

RESOLUTION NO. OB 15-05

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY APPROVING THE FINAL AMENDED LONG RANGE PROPERTY MANAGEMENT PLAN AS PREPARED PURSUANT TO AB 1484 SECTION 34191.5 FOR THE DISPOSITION OF REAL PROPERTY ASSETS OF THE FORMER REDEVELOPMENT AGENCY

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of Maywood elected to become the Successor Agency to the Maywood Community Redevelopment Agency (“Successor Agency”) on January 9, 2012, and the Successor Agency is a separate legal entity from the City of Maywood; and

WHEREAS, Section 34179.5 of AB 1484 requires a successor agency to prepare an LRPMP that addresses the disposition and use of the real properties of the former redevelopment agency; and

WHEREAS, the Successor Agency has prepared a LRPMP which identifies each of the real property assets of the former Maywood Community Redevelopment Agency, including the Agency’s preferred method of disposing of those assets pursuant to AB 1484 Section 34191.5; and

WHEREAS, the LRPMP was initially approved by the Maywood Successor Agency by resolution on September 30, 2013 and subsequently adopted by resolution of the Oversight Board on October 16, 2013; and

WHEREAS, Successor Agency staff submitted the LRPMP to the DOF on October 24, 2013 for its review and consideration; and

WHEREAS, on June 10, 2014, the DOF subsequently notified Successor Agency staff that it required additional information before it could complete its review of the LRPMP; and

WHEREAS, after reviewing the additional information received from the Success Agency, the DOF found an additional discrepancy in the LRPMP and asked that the Successor Agency amend the LRPMP by modifying the resolution to include a “current value” for each of the properties; and

WHEREAS, the Successor Agency prepared a modified Amended LRPMP which included the estimated current value for each of the properties; and

WHEREAS, on March 11, 2015, the Successor Agency approved the modified Amended LRPMP and directed that it be transmitted to the Oversight Board for its review and approval and subsequent submittal to the DOF for its review and final determination. Following the Oversight Board’s approval for the modified Amended LRPMP on May 20, 2015, Successor Agency staff submitted the document and adopting resolution to the DOF.

WHEREAS, in June, 2015, DOF staff communicated its opinion of the latest iteration of the Amended LRPMP and asked that further revisions be made by providing more clarity to certain passages in the language of the document and to correct for minor informational and typographical errors. After completing these revisions, Successor Agency staff submitted a draft of the revised document with the understanding that neither the Successor Agency nor Oversight Board would take any further action until the DOF cleared the draft.

WHEREAS, on September 16, 2015, the DOF cleared the draft and indicated that the estimated time for full and final approval of the final Amended LRPMP would come by the end of 2015.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY DOES RESOLVE, DETERMINE FIND AND ORDER AS FOLLOWS:

SECTION 1. The Oversight Board of the Successor Agency to the Maywood Community Redevelopment Agency finds that the above recitations are true and correct and, accordingly, are incorporated as a material part of this Resolution.

SECTION 2. The final Amended Long Range Property Management Plan is hereby approved, adopted and incorporated by reference by the Oversight Board for the City of Maywood as part of Resolution No. OB 15-05.

SECTION 3. The Successor Agency is hereby directed to provide a copy of the final Amended Long Range Property Management Plan and this adopting Resolution to the California State Department of Finance.

SECTION 4. The Oversight Board Secretary shall certify to the passage and adoption of this Resolution and it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED ON this 21st day of October, 2015.



Lilian Myers, Chair Pro Tem
Oversight Board of the Successor Agency to the
Maywood Community Redevelopment Agency

ATTEST:



Cesar Hernandez
Oversight Board Secretary

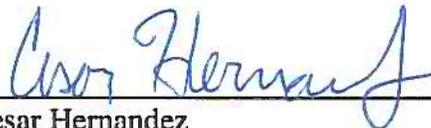
I HEREBY CERTIFY the foregoing Resolution was duly adopted by the Oversight Board of the Successor Agency to the Maywood Community Redevelopment Agency at a regular meeting held on the 21st day of October, 2015 by the following vote:

