

RESOLUTION NO. OB 2013-002

**RESOLUTION OF THE OVERSIGHT BOARD FOR SUCCESSOR
AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY
OF ATASCADERO, APPROVING THE LONG-RANGE PROPERTY
MANAGEMENT PLAN PURSUANT TO CALIFORNIA HEALTH
AND SAFETY CODE SECTION 34191.5**

WHEREAS, pursuant to Section 34191.5 of the California Health and Safety Code, City of Atascadero has prepared a Long-Range Property Management Plan, for purposes of submission to the Oversight Board for the Successor Agency for approval, the State Department of Finance (“DOF”), the San Luis Obispo County administrative officer (“County Administrative Officer”), and the San Luis Obispo County Auditor-Controller (“County Auditor”); and,

WHEREAS, The Oversight Board for the Successor Agency to the Community Redevelopment Agency of Atascadero has reviewed the proposed Long-Range Property Management Plan, for purposes of submission the State Department of Finance (“DOF”), the San Luis Obispo County administrative officer (“County Administrative Officer”), and the San Luis Obispo County Auditor-Controller (“County Auditor”).

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board for Successor Agency to the Community Redevelopment Agency of Atascadero hereby resolve as follows:

Section 1. The Oversight Board hereby approves the proposed Long-Range Property Management Plan Exhibit A, as amended.

Section 2. The City Manager is hereby directed to submit the approved Long-Range Property Management Plan to the DOF.

PASSED AND ADOPTED by the Oversight Board for Successor Agency to the Community Redevelopment Agency of Atascadero on the 18th day of July 2013, by the following vote:

AYES: Board Members Arnold, Clemens, Jarvis, Sommer, Rickard and Chairperson
Fonzi

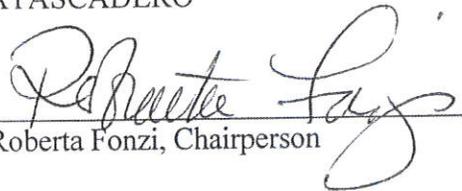
NOES: None

ABSENT: Board Member Weathers

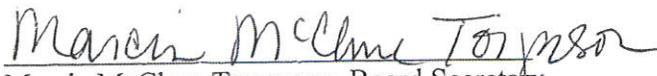
ADOPTED: July 18, 2013

OVERSIGHT BOARD FOR SUCCESSOR
AGENCY TO THE COMMUNITY
REDEVELOPMENT AGENCY OF
ATASCADERO

By:


Roberta Fonzi, Chairperson

ATTEST:


Marcia McClure Torgerson, Board Secretary



CITY OF ATASCADERO

August 14, 2013

Ana J. Matosantos, Director
Department of Finance
915 L Street
Sacramento, CA 95814

Dear Ms. Matosantos,

The purpose of this letter is to submit the Long-Range Property Management Plan for the Successor Agency for the former Community Redevelopment Agency of Atascadero. The Property Management Plan was reviewed by the Successor Agency on July 9th, and was submitted to the Oversight Board for approval. On July 18th, the Oversight Board reviewed the Property Management Plan and approved it with an amendment. It is our understanding that the Oversight Board does not have the ability to make changes to the Property Management Plan without the agreement of the Successor Agency. Therefore, the amendment to the Property Management Plan was presented to the Successor Agency on August 13th. The Successor Agency agreed with the amendment proposed by the Oversight Board, and the plan is currently ready for submission.

If you have any questions, please contact me at 805-470-3400 or rrickard@atascadero.org.

Sincerely,

A handwritten signature in blue ink that reads 'Rachelle Rickard'. The signature is fluid and cursive, with a large loop at the end.

Rachelle Rickard
City Manager

Attachments:
Resolution OB 2013-002
Long Range Property Management Plan

LONG-RANGE PROPERTY MANAGEMENT PLAN

CITY OF ATASCADERO SUCCESSOR AGENCY



Prepared By:



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JUNE 2013

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The analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project pro forma and tax analyses are projections only. Actual results may differ materially from those expressed in this analysis.

