

**City of Campbell Successor Agency  
Long Range Property Management Plan  
(Pursuant to Health and safety Code Section 34191.5)**

**Introduction**

On February 1, 2012 the City of Campbell Redevelopment Agency (the "RDA") was statutorily dissolved under ABx1 26. On August 11, 2011, the Campbell City Council took the steps to designate the City of Campbell as the "Successor Agency" to the former RDA pursuant to section 34173 of the Health and Safety code, and the former RDA assets were transferred to the trust of the Successor Agency on February 1, 2012.

Pursuant to Health and Safety Code section 34191.5, within six months after receiving a Finding of Completion from the Department of Finance (the "DOF"), the Successor Agency is required to submit for approval to its Oversight Board and the DOF a Long Range Property Management Plan (the "PMP") that addresses the disposition and use of the real property assets of the former RDA. That Finding of Completion was issued by the DOF to the City of Campbell Successor Agency on April 26, 2013.

Presented below is the Long Range Property Management Plan (the "PMP") prepared in compliance with H&S Section 34191.5(c)

**Permissible Options for the Disposition of Property under the Long Range Property Management Plan**

Pursuant to H&S Section 34181, Successor Agencies can propose the disposition of property under four categories.

1. The retention of the property for a government purpose. Those properties that have been used and were intended for a governmental purpose may be transferred to those respective public jurisdictions.
2. Property may be retained by the Successor Agency to fulfill an enforceable obligation. The property would remain under the ownership of the Successor Agency until such time as that enforceable obligation is complete and the disposition of the asset can be addressed.
3. The retention of property by the Successor Agency for future development to fulfill a specified goal in the Redevelopment Plan.
4. Liquidation of the property with the sale proceeds distributed to the affected taxing entities.

## Property Disposition Plan

### Summary

There are five (5) sites under trust of the City of Campbell Successor Agency listed below. It is proposed that property one (1) be retained by the Successor Agency in satisfaction of an enforceable obligation until such time as the enforceable obligation is completed at which time the asset is to be transferred to the City of Campbell in accordance with the requirements of the enforceable obligation, and in satisfaction of its intended governmental purpose as a community center. Sites two (2) through four (4) are to be conveyed to the City of Campbell immediately upon approval by the Oversight Board and the DOF for their continued public and/or governmental intended purpose as authorized pursuant to Health and Safety Code Section 341801(a). Property five (5) is to be sold with any proceeds remitted to the County Auditor-Controller for distribution to the affected taxing entities in accordance with Health and Safety Code Section 34191.5(c)(2)(B).