AYES: Andrew Sanchez, John Walsh, Eduardo De La Riva and Lilian Myers

NAYES: None

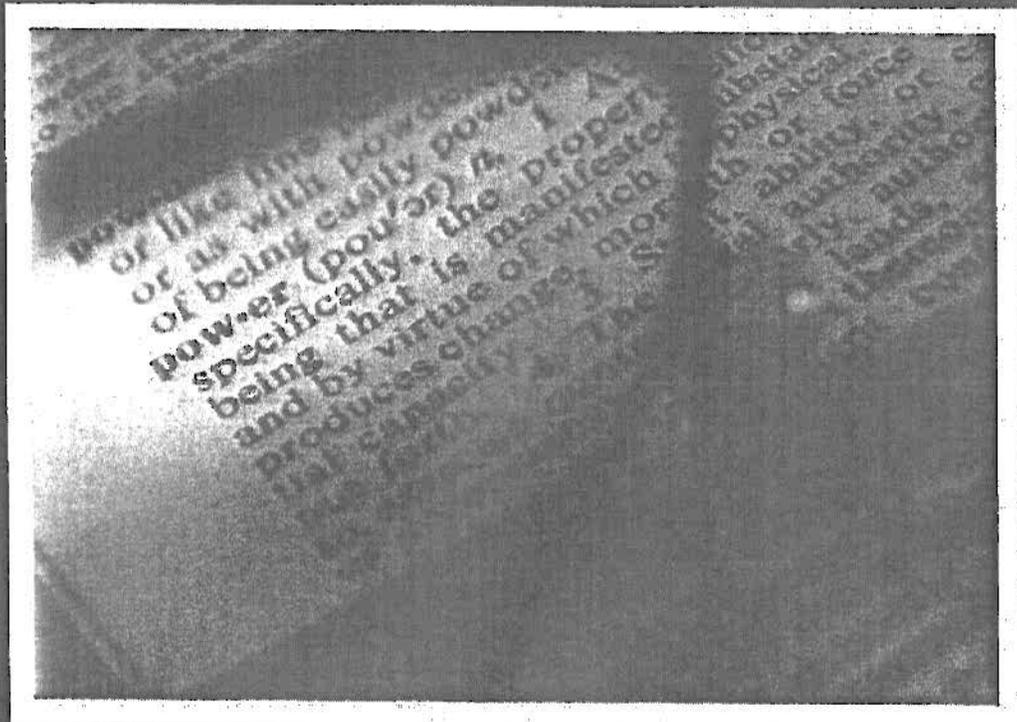
ABSENT: Louisa Ollague, Sam Pedroza and Wesley Hernandez

ABSTAIN: None



Cesar Hernandez
Oversight Board Secretary

MAYWOOD SUCCESSOR AGENCY
FINAL LONG RANGE PROPERTY
MANAGEMENT PLAN



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INTRODUCTION

In accordance with ABx1 26 and the companion dissolution bill, AB 1484, the Successor Agency to the Maywood Community Redevelopment Agency ("Agency") submits this Long Range Property Management Plan ("LRPMP") for consideration. Health and Safety Code Section 34191.5, the Successor Agency is required to submit for approval to the Oversight Board to the Successor Agency of the Maywood Community Redevelopment Agency and California Development of Finance ("DOF") that addresses the disposition and use of the real properties of the former redevelopment agency.

The LRPMP must do all of the following:

- ❖ The date of acquisition and the value of the property at that time, and an estimate of the current value of the property;
- ❖ The purpose for which the property was acquired;
- ❖ Parcel data including address, lot size and current zoning in the former agency or specific, community or general plan;
- ❖ An estimate of the current value of the parcel;
- ❖ An estimate of any lease, rental or any other revenues generated by the property, and a description of the contractual requirements for the disposition of these funds;
- ❖ The history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remedies efforts;
- ❖ A description of the property's potential for transit-oriented development and the advancement of the planning objectives of the Successor Agency; and
- ❖ A brief history of previous development proposals.

