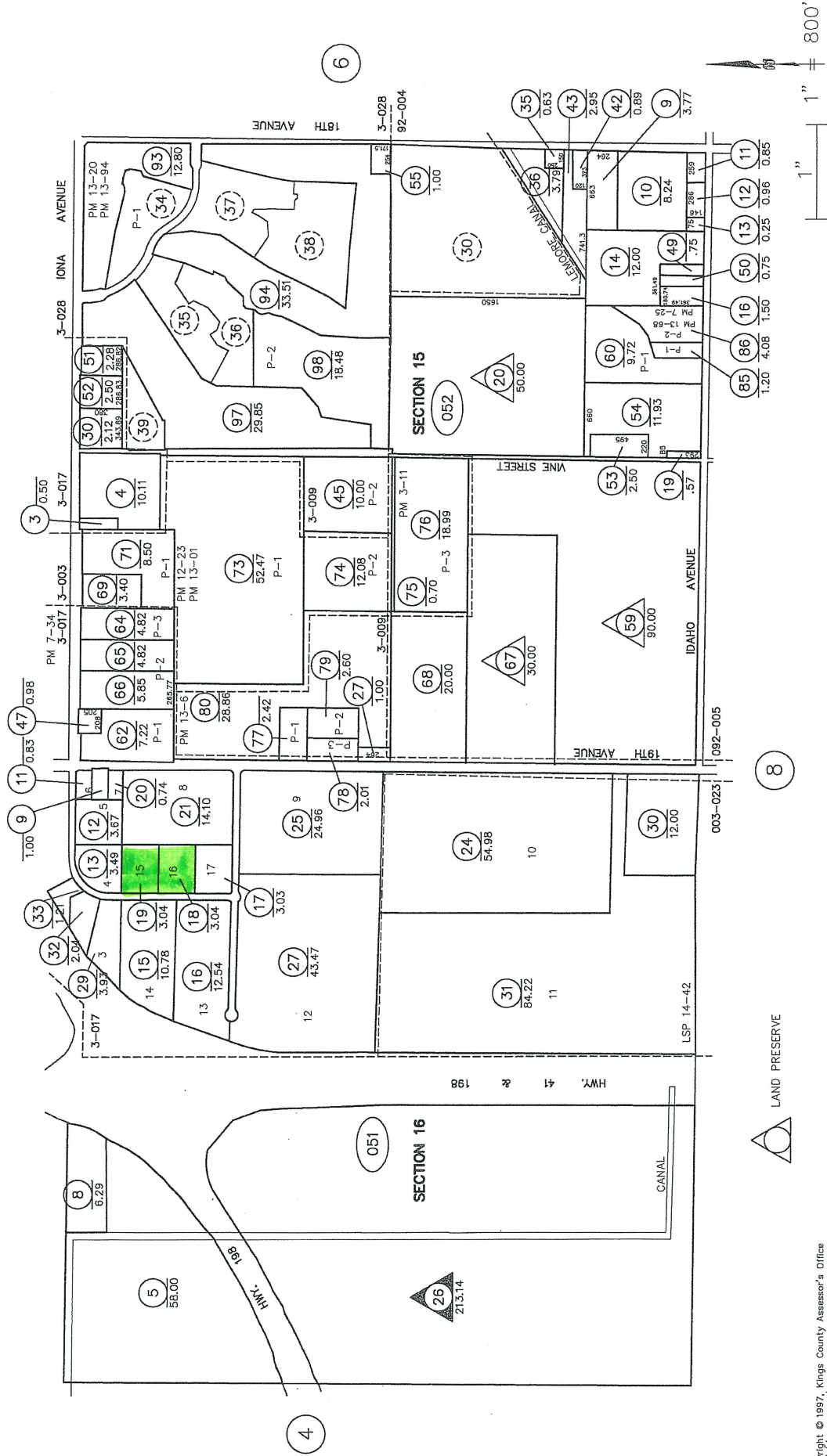
Tom Vorhees

KINGS COUNTY ASSESSOR'S MAP

24-05

SEC'S. 15 & 16-19-20

THIS MAP IS FOR ASSESSMENT PURPOSES ONLY
IT DOES NOT CONSTITUTE AN OFFERING
OR A CONTRACT TO SELL LAND, AND IT IS NOT
TO BE USED FOR ANY PURPOSES OTHER THAN
THOSE FOR WHICH IT WAS PREPARED.
NOVEMBER 2007



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AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

This AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY ("**Agreement**") is made and entered into this ___ day of _____, 2015, by and between, The Successor Agency to the Lemoore Redevelopment Agency (hereinafter "**Seller**"), and Tom Vorhees (hereinafter "**Buyer**").

