DEPARTMENT OF FINANCE

EDMUND G. BROWN JR. • GOVERNOR

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September 8, 2015

Ms. Tina Kundig, Director of Finance
City of Redlands
P.O. Box 3005
Redlands, CA 92373

Dear Ms. Kundig:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Redlands Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on October 21, 2013. The Agency subsequently submitted revised LRPMP to Finance on June 23, 2014 and on June 24, 2015, respectively. 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 April 26, 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.

Finance notes, in several instances, that properties are proposed as 'retention for governmental use' or 'retention for future development'. However, 'retention' is not an allowable disposition option under HSC 34191.5 (c) (2). Based on clarification provided by the Agency, Finance has confirmed the disposition to mean 'transfer to the City of Redlands (City) for governmental use' and 'transfer to the City for future development'. Based on our review of the LRPMP, and pursuant to HSC Section 34180 (f), the sponsoring entity will execute compensation agreement(s) for properties identified for 'transfer to the City for future development'.

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 oversight board (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 approval.

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

Sincerely,

Jennifer for

JUSTYN HOWARD
Program Budget Manager

cc: Mr. Mike Nelson, Economic Development Manager, City of Redlands
Ms. Linda Santillano, Property Tax Manager, San Bernardino County