865 South Figueroa Street, 35th Floor Los Angeles California 90017 ph 213.417.3300 fax 213.417.3311

1.0 Introduction

1.1 Background & Purpose

Health and Safety Code Section 34191.5, added by AB 1484 (signed into law on June 27, 2012), requires each Successor Agency (“SA”) to prepare and approve a Long-Range Property Management Plan (“LRPMP”) that addresses the disposition and use of the real properties of the former redevelopment agency. Properties held by a successor agency cannot be disposed of until the State Department of Finance (“DOF”) has approved the LRPMP. This document is the LRPMP for the Successor Agency to the former Atascadero Community Redevelopment Agency.

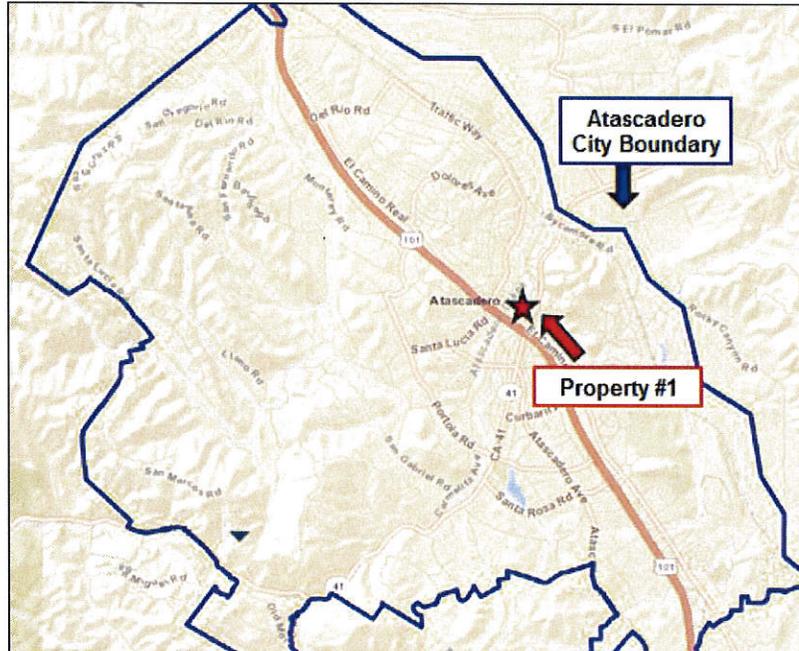
1.2 Successor Agency Asset Summary

There are eight (8) assets owned and controlled by the Successor Agency. Only one of the assets (Asset #1 in the list that follows) is a property that includes fee simple land. This property is designated to be liquidated through a disposition process. The remaining seven (7) assets include one (1) easement agreement and six (6) property improvements that are located on property owned by the City of Atascadero.

#	Address/Description	APN	Purpose			
			Public	Econ. Dev.	Liquid.	Enf. Oblig.
1	Property: 6907 El Camino Real	029-361-045			X	
2	Improvements: Portable Building	N/A				X
3	Improvements: Parking Lot Paving	N/A	X			
4	Easement: Construction Access	N/A	X			
5	Improvements: Sunken Garden	N/A	X			
6	Improvements: Zoo	N/A	X			
7	Signage: Wayfinding Signs	N/A	X			
8	Improvements: Maiden Statue Repairs	N/A	X			

2.0 Long-Range Property Management Plan (PMP)

Asset #1: 6901 El Camino Real



Parcel Data – Asset #1	
Address	6907 El Camino Real
APN	029-361-045
Lot Size	2.26 acres
Use	Temporary City Hall
Zoning	DC (Downtown Commercial)
General Plan	Downtown (D)
Current Title	Former Redevelopment Agency
Building	Commercial building, currently used as a temporary City Hall facility; 31,436 square feet



Acquisition & Valuation Information – Asset #1

Purchase Date	12/21/2004
Purchase Price	\$2,984,661 (includes improvement and rehabilitation costs)
Funding Source	Tax increment / public
Purpose	Revitalization: Improvement of Retail District
Estimate of Current Value	\$1.26 to \$1.63 million
Method of Valuation	Broker Opinion of Value provided by Kosmont Realty Corp.