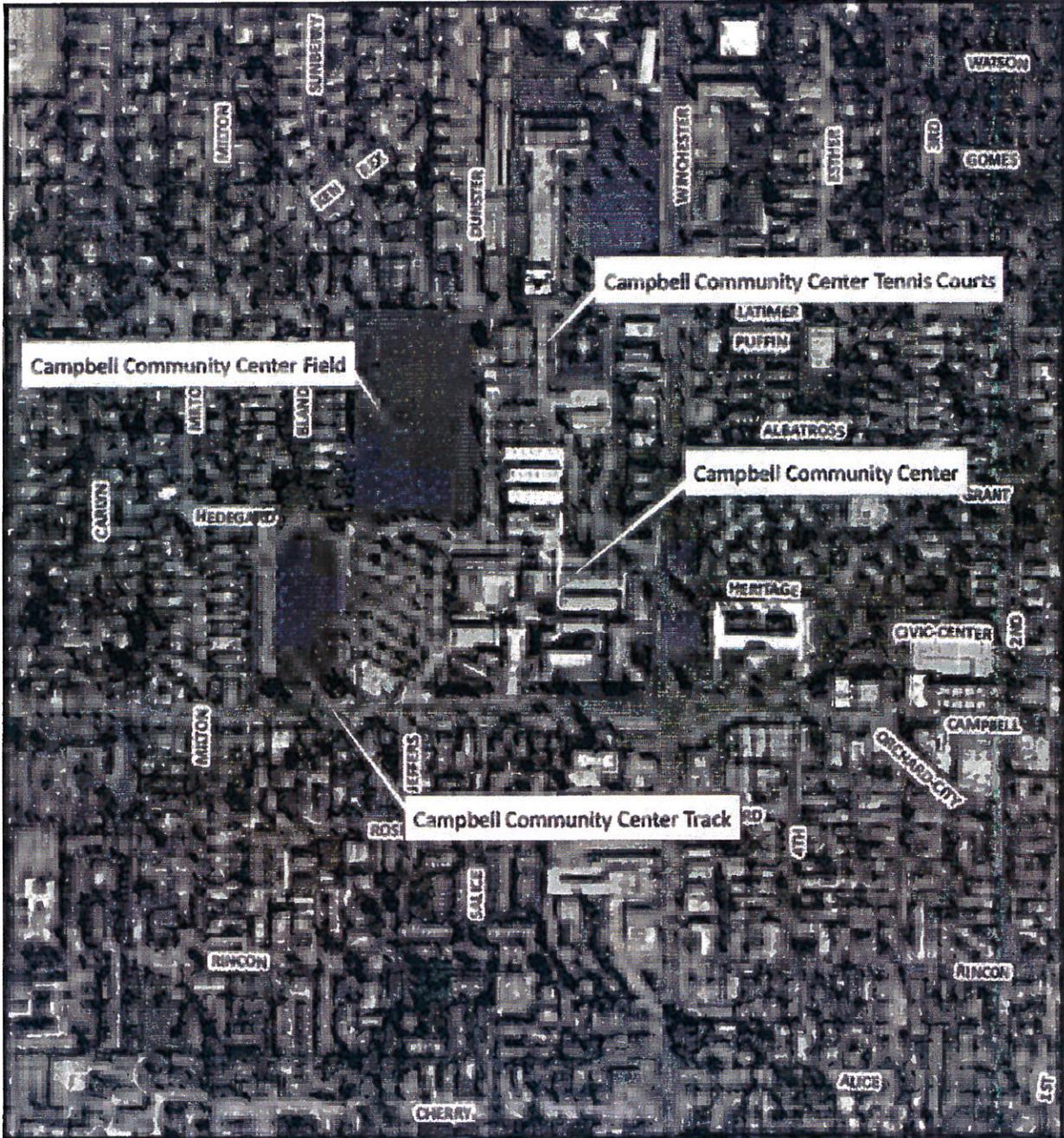
#### 1. Campbell Community Center

##### Disposition Category

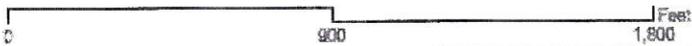
The Campbell Community Center falls under two disposition categories in that it is the object of an enforceable obligation that requires its disposition to the City of Campbell at a specified time, and it is an asset that serves a governmental purpose. This PMP directs that the Community Center be retained by the Successor Agency until such time that the enforceable obligation is satisfied at which time the Community Center is to be transferred to the City of Campbell to comply with a specific requirement of the enforceable obligation, as described below.



Campbell Community Center



Property APN: 305-22-040 (Community Center),  
 305-22-041 (Field), 305-22-042 (Track)  
 Land Area: 21.51 acres (Community Center), 4.03 acres  
 (Field), 5.20 acres (Track)  
 Description : Campbell Community Center, Corner of  
 Winchester Boulevard and Campbell Avenue



Community Development Department  
 Planning Division

## Property Description and Purpose

Property Address:	1 Campbell Avenue, Campbell, CA 95008
Assessor Parcel Numbers:	305-22-040 thru 042
Total Acreage:	31.74
General Plan Designation:	Open Space
Zoning Designation:	Public Facilities
Date of Acquisition:	August 1, 1985
Purpose of Acquisition:	As a Community Center (see discussion below)
Value at the time of Acquisition:	\$10 million
Estimate of current value:	\$34 million (see discussion below)
Lease Revenue:	All revenue required to be applied toward operating costs (see discussion below)
Environmental:	No environmental history
TOD/Other Development Potential:	None beyond current Community Center use

## Background, Including Purpose of Acquisition and Potential For Development

The Campbell Community Center is approximately 31 acres located at the northwest corner of Campbell Avenue and Winchester Boulevard. The site consists of 160,000 square feet of building space which houses administrative offices, meeting rooms, a senior center, community theatre and rental space. The balance of the property is active and passive open space that includes outdoor recreation, a skateboard park, athletic fields, track, hand ball and tennis courts, and a swim center. The facility is intended to serve as the City's focal point for providing community and civic activities as well as administrative office space for city recreation programs and senior services.

The Campbell Community Center site was originally developed as Campbell High School in the early 1930's and served in that capacity until 1980 when due to low enrollment the school was closed by the Campbell Union High School District. Four of the buildings on the site are locally designated historical landmarks including the old school auditorium now converted to a community theater. When the Campbell High School District designated the property surplus, the City of Campbell placed a measure on the ballot to determine community interest in purchasing the property for a community center.