RECITALS

WHEREAS, Seller is the successor agency to the Lemoore Redevelopment Agency, and as such, is the owner of certain real property identified as APN 024-051-019 ("**Lot 15**") comprised of approximately 3.04+/- acres of vacant open land in the Lemoore Industrial Park, and APN 024-051-018 ("**Lot 16**") comprised of approximately 3.04+/- acres of vacant open land in the Lemoore Industrial Park.

WHEREAS, Buyer desires to purchase Lot 15 and Lot 16 totaling approximately 6.08+/- acres (the "**Properties**") more particularly described on Exhibit "A" attached hereto and incorporated herein.

WHEREAS, Seller desires to sell the Properties to Buyer on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and for such other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. AGREEMENT AND PROPERTY.

1.1 Real Property. Seller agrees to sell, and convey to Buyer, and Buyer agrees to purchase from Seller, fee simple title to all of Seller's right, title and interest in and to the Properties and all improvements thereon, if any, together with all rights, privileges and easements appurtenant to the Real Properties, whether or not recorded (collectively "**Real Properties**").

2. PURCHASE PRICE. The purchase price ("**Purchase Price**") for the Properties shall be One Hundred Thousand Dollars (\$100,000.00) cash. The Purchase Price shall be paid as follows:

- Five Thousand Dollars (\$5,000.00) refundable deposit ("**Deposit for Lot 15**") by Buyer upon signing this Agreement. The Deposit for Lot 15 shall be nonrefundable if this Agreement terminates for any reason, unless canceled or terminated within the 30-day due diligence period, except as further outlined in paragraph 3.3 below.

- Five Thousand Dollars (\$5,000.00) refundable deposit (“**Deposit for Lot 16**”) by Buyer upon signing this Agreement. The Deposit for Lot 16 shall be nonrefundable if this Agreement terminates for any reason unless canceled or terminated within the 30-day due diligence period, except as further outlined in paragraph 3.3 below.
- The balance of the Purchase Price, being Ninety Thousand Dollars (\$90,000.00), shall be all due and payable prior to the Close of Escrow.

3. CONTINGENCIES. This transaction and the closing thereof are expressly contingent upon the following:

3.1 Preliminary Title Report. As soon as possible after the Opening of Escrow, Escrow Agent shall prepare or cause to be prepared a Preliminary Title Report for the Real Properties showing all liens, encumbrances and other matters affecting title to the Real Properties and shall provide a copy thereof, together with legible copies of the documents shown as title exceptions therein, to Buyer. Buyer shall have thirty (30) days from its receipt of the Preliminary Title Report to approve the Preliminary Title Report. If Seller fails to eliminate any title matter disapproved by Buyer within the ten (10) days of written notice thereof to Seller, Buyer may terminate this Agreement and the transaction identified herein. Subsequent to the approval of the Preliminary Title Report by Buyer, Seller shall not allow or cause any additional exception to title to occur. This obligation shall survive the Close of Escrow.

3.2. Feasibility. Buyer shall have until 5:00 p.m., Pacific Standard Time, on that date which is thirty (30) days from the date of execution of this Agreement by Buyer in which to investigate the Properties, and to perform all engineering, and other similar studies that Buyer deems necessary, in its sole discretion, which shall be considered the due diligence period. Seller shall use its best efforts to provide to Buyer, within two (2) business days of Buyer’s request complete copies of any and all documents and information related to or affecting the Properties, or any portion thereof which Buyer may request. If Buyer requests any materials or information from Seller, and Seller does not possess the same but Seller is aware of from whom Buyer can obtain the same, Seller will completely disclose the same to Buyer.

At any time during said thirty (30) day due diligence period, Buyer may terminate this Agreement and this transaction for any reason by giving written notice to Seller, and shall receive the return in full of the Deposit. If Buyer does not terminate this Agreement, regardless of any issues discovered with the Properties as a result of Buyer investigation, the Parties agree that the Properties are being sold in an “as is” condition.

Any engineering or other similar inspection of the Properties requested by Buyer shall be performed by a party selected by Buyer, and the expense therefore shall be paid by Buyer.

