



April 23, 2015

Ms. Cynthia A. Fortune, Finance Director
City of Grand Terrace
22795 Barton Road
Grand Terrace, CA 92313

Dear Ms. Fortune:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Grand Terrace Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on November 8, 2013. The Agency subsequently submitted a revised LRPMP to Finance on December 18, 2014. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items.

The Agency received a Finding of Completion on May 9, 2013. Further, based on our review and application of the law, we are approving the Agency's use or disposition of all the properties listed on the LRPMP.

Property No. 3 – Vista Grade Park Project. The Agency desires to transfer a vacant lot located at 22720 Vista Grande Way to the City of Grand Terrace (City) for governmental use. The Vista Grande Park Project is listed in the former redevelopment agency's five-year implementation plan. The Agency also provided evidence of fundraising events and the design for the park. Therefore, the disposition of this property for governmental use is allowed. However, the plan states that Vista Grande Park construction costs were explicitly indicated among designated uses of proceeds from the Agency's 2001 Tax Allocation Bonds. The Agency is specifically reminded that to the extent proceeds from bonds issued after December 31, 2010 exist and are not encumbered by an enforceable obligation pursuant to HSC section 34171 (d), HSC section 34191.4 (c) (2) (B) requires these proceeds be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation. Therefore, Finance's approval of the LRPMP is not an approval to use such bond proceeds for any purpose other than as required by law.

Finance notes the following with respect to the amended LRPMP; however, the Agency does not need to submit a revised plan:

- Agency Property Summary – The Agency identifies 13 parcels in the LRPMP. However, the amended plan only includes 11 parcels, as the Agency removed Property No. 5, which included two parcels as discussed below.
- Table 1.2: Agency Property Summary – The Agency reported the same

Assessor's Parcel Number (APN) for both parcels located at the 22100 Block of Barton Road. The correct APNs should be 0275-242-10 and 0275-242-11.

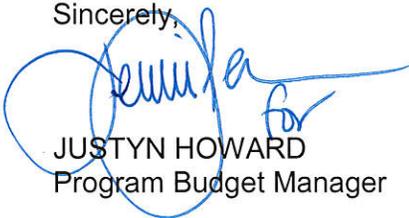
- Property No. 5 – Pico Park Baseball Field and Pico Park Baseball Field Pathway. The Agency removed this property, consisting of APNs 1167-151-73 and 1167-151-75, from the LRPMP. Finance approved the transfer of these properties to the City for governmental use in the determination letter dated February 7, 2014.

In accordance with HSC section 34191.4, upon receiving a Finding of Completion from Finance 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. Pursuant to HSC section 34191.3 the approved LRPMP shall govern, and supersede all other provisions relating to, the disposition and use of all the real property assets of the former redevelopment agency.

Agency actions taken pursuant to a Finance approved LRPMP, which requires the Agency to enter into a new agreement are subject to OB approval per HSC section 34181 (f). Any OB action approving a new agreement in connection with the LRPMP should be submitted to Finance for review and approval. The Agency is encouraged to obtain appraisals to maximize property values prior to the disposition of sale properties.

Please direct inquiries to Nichelle Thomas, Supervisor, or Michael Barr, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Program Budget Manager

cc: Ms. Carol Jacobs, Interim City Manager, City of Grand Terrace
Ms. Linda Santillano, Property Tax Manager, San Bernardino County
California State Controller's Office