After a ballot measure passed in 1984 with an approval rate in excess of 90%, on August 1, 1985, the former high school site was purchased for \$10 million under the Naylor Act and has served as the Campbell Community Center ever since.

Because of its land use designation and intended governmental use as described above, the Campbell Community Center site does not have any potential for transit-oriented development or the advancement of planning objectives of the Successor Agency beyond the current Community Center use.

## Enforceable Obligation Description and Requirement Regarding Disposition

The Campbell Community Center acquisition and improvement was financed using proceeds from the issuance of the City of Campbell's 1985 Certificates of Participation which have been refunded multiple times and is now reflected in the 1997 & 2002 Refunding Certificates of Participation (in current form, the "COPS"). Under the terms of the Third Amended and Restated Indebtedness Agreement (the "Indebtedness Agreement") between the former RDA and the City related to the COPS, the former RDA ( and now Successor Agency) pays 41.8% of the debt service on the COPS. The Indebtedness Agreement is a recognized enforceable obligation by both the County Auditor-Controller and the State Department of Finance. Unlike most agreements between the former RDA and the City of Campbell that became ineffective as of the former RDA's dissolution, the Indebtedness Agreement and the accompanying Lease Agreement described below have expressly been retained as effective agreements and enforceable obligations by the Legislature, as recognized by the DOF, pursuant to Health and Safety Code Section 34171(d)(2).

Under the Fourth Amended and Restated Lease Agreement dated July 1, 2002 (the "Lease Agreement") entered into in connection with the COPS, and thereby recognized as a continuing enforceable obligation as detailed above, the Campbell Community Center is leased by the former RDA (now Successor Agency) to the City for \$1 a year. Pursuant to Section 4.6 of the Lease Agreement, once all COPS payments have been made, the lease under the Lease Agreement will terminate, at which time all rights, title and interest of the former RDA (now Successor Agency) in the Community Center shall be transferred to City without further compensation. This obligation constitutes the enforceable obligation requiring Successor Agency disposition of the Campbell Community Center to the City of Campbell at the time specified in the Lease Agreement.

## Lease Revenue

The City does rent and sub-lease part of the Community Center to help finance ongoing maintenance operations. In FY 12/13 approximately \$700,000 is anticipated to be collected from renting meeting rooms, halls and banquet facilities for wedding receptions, corporate meetings, and community service organizations using short term rental agreements. It is estimated that another \$1.3 million will be collected by the City from leasing roughly 50,000 square feet of building space to various private educational institutions including private elementary schools and tutoring groups contracted under standard real estate lease agreements. Under a "Certificate Regarding Use of Proceeds" entered into in 1991 both the City and the former RDA certify that the lease revenues generated under the lease agreements for the Campbell Community Center are to be applied toward off-setting the City's on-going operating and maintenance costs for the Community Center. Neither the Successor Agency nor the former RDA receives, nor has it ever received, any lease or rental revenue from the community center.

## Estimated Value

The \$34 million estimated value of the property is essentially the "book" value assigned by the City for accounting and reporting purposes for the FY 11/12 fiscal year. The reality is that the

City's General Plan and Zoning designation for the property as open space is intended to ensure that the Community Center and its recreational assets be retained as a public recreational amenity in perpetuity. Additionally, the provisions of the Naylor Act under which the former RDA purchased the property from the school district place statutory restrictions on converting any of the open space for private use. Therefore, the true "market value" of the property is something considerably less than the "book" value or the value one might assign it if it were available for private development.

PMP Authorized/Directed Disposition Action: Upon approval of this PMP, the Successor Agency shall retain the Campbell Community Center as the object of an enforceable obligation (with particular reference to the Lease Agreement) until such time as the COPS payments have been fully satisfied, at which time the Successor Agency is directed to transfer the Campbell Community Center to the City of Campbell in accordance with the enforceable obligation set forth in Section 4.6 of the Lease Agreement, and to enable its continued use as a governmental purpose site.

## **2. Edith Morley Park**

### Disposition Category

Edith Morley Park is a four (4) acre public park that is proposed for transfer to the City of Campbell, as a site with a continuing governmental purpose, as authorized pursuant to Health and Safety Code Section 34180(a).