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Revenues Generated by Property & Contractual Requirements – Asset #1

City / Successor Agency Lease Agreement	In May 2005, a Lease Agreement was entered into between City of Atascadero and Atascadero Community Redevelopment Agency (CRA) for the temporary City Hall for a four year term. In February 2010, the City and CRA entered into another Lease Agreement for the temporary City Hall for the period of March 1, 2010 and expired on December 31, 2012. The Agreement continues today on a month-to-month basis. The consideration for the lease is \$31,133.00 per month which was paid by the City to the CRA and to the Successor Agency of the CRA. The City received from the Federal Emergency Management Agency (FEMA) reimbursement for the rental payments that the City paid to CRA and to the Successor Agency. There is currently a dispute between the City and FEMA regarding the reimbursement payments which may impact the disposition of the sale proceeds of the temporary City Hall.
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History of Environmental Contamination or Remediation Efforts – Asset #1

None	No history of contamination, designation as Brownfield site, or remediation
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Transit-Oriented Development & Advancement of Agency Planning Objectives – Asset #1

Potential for TOD	Not applicable
Agency Planning Objectives	Continued public service as temporary City Hall for next 3 – 9 months, then disposition to-be-selected private owner that will attract retail user(s)

Recommendation for Disposition – Asset #1

Dispose to Private Buyer	Continued public service as temporary City Hall for next 3 – 9 months, then disposition to an owner that will attract retail user(s) which conforms to the adjacent uses in downtown Atascadero. In light of the pending dispute with FEMA regarding the temporary City Hall, the Recommendation is that the temporary City Hall be sold and that the sale proceeds be distributed to affected taxing agencies per AB 1484.
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Asset #2: Improvements – Portable Building



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Asset Data – Asset #2

Address	6550 El Camino Real
Current Title	Improvements: Former Redevelopment Agency Land: City of Atascadero
Building/Size	Portable building, currently vacant; approximately 590 square feet

Acquisition & Valuation Information – Asset #2

Purchase Date	3/24/2009
Purchase Price	\$10,400
Funding Source	Tax increment / public
Purpose	Office space originally used for Chamber of Commerce and subsequently used by Main Street, a non-profit corporation.
Estimate of Current Value	\$0 (or salvage value less removal/demolition costs); based on outdated condition of structure and need to remove it from City-owned property.

Revenues Generated by Property & Contractual Requirements – Asset #2

City / Successor Agency Lease Agreement	There is currently no active lease for the portable building which the Successor Agency controls and is located on City-owned property. The City desires that the building be removed from the property which will require the Successor Agency to pay the cost of having it demolished. This cost of demolition is estimated at \$9,750.
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Recommendation for Disposition – Asset #2

Demolish	This asset is beyond its intended period of utilization and needs to be demolished so that it no longer occupies City of Atascadero-owned land. The Successor Agency will need to fund the cost of demolition so that the City-owned property can return to its previous state prior to the Successor Agency-owned improvement being located there. The Successor Agency intends to include the cost of removal/demolition on the January – June 2014 Recognized Obligation Payment Schedule (ROPS).
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Asset #3: Improvements – Parking Lot Paving

Asset Data – Asset #3

Address	6005 EL Camino Real
Current Title	Land: City of Atascadero
Improvements	Asphalt paving on City-owned parking lot (approximately 16,000 square feet)

Acquisition & Valuation Information – Asset #3

Improvement Date	1/5/2005
Improvement Price	\$215,944
Funding Source	Tax increment / public
Purpose	Maintenance of parking lot that supports Downtown amenities
Estimate of Current Value	\$0 (based on inability to sell on open market and ongoing maintenance costs)