The Agency owns four pieces of property that are the subject of this LRPMP as set forth below. The first property, located on Maywood Avenue in the extreme western part of the City, is a vacant lot and the site of a proposed park (see Location Map on the following page). Surrounding land uses include multi-family residential complexes abutting immediately on the north and south, and a railroad right-of-way on the west.

**MAYWOOD SUCCESSOR AGENCY
LONG RANGE PROPERTY MANAGEMENT PLAN**

The remaining three properties are contiguous lots that form an irregular shaped parcel bounded by District Blvd. on the north, Atlantic Blvd. on the east, 52nd St. on the south, and Cudahy Ave. on the west. Maywood Elementary School campus sits directly across 52nd St. from the subject site with residential land uses to the west and industrial uses to the north. District and Atlantic Boulevards are both heavily traveled arterial streets.

The Agency's four properties are as follows:

| Address | APN | Property Type | Permissible Use |
|---------------------------------|--------------|-----------------|--------------------|
| 5515 Maywood Avenue | 6311-026-902 | Vacant Lot/Land | Governmental Use |
| 5102 District Boulevard | 6313-001-902 | Commercial | Future Development |
| 5110 District Boulevard | 6313-001-901 | Commercial | Future Development |
| District Boulevard (no address) | 6313-001-900 | Vacant Lot/Land | Future Development |

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LONG RANGE PROPERTY MANAGEMENT PLAN

MAYWOOD AVENUE PARK

MAYWOOD SUCCESSOR AGENCY
 LONG RANGE PROPERTY MANAGEMENT PLAN

Maywood Avenue Park

| PROPERTY DESCRIPTION & HISTORY OF PREVIOUS PROPOSALS | Assessor's Parcel Number | Lot Size Sq. Ft. | Zoning |
|---|-----------------------------|---------------------|-----------------|
| HEALTH & SAFETY CODE §§ 34191.5(c)(1)(C) & 34191(c)(1)(H) | | | |
| 5515 Maywood Avenue | 6311-028-902 | 14,452 | M* |
| | | | * Manufacturing |

BACKGROUND

In 2007, the City of Maywood Community Development Commission ("CDC") purchased 5515 Maywood Avenue for the purpose of developing a park in cooperation with the Trust for Public Land ("TPL").

The property consists of a 14,452 Sq. Ft. vacant lot on the west side of Maywood Avenue between 55th and 56th Streets. It is currently zoned M (Manufacturing) with a General Plan land use designation of Industrial. The property abuts R3 residential (Multi-family) to the north and south, a railroad right-of-way and Downey Road to the west, and Maywood Avenue to the east.

The City, CDC and TPL have partnered on a number of park projects in the past to address the shortage of open space and recreational amenities within the City. Currently, the City has four (4) parks of various sizes with a combined land area of approximately 13 acres, which is far below the national, state and local recognized standard of 2.5 acres of parkland for every 1000 residents, or 70 acres. With only 13 acres of parkland, the City is short by 57 acres.

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LONG RANGE PROPERTY MANAGEMENT PLAN

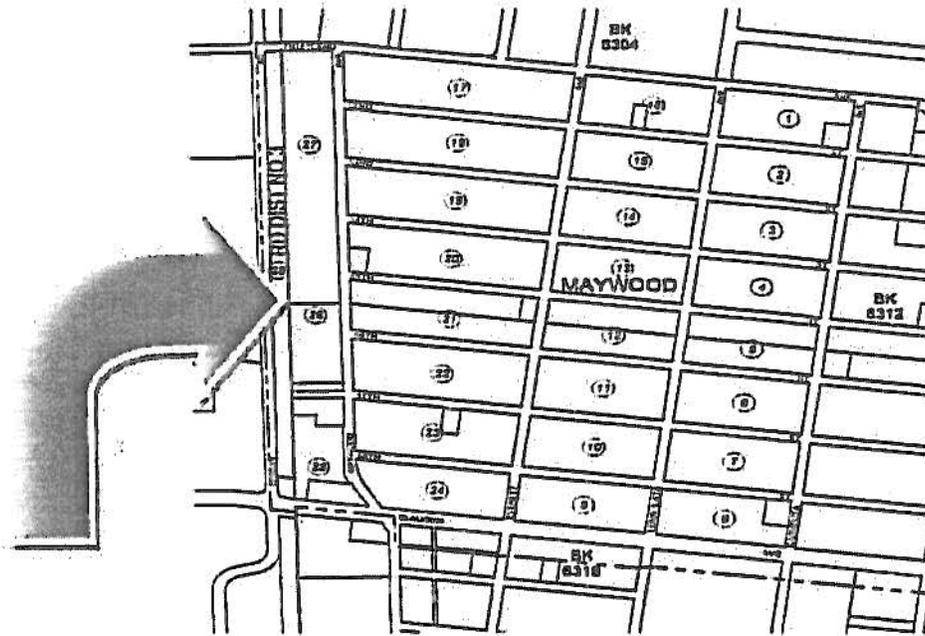
A new park at this location would not only add to the City's open space inventory, it would bring recreational amenities to the westernmost quadrant of the City where parks are scarce,