### Property Description & Purpose

Assessor Parcel Number:	412-29-008
Parcel Address:	None
Total Acreage:	4 acres
General Plan Designation:	Open Space
Zoning Designation:	Public Facilities
Date of Acquisition:	June/1994
Purpose of Acquisition:	Designated for public park as part of larger industrial development (see discussion below)
Value at time of acquisition:	\$696,000
Estimate of Current Value:	\$1,347,537
Lease Revenue:	None
Environmental:	No environmental history
TOD/Other Development Potential:	None beyond current public park use



**Edith Morley Park**

### Background, Including Acquisition Purpose, Rental Income, and Other Development Potential

Edith Morley Park is a four acre public park developed in 2000 as a part of a commercial redevelopment project off of McGlinchy Lane on the southern border of the City. The former RDA acquired a 30 acre industrial property in 1994 from the Resolution Trust Corporation, an institution created by the Federal government after the savings and loan collapse. The park was developed as a part of a 280,000 square foot research and development business park. The public park was supposed to be conveyed to the City after completion of the project but it never occurred. The public park is operated and maintained by the City using City general funds. The public park includes a passive open space area, a native plant walking path and community gardens that are provided to the public for growing produce. The public park satisfies a key goal in the City's Open Space Element of the General Plan providing critical open space on the east side of the City.

No lease or rental income is generated from the park to either the City or the Successor Agency.

Because of its land use designation and intended governmental use as described above, Edith Morley Park does not have any potential for transit-oriented development or the advancement of planning objectives of the Successor Agency beyond the continued current public park use.

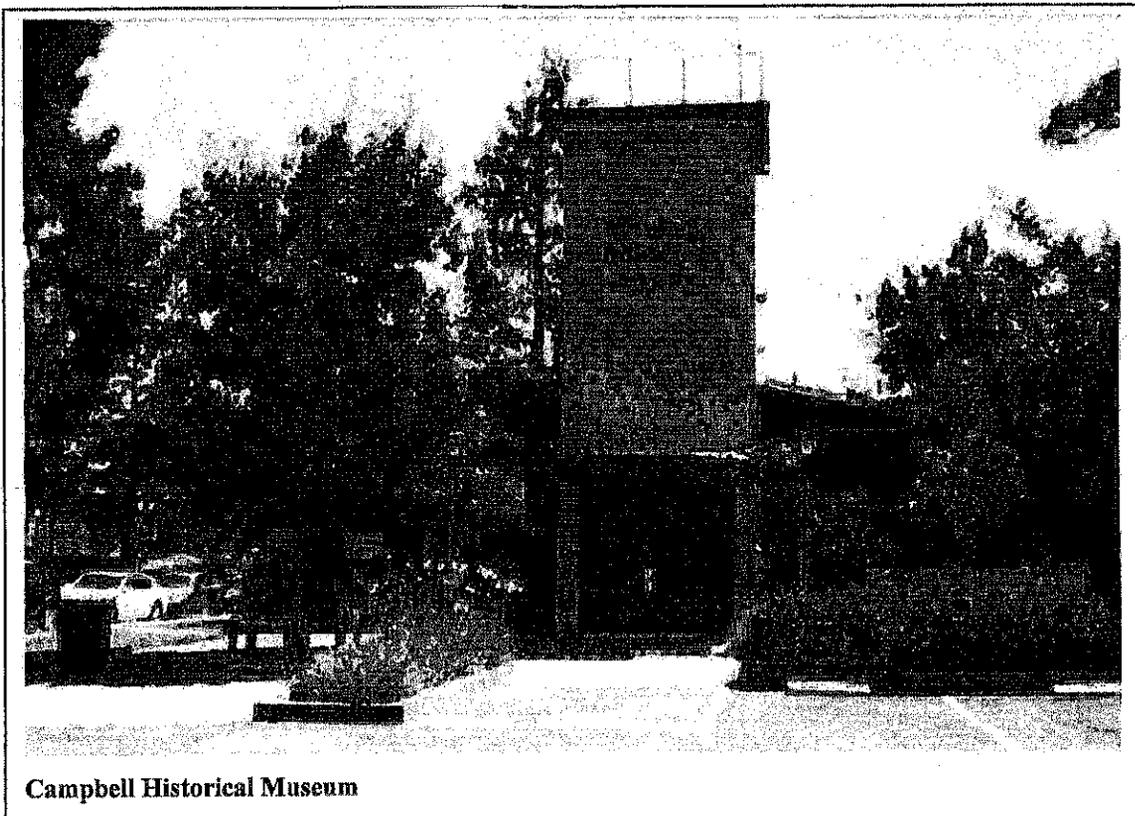
### 3. Campbell Museum

#### Disposition Category

The Campbell Museum is a public building operated for over thirty years as a local historical museum with related parking that is proposed for transfer to the City of Campbell as a continuing governmental purpose site, as authorized pursuant to Health and Safety Code Section 34180(f).