Revenues Generated by Property & Contractual Requirements – Asset #3

City / Successor Agency Agreement	There is no revenue generated from the Successor Agency-owned improvements. There is an annual maintenance cost in the range of \$2,500 annually and approximately \$15,000 every 7 to 8 years for major maintenance.
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Recommendation for Disposition – Asset #3

Transfer to City as Public Use	This asset is installed as an affixed improvement to the underlying land asset. As such it would have no value in the open market net of removal and replacement costs. The asphalt cover has ongoing maintenance costs. The City of Atascadero desires to take ownership of these improvements “as is” and will be responsible for ongoing maintenance and eventual replacement of the improvements.
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Asset #4: Easement – Construction Access

Asset Data – Asset #4

Address	Atascadero Creek Reservation #3
Current Title	Land: City of Atascadero
Easement	Right to use property owned by the City of Atascadero

Acquisition & Valuation Information – Asset #4

Easement Date	6/28/2006
Easement Price	\$60,000
Funding Source	Tax increment / public
Purpose	Access to neighboring bridge to conduct repairs.
Estimate of Current Value	\$0 (based on inability to sell a property specific easement for access to bridge for construction purposes).

Revenues Generated by Property & Contractual Requirements – Asset #4

City / Successor	There is no revenue generated from the easement held by the
Agency Agreement	Successor Agency.

Recommendation for Disposition – Asset #4

Discontinue Easement	This asset would have no value in the open market and therefore it is best the easement be vacated in order to minimize confusion on the title to the City of Atascadero-owned property.
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Asset #5: Improvements – Sunken Gardens

Asset Data – Asset #5

Address	6505 El Camino Real
Current Title	Land: City of Atascadero
Improvements	Improvements to a City of Atascadero-owned park

Acquisition & Valuation Information – Asset #5

Improvement Date	12/3/2005
Improvement Price	\$1,242,766
Funding Source	Tax increment / public
Purpose	Improvements to a City-owned park that is located in the former Project Area such as sidewalk, streetscape, turf and irrigation improvements.
Estimate of Current Value	Improvements: \$0 (based on inability to sell on open market and ongoing maintenance costs)

Revenues Generated by Property & Contractual Requirements – Asset #5

City / Successor Agency Agreement	There is no revenue generated from the Successor Agency-owned improvements. There is an annual maintenance cost in the range of \$5,000, which is a proportional component of the \$180,000 in total spent annually to maintain the park.
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Recommendation for Disposition – Asset #5

Transfer to City as Public Use	This asset would have no value in the open market and has ongoing maintenance costs. The City of Atascadero desires to take ownership of these improvements “as is” and will be responsible for ongoing maintenance and eventual replacement of the improvements which are on City-owned land.
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Asset #6: Improvements – Zoo

Asset Data – Asset #6

Address	9100 Morro Rd
Current Title	Land: City of Atascadero
Improvements	Improvements to a City of Atascadero-owned zoo including entrance and restroom.

Acquisition & Valuation Information – Asset #6

Improvement Date	Entrance: 1/11/2010; Restroom: 9/4/2009
Improvement Price	\$1,097,012
Funding Source	Tax increment / public
Purpose	Improving a City-owned zoo located adjacent to the former Project Area
Estimate of Current Value	Improvements: \$0 (based on inability to sell on open market and ongoing maintenance costs)

Revenues Generated by Property & Contractual Requirements – Asset #6

City / Successor Agency Agreement	There is no revenue generated from the Successor Agency-owned improvements. Annual maintenance costs are approximately \$29,000.
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Recommendation for Disposition – Asset #6

Transfer to City as Public Use	This asset which is affixed to City-owned land would have no value in the open market and has ongoing maintenance costs. The City of Atascadero desires to take ownership of these improvements “as is” and will be responsible for ongoing maintenance and eventual replacement of the improvements.
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Asset #7: Improvements – Wayfinding Signs

Asset Data – Asset #7

Address Located throughout downtown area
Current Title Land: City of Atascadero
Improvements Wayfinding signs located throughout Downtown

Acquisition & Valuation Information – Asset #7

Improvement Date 12/13/2007
Improvement Price \$12,082
Funding Source Tax increment / public
Purpose Installation of wayfinding signs located in the former Project Area
Estimate of Current Value Improvements: \$0 (based on inability to sell on open market and ongoing maintenance costs)

Revenues Generated by Property & Contractual Requirements – Asset #7

City / Successor Agency Agreement There is no revenue generated from the Successor Agency-owned wayfinding signs with annual maintenance costs in the range of \$1,500.