3.3 State Mandated Approval for Transfer of Property and Close of Escrow. As required by law pursuant to AB x 1 26, as amended by AB 1484, close of

escrow is contingent upon ratification or approval of the Successor Agency to the Lemoore Redevelopment Agency, the Lemoore Oversight Board, and the Department of Finance of the State of California. If the state mandated approvals cannot be obtained, Seller, or its successors or assigns, shall have no obligation or liability whatsoever to Buyer or its successors or assigns except as follows: If such approvals cannot be obtained and escrow cannot be closed due to the inability to secure said approvals, Buyer shall be refunded its deposits of \$10,000 and Seller agrees to pay any escrow cancellation charges.

3.4 Reversion. In the event Buyer fails to develop Lot 15 or Lot 16, as described in paragraph 4.3 below, within twelve (12) months after Close of Escrow, then upon Seller's written request to Buyer to transfer the undeveloped parcel(s), the Buyer shall transfer the undeveloped parcels back to Seller. The transfer to Seller shall be at no cost to either party, other than any applicable transfer taxes and incidental title, escrow, and recording fees, for which the Buyer shall be solely responsible. In the event that a transfer request is made, Buyer agrees to take whatever steps necessary to ensure the parcel(s) are transferred back in the same or better condition and with clear title.

4. REPRESENTATIONS AND WARRANTIES.

4.1 Seller makes no representations or warranties related to the Properties which are being sold "as is".

4.2 Buyer represents and warrants that Buyer will comply with all laws in the development of the Properties, including, without limitation, the Lemoore Municipal Code.

4.3 Buyer represents and warrants that Buyer will commence development of a project on one of the two parcels that will increase the property value by at least \$250,000 within twelve (12) months of close of escrow.

5. ESCROW

5.1 Opening of Escrow. Following approval by the Department of Finance, an escrow shall open to consummate the sale of the Property according to the terms and conditions of this Agreement at the office of Chicago Title Company, in Hanford, California ("**Escrow Agent**"). Written escrow instructions in accordance with the terms and conditions of this Agreement shall be prepared by the Escrow Agent, and the instructions shall be signed by the parties and delivered to the Escrow Agent and Escrow shall be opened within ten (10) days of either the Seller's acceptance hereof or receipt of approval from the California Department of Finance of the sale set forth herein, whichever is later. Buyer and Seller shall also deposit with the Escrow Agent all instruments, documents, monies and other items identified in the escrow instructions or reasonably required by the Escrow Agent to close the sale on the closing date specified below.

5.2 Closing Date. The Parties shall use their best efforts to have Escrow close (the "**Closing**") on or before 30 days following the approval of the California

Department of Finance. All monies and documents required to be delivered shall be deposited in Escrow no later than close of business on the day prior to the Closing Dated.

5.3 Termination of Escrow. If Escrow Agent is unable to comply with the instructions contained in this Agreement on or before the dates set forth in Paragraph 5.1 above, it shall do so as soon thereafter as possible, unless Escrow Agent shall have received a demand to terminate the Escrow from a party hereto that is not in default in the performance of any of its obligations hereunder. Under no circumstances shall the provisions of this paragraph create an express or implied duty on the part of Seller or Buyer to extend the time of the Escrow, but Seller and Buyer shall have the option to extend the Escrow beyond the initial thirty (30) day extension period if they so agree.

5.4 General. Possession and risk of loss in connection with the Properties shall not be transferred by Seller to Buyer until Close of Escrow. If the Properties are damaged in any way whatsoever during the Escrow, Buyer shall have the right, at any time within twenty (20) days thereafter, to terminate this transaction and the Escrow and the same shall be treated as if terminated. Escrow Agent shall close Escrow when it is in a position to issue to Buyer a binding commitment from the title insurer to issue a title insurance policy as required for the Properties and to otherwise perform under the Escrow Instructions to be prepared.

5.5 Brokers. The Parties represent and warrant that neither party engaged or worked with a real estate agent or broker related to this transaction.

5.6 Fees. Escrow and Title fees are to be split 50/50 by Seller and Buyer.

6. DEFAULT.

6.1 Correct and Cure. In the event either party in any way breaches the terms and provisions of this Agreement or the Escrow Instructions to be prepared in connection herewith, the non-breaching party shall give the breaching party ten (10) days written notice in which to cure the failure to perform, defect, breach or other problem, and if the same is not cured on or before the expiration of such ten (10) day period, then an event of default shall have occurred and the non-defaulting party shall be entitled to terminate this transaction and the escrow and seek any and all remedies available to it pursuant to law and this Agreement.