To further the goal of developing a park on Maywood Avenue, the CDC and TPL entered into an Agreement in which the CDC agreed to develop a park, which the TPL would pay for, and build and upon completion, the CDC would maintain thereafter. Over the past two years, TPL has raised the necessary funds to develop the park from various donors and was scheduled to break ground by August 2013.

In June 2013, the Successor Agency submitted a request to the California Department of Finance ("DOF") to transfer the property from the Successor Agency to the City pursuant to Health and Safety Code § 34181(a) that authorizes the transfer of property to another public agency that is used, or to be constructed for use, as a governmental purpose. The DOF denied the governmental purpose transfer, however, encouraged the Successor Agency to submit the proposed park project as part of its LRPMP. (See attachment Department of Finance E-Letter dated August 12, 2013).

The Successor Agency, TPL and the community at-large are cautiously optimistic that, through the LRPMP, the DOF will authorize the development and transfer of the park on Maywood Avenue. The proposed project meets the eligibility requirements for redevelopment pursuant to the recent legislation.

**MAYWOOD SUCCESSOR AGENCY
LONG RANGE PROPERTY MANAGEMENT PLAN**



Location of 5515 Maywood Avenue

| PERMISSIBLE USE HEALTH & SAFETY CODE § 24191.5(c)(2) | Zoning | Permissible Use | Permissible Use Detail |
|--|--------|-----------------|------------------------|
| | M | Manufacturing | See discussion below |

| PROPERTY VALUE HEALTH & SAFETY CODE § 24191.5(c)(1)(A) | Acquisition Date | Value at Time of Purchase | Estimated Current Value |
|--|------------------|---------------------------|-------------------------|
| | 2007 | \$114,000 | See below. |

5515 Maywood Avenue was purchased in 2007 from Shapiro Investments 2000, Inc., for \$114,000. The following are sales

**MAYWOOD SUCCESSOR AGENCY
LONG RANGE PROPERTY MANAGEMENT PLAN**

comparison for properties that have sold in the surrounding area over the past 6 months.

Estimated Current Value

A Broker's Price Opinion commissioned by the Successor Agency estimates the current value of 5515 Maywood Avenue at \$170,000.00.

Sales Comparisons

1

The property at 5525 Maywood Avenue consists of a 14,484 Sq. Ft. lot with a 3,068 Sq. Ft. 4-story that sold for \$209,097. According to the sales comparisons, comps, the value of the land alone is \$159,805 with the building valued at \$49,292.

2

The property at 5503 Maywood Avenue consists of a 30,014 Sq. Ft. lot with a 22,520 Sq. Ft. apartment complex consisting of 5 units. According to the sales comparisons, the property sold for \$1,190,879. The assess value of the land is \$437,438 with improvements valued at \$753,441.