#### Property Description & Purpose

Assessor Parcel Number:	279-41-060
Parcel Address:	51 N. Central
Total Acreage:	.40 ac.
General Plan Designation:	General Commercial
Zoning Designation:	Central Commercial
Date of Acquisition:	unknown
Purpose of Acquisition:	Continued museum operation
Value at time of acquisition:	unknown
Estimate of Current Value:	\$1,464,359
Lease Revenue:	None
Environmental:	No environmental history
TOD/Other Development Potential:	None beyond current museum use



### Background, Including Acquisition Purpose, Rental Income, and Other Development Potential

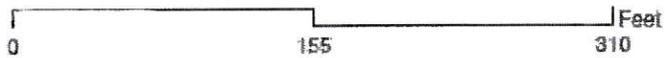
The Campbell Museum is located at the southwest corner of Civic Center Drive and Central Avenue across from the Civic Center. The building was initially used as the City's first city hall and police station in 1952, and later the City's first fire station. It's unclear when the property was conveyed to the former RDA. Sometime in the 1970's it was abandoned as a fire station and in 1983 the building became home to the Campbell Historical Museum and has remained so ever since. The property is 17,410 square feet and consists of the museum building and approximately 12 related parking spaces located in the downtown core. The building is part of the City's historic inventory. A non-profit organization operates the museum.

Neither the City nor the Successor Agency collects lease revenue or rental fees on this property. Because of its continued intended governmental use as described above, the Campbell Museum site does not have any potential for transit-oriented development or the advancement of planning objectives of the Successor Agency beyond the continued current public museum use.

PMP Authorized/Directed Disposition Action. Upon approval of this PMP, the Successor Agency shall transfer the Campbell Museum property to the City of Campbell as a continuing governmental purpose site without compensation.



**Property APN: 279-41-060**  
**Land Area: 17,410 sq. ft.**  
**Description : Museum and Parking Lot, Civic Center**  
**between 1st Street and Central Avenue**



**Community Development Department**  
**Planning Division**

a fire station and in 1983 the building became home to the Campbell Historical Museum and has remained so ever since. The property is 17,410 square feet and consists of the museum building and approximately 12 parking spaces located in the downtown core. The building is part of the City's historic inventory. A non-profit organization operates the museum. Neither the City nor the Successor Agency collects lease revenue or rental fees on this property.

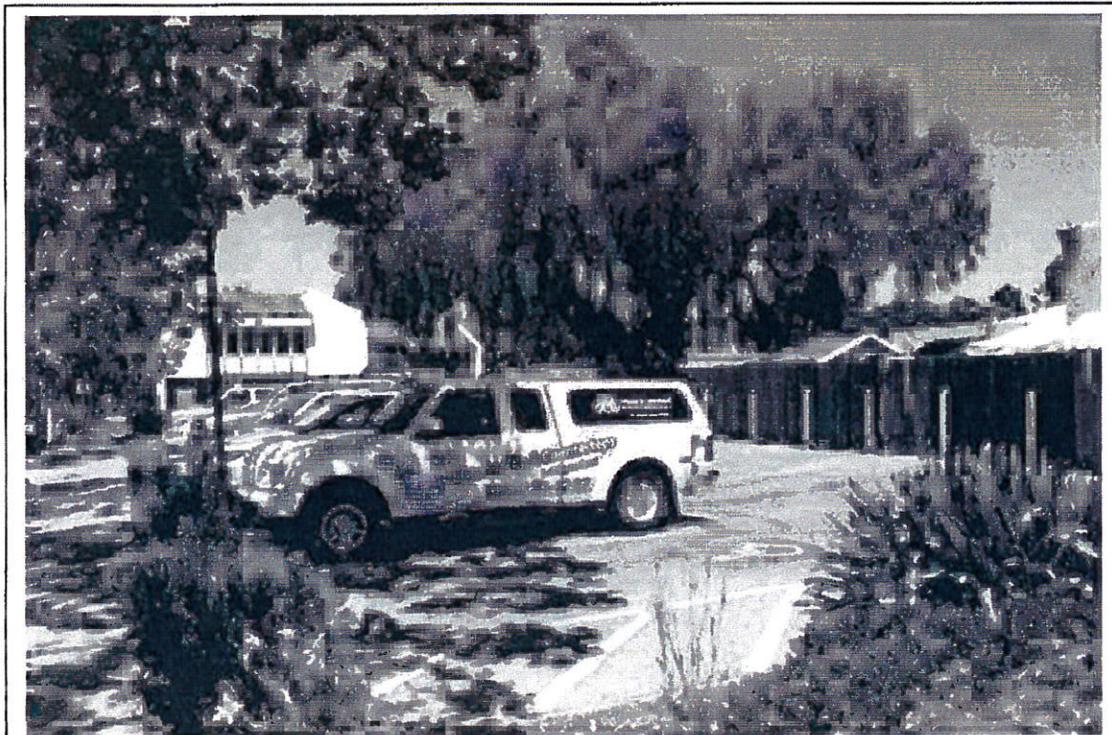
Recommendation: Adopt a resolution directing the Successor Agency to transfer the Campbell Museum and parking lot to the City of Campbell as a governmental purpose site.

