



July 15, 2014

Mr. Stephen Ando, Executive Director  
City of Scotts Valley  
1 Civic Center Drive  
Scotts Valley, CA 95066

Dear Mr. Ando:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Scotts Valley Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on September 23, 2013. The Agency subsequently submitted a revised LRPMP to Finance on March 20, 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 April 3, 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.

However, the following were noted during our review, but do not require a revised plan to be submitted in compliance with the requirements specified on HSC section 34191.5:

Property Nos. 1 through 3 – The Agency reported "N/A" or "blank" for the requirements specified on HSC section 34191.5 (c) (1) (E) through (G) pertaining to contractual requirements, history of environmental contamination, and property's potential for transit oriented development and advancements. As clarified by the Agency, the "N/A" should state "No".

For the requirement specified on HSC section 34191.5 (c) (1) (H) pertaining to the history of previous development proposals, as clarified by the Agency, this should state "Yes".

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 Wendy Griffe, Supervisor, or Medy Lamorena, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD  
Assistant Program Budget Manager

cc: Mr. Corrie Kates, Community Development Director/Deputy City Manager,  
City of Scotts Valley  
Ms. Mary Jo Walker, Auditor-Controller, Santa Cruz County  
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State  
Controller's Office  
California State Controller's Office