3

And finally, the third sales comparison shows the property at 5516 Maywood Avenue consists of a 4,467 Sq. Ft. lot with a 1,352 Sq. Ft. 2-unit apartment complex. The property sold within the past 6 months for \$173,942.

| CONTRACTUAL INCOME/REVENUE HEALTH AND SAFETY CODE SECTION 34121.5(C)(1)(E) | Estimate of Contractual Income/Revenue | Contractual Obligations for use of Income/Revenue |
|---|--|--|
| | None | None |

**MAYWOOD SUCCESSOR AGENCY
LONG RANGE PROPERTY MANAGEMENT PLAN**

Maywood Avenue Park is contractually obligated for development of a park. However, the contractual obligation provides intangible benefits to the community.

| TRANSIT ORIENTED POTENTIAL HEALTH AND SAFETY CODE SECTION 34191.5(c)(1)(E) | Description of Property's Potential for Transit Oriented Development | Advancement of Planning Objectives of Successor Agency |
|---|--|--|
| | None | N/A |

At the time of preparing this report, there are a number of regional transportation projects. However, none cite specific that could incorporate this property. The property is located approximately 1 mile west of the 710 Freeway. The Commerce and Montebello/Commerce Metrolink stations are east of the Property.

| ENVIRONMENTAL HEALTH & SAFETY CODE § 34191.5(c)(1)(F) | Brownfield Status | Studies Conducted | Remediation |
|--|----------------------|----------------------|-------------|
| Maywood Avenue Park | N/A | Phase I | None |

In preparation for the development of Maywood Avenue Park, a Phase I environmental study was performed.

DISTRICT
BOULEVARD
PROPERTIES

District Boulevard Properties

| PROPERTY DESCRIPTION & HISTORY OF PREVIOUS PROPOSALS HEALTH & SAFETY CODE §§ 34191.5(c)(1)(C) & 34191.6(d)(1)(H) | Assessor's Parcel Number | Lot Size Sq. Ft. | Zoning |
|--|--------------------------------|---------------------|--------|
| 5102 District Boulevard | 6313-001-902 | 14,452 | CM |
| 5110 District Boulevard | 6313-001-901 | 11,478 | CM |
| District Boulevard- no address | 6313-001-900 | 788 | CM |

THE SUBJECT SITE - DISTRICT BOULEVARD PROPERTIES

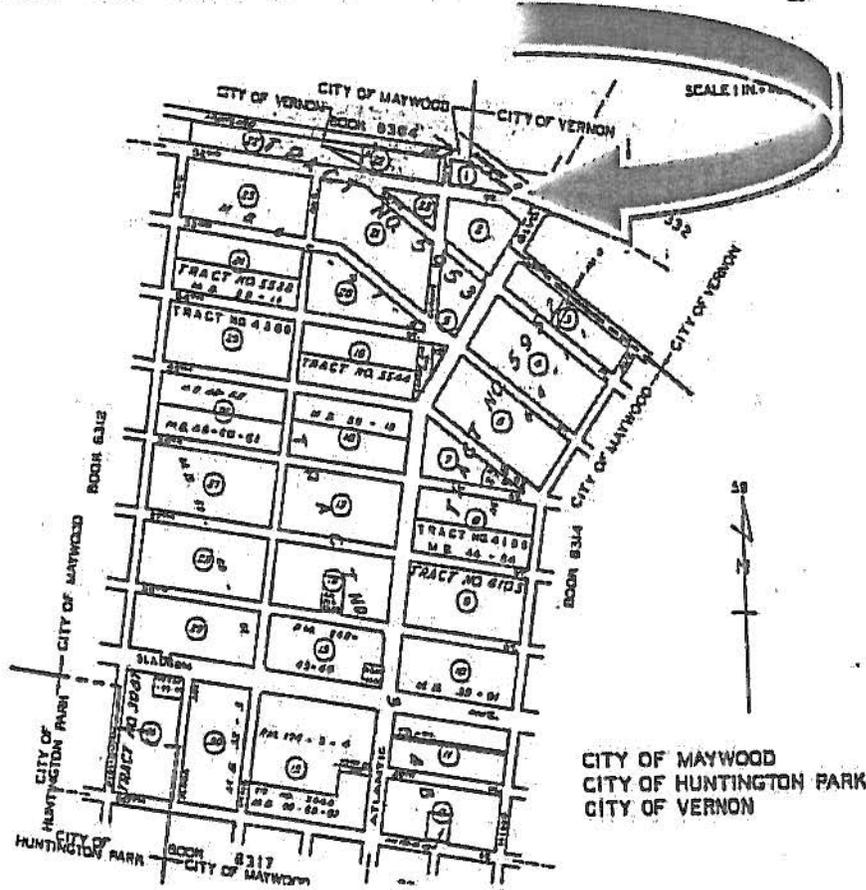
The properties located at 5102, 5110 and APN 6313-001-900 District Boulevard (the "District Blvd. properties") are contiguous and form an irregular shaped block defined by District Blvd. on the north, Atlantic Blvd. on the east, 52nd St. on the south, and Cudahy Ave. on the west. Surrounding land uses include public facilities (Maywood Elementary School), R3 residential (single and multi-family), and commercial, industrial and manufacturing (the industrial City of Vernon lies due north and directly across District Blvd. from the subject site. Two major arterials traverse the site to the east (Atlantic Blvd.) and to the north (District Blvd.) and carry significant vehicle (passing and truck) traffic through the City. The 710 Freeway and the Los Angeles River lie within two miles of the City to the east.