#### 4. Downtown Surface Parking Lot

##### Disposition Category

The approximately 6,300 square foot paved surface parking lot serves as public parking for the downtown and staff recommends that it be categorized as a governmental purpose site.

Assessor Parcel Number:	412-06-76
Parcel Address:	None
Total Acreage	6,270 square feet
General Plan Designation	General Commercial
Zoning Designation	Central Commercial
Date of Acquisition:	circa 1970's
Value at time of acquisition	unknown
Estimate of current value	\$349,892
Environmental:	No environmental history



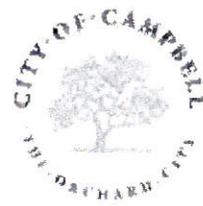
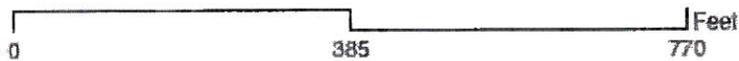
Downtown Surface Parking Lot



**Property APN: 412-06-076**

**Land Area: 6,272 sq. ft.**

**Description : Downtown Surface Parking Lot, Corner of Orchard City Drive and First Street**



**Community Development Department  
Planning Division**

This paved and striped surface public parking lot is 6,272 square feet and located at the northwest corner of First Street and Orchard City Drive in the downtown core. The property was a remnant piece from the property acquisition completed by the City in the 1970's to create the "loop streets" around the downtown to facilitate traffic circulation. It is unknown when this property was conveyed to the former redevelopment agency. The site contains 12 paved parking stalls. The parking is free to the public and generates no revenue to either the City or the Successor Agency. The parking lot is necessary in support of public parking for downtown patrons.

Recommendation: This property will transfer to the City pursuant to a compensation agreement with the affected taxing entities under Health and Safety Code section 34180(f).