Recommendation for Disposition – Asset #8

Transfer to City as Public Use This asset would have no value in the open market and has ongoing maintenance costs. The City of Atascadero desires to take ownership of these improvements “as is” and will be responsible for ongoing maintenance and eventual replacement.

Asset #8: Improvements – Maiden Statue Repairs

Asset Data – Asset #8

Address	6505 El Camino Real
Current Title	Land: City of Atascadero
Improvements	Repairs to a City of Atascadero-owned statue

Acquisition & Valuation Information – Asset #8

Improvement Date	3/29/2007
Improvement Price	\$104,273
Funding Source	Tax increment / public
Purpose	Repairing a City-owned statue located in the former Project Area
Estimate of Current Value	Improvements: \$0 (based on inability to sell on open market and ongoing maintenance costs)

Revenues Generated by Property & Contractual Requirements – Asset #8

City / Successor Agency Agreement	There is no revenue generated from the Successor Agency-owned improvements with annual maintenance cost in the range of \$2,000.
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Recommendation for Disposition – Asset #8

Transfer to City as Public Use	This asset would have no value in the open market and has ongoing maintenance costs. The City of Atascadero desires to take ownership of these improvements “as is” and will be responsible for ongoing maintenance and eventual replacement.
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3.0 Appendices

Appendix A: Relevant Sections of Community Redevelopment Agency Redevelopment Plan – May, 2003 (Originally Adopted July, 1999)

Section 720 – GOALS, OBJECTIVES AND PROGRAMS FOR INITIAL PLAN

The Agency's goals and objectives for the initial Implementation Plan for the Atascadero Redevelopment Project shall be as follows:

720.1 Improvement of the Downtown Area which is generally bounded by Highway 101, Highway 41, Bajada Avenue and Rosario Avenue. Potential project include the following:

[Subset List]

Expansion of entertainment facilities in the downtown including the expansion of the existing movie theater. The Agency will encourage and target entertainment facilities in the downtown to encourage public gatherings and informal uses of public spaces. Encouragement will include marketing for targeted uses, assisting in project planning and other activities to promote private investment. The Agency will also encourage the expansion of the existing theater complex in the downtown. The goal will be to continue to have the complex a community focal point, draw people to the downtown and expand the experience they have, maintain the facility in the downtown.

Addition of anchor tenants to increase activity in the downtown. This project will include the Agency assisting in the attraction of major downtown tenants to stabilize the retail mix. The Agency may assist in marketing, planning and investment consistent with the Redevelopment Plan to capture tenants that will attract people to downtown. These tenants would include restaurants, entertainment and retail that attract people by the name of business practices.

Improvements of and additions to the downtown streetscape. This project includes the improvement of public infrastructure to promote a downtown pedestrian atmosphere. Improvements include new sidewalks, street trees, landscaping, benches, waste cans, signs, etc.

Façade Improvements in the downtown to capitalize on Atascadero's character and improve the retail/pedestrian atmosphere. In this project, the Agency would work with individual property owners to improve the exterior appearances of buildings. Consistent with Downtown Master Plan, a design theme will be promoted to accentuate the Atascadero Colony and improve the pedestrian, retail climate. Participation will include façade easements, loans, designs, fee wavier etc.

Aggregation of sites and buildings for a major employment, office or retail user. The Agency will assist major employers in locating suitable sites. This may include joining multiple properties to provide and appropriate sized parcel. The Agency will first look to the downtown area.