5102 District Blvd. is a two-story commercial building previously used as a union hall for over 30 years prior to the CDC's purchase. 5110 District Blvd. is a two-story concrete building previously occupied by a wholesale clothing manufacturer prior to the CDC's purchase and lies adjacent to 5102 District Blvd. The third property is a small triangular shaped, vacant parcel with no available address according to the Los Angeles County Tax

**MAYWOOD SUCCESSOR AGENCY
LONG RANGE PROPERTY MANAGEMENT PLAN**

Assessor's website and City records (APN 6311-001-900) and abuts immediately to the east of the 5110 District Blvd. parcel.

Location of the District Blvd. Properties



| PROPERTY VALUE HEALTH & SAFETY CODE § 34191.5(c)(1)(A) | Acquisition Date | Value at Time of Purchase | Estimated Current Value* |
|--|---------------------|---------------------------------|--------------------------------|
| 5102 District Boulevard | 4/17/08 | \$1,000,000 | See below |
| 5110 District Boulevard | 7/28/07 | \$780,000 | See below |
| APN 6313-001-000/District | 7/31/07 | \$140,000 | See below |

**MAYWOOD SUCCESSOR AGENCY
LONG RANGE PROPERTY MANAGEMENT PLAN**

Boulevard

Broker's Price Opinions commissioned by the Successor Agency estimate the current value of 5102 District Boulevard at \$642,000 and the current value of 5110 District Boulevard, together with the adjacent triangle parcel identified as APN#6313-001-900, at \$642,000.

In addition to the sales comparisons in the BPOs, the District Blvd. properties were purchased between 2007 and 2008 for the amounts listed above. The sales comparisons for the surrounding area show that no properties have sold within the past 6 months. Dating back to December 2012, a 3-bedroom/2-bathroom residence sold for \$334,000. Prior to that, in June 2012, a 7,170 Sq. Ft. lot located at 4618 Slauson Avenue sold for \$85,000.

| CONTRACTUAL INCOME/REVENUE HEALTH AND SAFETY CODE SECTION 34191.5(c)(1)(E) | Estimate of Contractual Income/Revenue | Contractual Obligations for Use of Income/Revenue |
|---|---|--|
| 5102 District Boulevard | None | N/A |
| 5110 District Boulevard | None | N/A |
| APN 6313-001-900/District Boulevard | None | N/A |

The District Blvd. Properties are not contractually obligated, thus, there is no estimate of contractual income/revenue.

| TRANSIT ORIENTED POTENTIAL HEALTH AND SAFETY CODE SECTION 34191.5(c)(1)(E) | Description of Property's Potential for Transit Oriented Development | Advancement of Planning Objectives of Successor Agency |
|---|---|---|
| 5102 District Boulevard | In close proximity to the 710 Freeway | N/A |