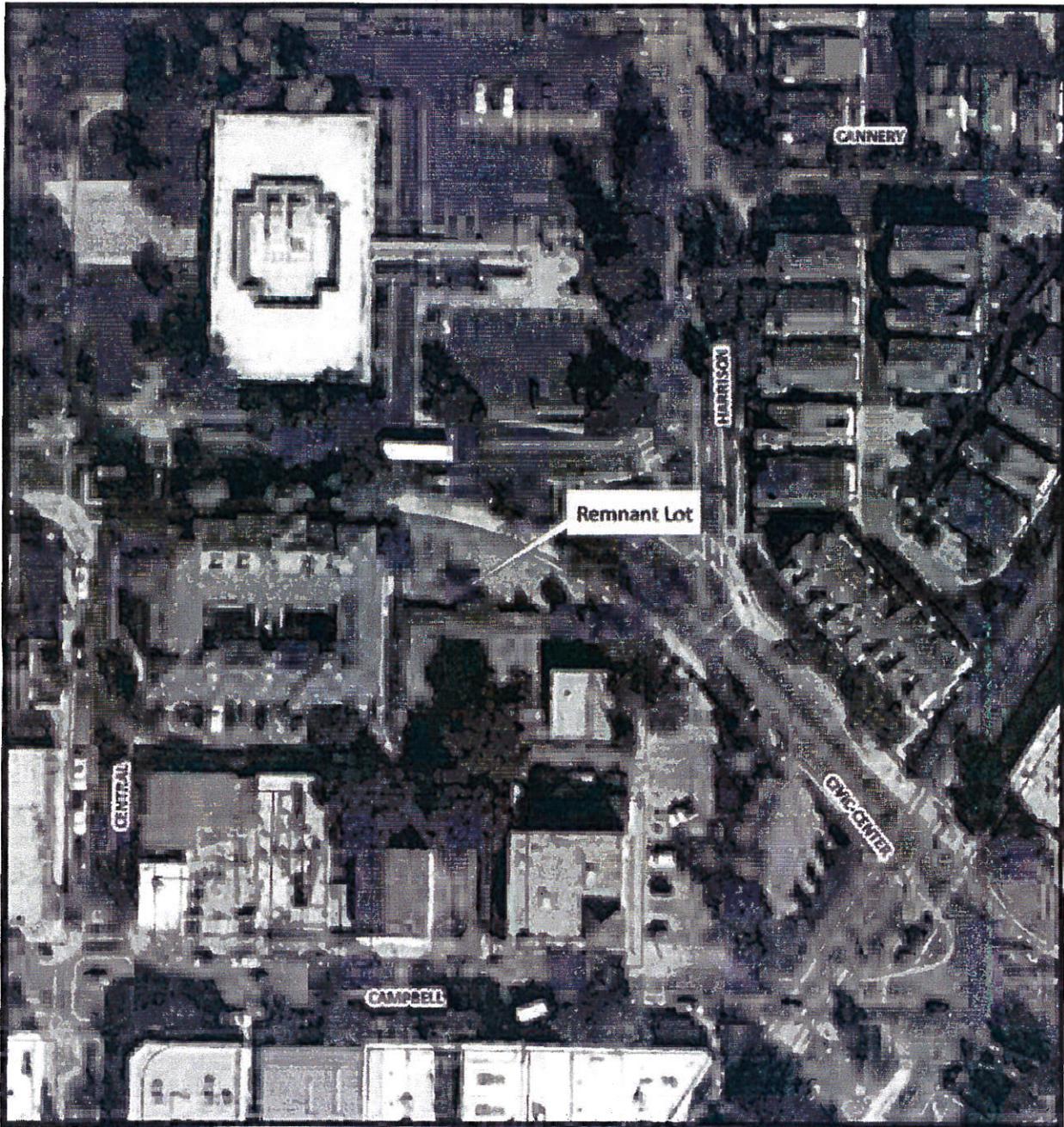
## 5. Civic Center Drive Remnant Dirt Lot

### Disposition Category

The 3,500 square foot irregularly shaped dirt lot has no value other than to the adjacent property owner and staff recommends that the property be designated for sale with the proceeds distributed to the affected taxing entities.



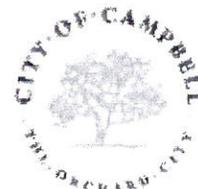
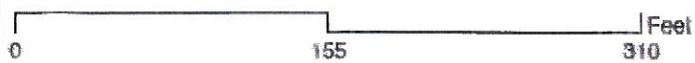
Civic Center Drive Remnant Dirt Lot



**Property APN: 279-41-062**

**Land Area: 3,500 sq. ft.**

**Description : Remnant Dirt Lot, Southwest Corner of Civic Center Drive and Harrison Avenue**



Community Development Department  
Planning Division

Assessor Parcel Number:	279-41-062
Parcel Address:	None
Total Acreage:	3,500 square feet
General plan Designation:	General Commercial
Zoning Designation:	Central Commercial
Date of Acquisition:	unknown
Value at time of acquisition:	unknown
Estimate of current value:	\$100,000
Environmental:	no environmental history

This "half moon" shaped property is 3,500 square feet in size located at the intersection of Civic Center Drive and Harrison Avenue. The property is a remnant parcel from the City's property acquisition in the 1970's for the loop street system developed around the downtown core to facilitate traffic circulation. It is unknown when the property was conveyed to the former redevelopment agency. The property has always been vacant. It cannot be developed independently because of its size, irregular shape and limited vehicular access. Therefore, it has little or no value other than to possibly the adjacent property owner as a part of a redevelopment opportunity.

Recommendation: Adopt a resolution directing the Successor Agency to sell the property with the sale proceeds remitted to the County-Auditor Controller for distribution to the affected taxing entities.