6.2 Right to Damages. If Buyer fails to complete the purchase under this agreement as herein provided by reason of any default of Buyer to close Escrow, Seller shall be released from its obligation to sell the properties to Buyer and may proceed against Buyer upon any claim or remedy which Seller may have in law or equity.

7. GENERAL

7.1 Time of Essence. Time shall be considered of the essence in this Agreement.

7.2 Severability. In the event that any clause, provision, or portion of this Agreement or any part thereof shall be declared invalid, void, or unenforceable by any court having jurisdiction, such invalidity shall not affect the validity or enforceability of the remaining portions of this Agreement unless the result would be manifestly inequitable or materially impair the benefits intended to inure to either party under this Agreement, in which case this Agreement, as a whole, shall be deemed invalid, void and unenforceable.

7.3 Notices. Any notices or demands upon either party shall be in writing and shall be effective when delivered personally or when sent by United States registered or certified mail, postage prepaid, and addressed to the parties at the addresses shown in this Agreement or such other addresses indicated by one party to the other in writing from time to time.

Buyer:

Tom Vorhees
6985 Corte Langosta
Carlsbad, CA 92009

Seller:

The Successor Agency to the
Lemoore Redevelopment Agency
119 Fox Street
Lemoore, CA 93245

7.4 Inconsistencies. In the event any term or condition of this Agreement or the Escrow Instructions to be prepared in connection herewith are in any way inconsistent with any pre-printed form Escrow Instructions or any other documents which have been or will be prepared in connection with this transaction, then, in such event, the terms and conditions of this Agreement (or any subsequent amendments thereto) shall control.

7.5 Attorneys' Fees. In the event a court action is instituted by either of the parties hereto for the enforcement of any of its rights or remedies hereunder, the party in whose favor judgment shall be rendered therein shall be entitled to recover from the other party all costs incurred by said prevailing party in said action, including reasonable attorneys' fees fixed by the Court.

7.6 Counterparts. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one single agreement between the parties.

7.7 Complete Agreement. It is understood and agreed that this Agreement contains the entire agreement between the parties relating to all issues involving the subject matter of this Agreement. No binding understandings, statements, promises or inducements contrary to this Agreement exist. This Agreement supersedes and cancels all previous agreements, negotiations, communications, commitments and understandings with respect to the subject matter hereof, whether made orally or in writing. Each of the parties to this Agreement expressly warrants and represents to the other that no promise or agreement which is not herein expressed has been made to the other, and that neither party is relying upon any statement or representation of the other that is not expressly set forth in this Agreement. Each party hereto is relying

exclusively on the terms of this Agreement, its own judgment, and the advice of its own legal counsel and/or other advisors in entering into this Agreement.

7.8 Headings. The captions and titles in this Agreement are for convenience only and shall not affect the interpretation or meaning of this Agreement.

7.9 Governing Law. This Agreement and the construction and enforceability thereof shall be interpreted in accordance with the laws of the State of California. Venue shall be in Kings County.

7.10 Power and Authority. Each party represents and warrants to the other that (i) it has all requisite power and authority to execute and deliver this Agreement and perform its obligations hereunder, (ii) all corporate, board, body politic, or other approvals necessary for its execution, delivery, and performance of this Agreement have been or will be obtained except as otherwise addressed in this Agreement, and (iii) this Agreement constitutes its legal, valid, and binding obligation.

7.11 Amendment and Waiver. The parties hereto may by mutual agreement amend this Agreement in any respect, provided that any such amendment shall be in writing, signed by both parties. The waiver of any condition under this Agreement shall not constitute a future waiver of the same or like condition.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date set forth above.


SELLER: The Successor Agency to the Lemoore Redevelopment Agency By: _____ Andrea Welsh, City Manager Date	BUYER: Tom Vorhees By:  _____ Tom Vorhees Date 10/16/15
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EXHIBIT A

PROJECT SITE DESCRIPTION

APN 024-051-019 ("**Lot 15**") comprised of approximately 3.04+/- acres of vacant open land in the Lemoore Industrial Park; and,

APN 024-051-018 ("**Lot 16**") comprised of approximately 3.04+/- acres of vacant open land in the Lemoore Industrial Park.