**MAYWOOD SUCCESSOR AGENCY
LONG RANGE PROPERTY MANAGEMENT PLAN**

| | | |
|-------------------------------------|---------------------------------------|-----|
| 5110 District Boulevard | In close proximity to the 710 Freeway | N/A |
| APN 6313-001-900/District Boulevard | In close proximity to the 710 Freeway | N/A |

At the time this report was prepared, there are no local or regional transportation oriented projects that could incorporate this property. The District Blvd. properties run parallel with the 710 Freeway at the Atlantic Blvd. exit.

| ENVIRONMENTAL HEALTH & SAFETY CODE § 34191.5(c)(1)(F) | Brownfield Status | Studies Conducted | Remediation |
|---|-------------------|-------------------|-------------|
| 5102 District Boulevard | N/A | None | N/A |
| 5110 District Boulevard | N/A | None | N/A |
| APN 6313-001-900/District Boulevard | N/A | None | N/A |

ADAPTIVE RE-USE

Considering the location of the District Blvd. Properties, across from an elementary school, a residential neighborhood and two major arterial streets, a multi-family, affordable housing project on this site, with ground floor commercial retail opportunities and open space amenities, would provide additional housing opportunities to the hundreds of residents displaced over the past decade by the Los Angeles Unified School District (LAUSD).

Since 2003, the District has built two new schools and is currently developing a new high school within the City limits.

MAYWOOD SUCCESSOR AGENCY
LONG RANGE PROPERTY MANAGEMENT PLAN

These projects have displaced hundreds of residents and many businesses which has resulted in a decrease in housing opportunities, property and sales tax revenues, and have caused an increase in negative impacts to the environment, neighborhoods and to the financial health of the community overall.

Should the DOF approve this LRPMP, the Successor Agency will transfer the three District properties to the City for future development. In accordance with the requirements of Health and Safety Code §34180(f)(1), it is the City's intent, upon approval of such transfer, to enter into an appropriate compensation agreement with the appropriate taxing entities. A transfer to the City would not only be of tremendous benefit to Maywood in terms of economic development, but would also aesthetically "clean up" that section of the City and bring new affordable housing to Maywood which would help the City to meet its Regional Housing Needs Assessment ("RHNA") requirement, improve the quality of life for its citizens, and provide a boost to the economy of the City.

CONCLUSION

With the dissolution of redevelopment, the City has had to look long and hard at its previous plans for infrastructure, open space, affordable housing and economic development improvements and has been working diligently to find solutions to its critical needs for parks and open space, housing, business attraction and retention, and jobs. It has turned to grant funding, other sources of revenue and restructuring the deliver of municipal services to compensate for the loss of benefits associated with redevelopment.

The four properties that were acquired with redevelopment funds, and which are the subject of this Long Range Property Management Plan, represent one of the City's only remaining opportunities to satisfy some of the needs described above.

MAYWOOD SUCCESSOR AGENCY
LONG RANGE PROPERTY MANAGEMENT PLAN

If the Department of Finance agrees with the Successor Agency and Oversight Board and finds that the Maywood Avenue property should indeed be declared for a governmental purpose as previously intended, thereby allowing for the development of a park as described earlier in the LRPMP, the benefits to the community and the health of its youth would be immeasurable.

Likewise, if the Department of Finance authorizes the Successor Agency to transfer the District Blvd. properties to the City for Future Development, the residents and businesses, and community at large, would benefit from the new property tax revenues, increased sales taxes, a larger inventory of affordable housing, and more local jobs – all of which would help to improve the local economy and the quality of life in Maywood.

The City underwent a “visioning” process that resulted in the establishment of the City’s first Vision Statement. The Vision Statement reinforces why the Department of Finance should consider granting the City of Maywood the opportunity to utilize the Maywood Avenue property and the District Blvd. properties for the benefit of the community. The Vision Statement reads: “By 2018, Maywood will be a model community where families, young professionals and businesses thrive.”

The Successor Agency hopes the Department of Finance will approve its requests as put forth in this LRPMP as it will result in a positive outcome for the citizens of Maywood.

MAYWOOD SUCCESSOR AGENCY
LONG RANGE PROPERTY MANAGEMENT PLAN