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE OVERSIGHT BOARD OF THE CITY OF  
CAMPBELL SUCCESSOR AGENCY APPROVING THE SUCCESSOR  
AGENCY'S LONG-RANGE PROPERTY MANAGEMENT PLAN  
PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5**

WHEREAS, pursuant to ABx1 26 enacted in June 2011 (as amended by AB 1484 enacted in June 2012, the "Dissolution Law"), the Redevelopment Agency of the City of Campbell (the "Dissolved RDA") was dissolved as of February 1, 2012, and the City of Campbell, acting in a separate limited capacity and known as the Successor Agency of the Redevelopment Agency of the City of Campbell, has elected to serve as the successor agency (the "Successor Agency") of the Dissolved RDA; and

WHEREAS, pursuant to Health and Safety Code Section 34173(g), as added by the Dissolution Law, the Successor Agency is a separate legal entity from the City of Campbell (the "City"); and

WHEREAS, the City Council (the "City Council") of the City serves in a separate capacity as the governing board of the Successor Agency; and

WHEREAS, the Successor Agency is charged with paying the enforceable obligations, disposing of the properties and other assets, and unwinding the affairs of the Dissolved RDA; and

WHEREAS, an oversight board for the Successor Agency (the "Oversight Board") has been formed and is functioning in accordance with Health and Safety Code Section 34179; and

WHEREAS, the real property and specified other assets of the Dissolved RDA were transferred to the ownership and control of the Successor Agency as of February 1, 2012 pursuant to Health and Safety Code Section 34175(b), including the following five parcels of real property (collectively, the "Properties") within the Project Area and subject to the Redevelopment Plan:

- APN: 305-22-040 thru 042 - The Campbell Community Center
- APN: 279-41-060 - The Campbell Historical Museum
- APN: 412-29-008 - Edith Morley Park
- APN: 412-06-076 - The First Street/Orchard City Drive downtown surface parking lot
- APN: 279-41-062 - A 3,500 square foot vacant dirt lot fronting Civic Center Drive across from the Library; and

WHEREAS, the Properties were attained by the Dissolved RDA for redevelopment with uses consistent with a governmental purpose as defined under the Dissolution Law, except that APN: 279-41-062 (the "Vacant Parcel") was attained with no intended purpose; and

WHEREAS, on April 26, 2013, the Successor Agency received a "Finding of Completion" from the California Department of Finance (the "DOF") pursuant to Health and Safety Code Section 34179.7, confirming that the Successor Agency had made specified required payments under the Dissolution Law; and

WHEREAS, pursuant to Health and Safety Code Section 34191.5(b), the Successor Agency is now entitled to and must prepare and submit a Long-Range Property Management Plan (the "PMP") to the Oversight Board and the DOF no later than six months following the issuance by the DOF of the Finding of Completion; and

WHEREAS, in accordance with Health and Safety Code Section 34191.5, the Successor Agency has prepared and, by resolution of July 16, 2013, has approved and submitted its PMP to the Oversight Board; and

WHEREAS, a copy of the Successor Agency's PMP is on file with the Oversight Board's Designated Contact Official; and

WHEREAS, the PMP provides for the disposition and use of the Properties for recognized governmental purposes under the Dissolution Law, except that the PMP provides for the liquidation of the Vacant Parcel as provided for under Health and Safety Code Section 34191.5 (2)(B) ; and

WHEREAS, because of such proposed disposition and use, the PMP further calls for the transfer of the Properties to the City for disposition and use in accordance with the PMP, upon approval of the PMP by the Oversight Board and the DOF, all as authorized by Health and Safety Code Section 34191.5(c)(2)(A) and (B); and

WHEREAS, the staff report (the "Staff Report") accompanying this Resolution contains additional information and analysis upon which the findings and actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED that the that the Oversight Board of the Successor Agency hereby finds, resolves, approves, determines, and directs as follows:

SECTION 1. The foregoing Recitals are true and correct, and together with the Staff Report and other information provided by the Successor Agency staff and the public, form the basis for the findings, resolutions, approval, determination, and directions set forth in this Resolution.

SECTION 2. Pursuant to Health and Safety Code Section 34191.5(b), the Oversight Board hereby approves the PMP in the form on file with the Oversight Board's Designated Contact Official.

SECTION 3. Upon the Successor Agency's receipt of all approvals of the PMP required under the Dissolution Law, the Oversight Board directs the Successor Agency to dispose and use the Properties and any disposition proceeds in accordance with the PMP and to take any action and execute any documents as may be necessary to implement the disposition and use of the

Properties and any disposition proceeds in accordance with the terms approved in the PMP and this Resolution.

SECTION 4. The Oversight Board hereby directs its Designated Contact Official, or the Designated Contact Official's designee, to provide written notice and information about this Resolution to the California Department of Finance in accordance with Health and Safety Code Section 34179(h). The actions set forth in this Resolution shall be subject to effectiveness in accordance with Health and Safety Code 34179(h).

ADOPTED September 4, 2013 by the Members of the Oversight Board of the Successor Agency by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:



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Chair: Ed Maduli