

**MODESTO CITY COUNCIL
RESOLUTION NO. 2014-138**

**RESOLUTION APPROVING THE SECOND AMENDED LONG RANGE
PROPERTY MANAGEMENT PLAN OF THE CITY OF MODESTO
REDEVELOPMENT SUCCESSOR AGENCY PURSUANT TO HEALTH AND
SAFETY CODE SECTION 34191.5(B)**

WHEREAS, on October 17, 2013, the Modesto Redevelopment Successor Agency Oversight Board adopted Resolution 2013-07 approving the City of Modesto Redevelopment Successor Agency Long Range Property Management Plan (the Plan), and

WHEREAS, the Plan was submitted to the State Department of Finance (DOF) on October 24, 2013, and

WHEREAS, City staff was contacted by the DOF to discuss the permissible uses identified in the Plan for the following properties:

1. 11th Street Parking Garage (TSP)
2. 1010 10th Street – 1st Floor Retail Space
3. 1125 9th Street – Parking Garage
4. 1150 9th Street – Centre Plaza; and

WHEREAS, the DOF's position was these properties do not meet the definition of the Government/Public Use designation, and

WHEREAS, based on discussions with DOF staff and the City's legal counsel, the Plan was amended (the Amended Plan) to retain these properties as Government/Public Use until the debts are retired, at which time they would be evaluated for disposition if appropriate, and

WHEREAS, the Amended Plan was approved by the City Council (Resolution No. 2014-70) and Successor Agency (Resolution No. 01-2014) on February 25, 2014 and the Oversight Board (Resolution No. 2014-06) on February 27, 2014, and submitted to the DOF on March 4, 2014, and

WHEREAS, additional discussions with the DOF staff occurred following the submission of the Amended Plan, and

WHEREAS, DOF staff maintained the position that the identified properties do not meet the Government/Public Use designation and must be designated for disposition in order for the Plan to be approved, and

WHEREAS, options regarding this designation were considered, including the option for the City of Modesto to purchase the properties, which requires the execution of a Compensation Agreement with the taxing entities, with the net sales proceeds being distributed to the taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and

WHEREAS, given the long-term contracts restricting the use of the properties, the disposition price for the properties is anticipated to be minimal, and

WHEREAS, the Plan has been amended a second time to designate these properties for sale to the City of Modesto in accordance with the Plan,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Second Amended Long Range Property Management Plan (**Exhibit A**) of the City of Modesto Redevelopment Successor Agency pursuant to Health and Safety Code Section 34191.5(b).

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 15th day of April, 2014, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Cogdill, Gunderson, Kenoyer, Lopez, Madrigal, Zoslocki, Mayor Marsh

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM LINDGREN, Interim City Attorney

Exhibit A

DRAFT SECOND AMENDED LONG-RANGE PROPERTY MANAGEMENT PLAN

CITY OF MODESTO REDEVELOPMENT SUCCESSOR AGENCY



APRIL 2014

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Table of Contents

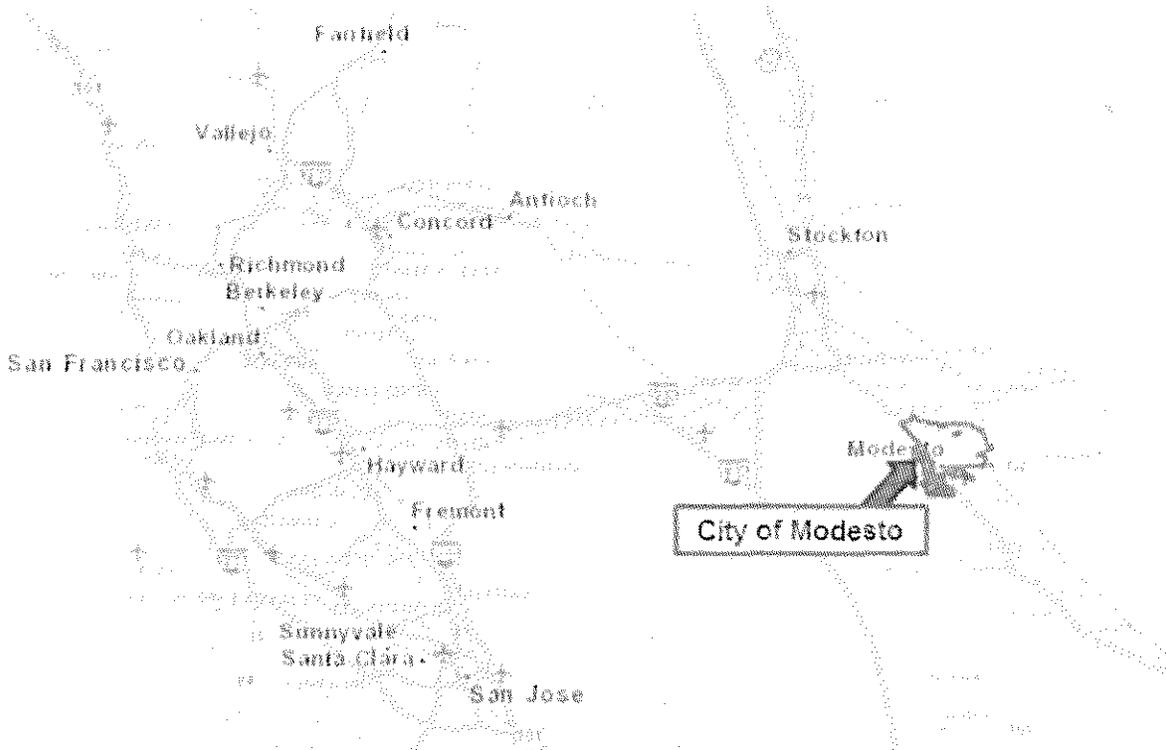
Section	Page
1.0 Introduction	3
2.0 Long-Range Property Management Plan.....	6
Property #1: 11 th Street Parking Garage	6
Property #2: 1010 10 th Street - 1 st Floor Retail	9
Property #3: 9 th Street Parking Lot.....	12
Property #4: 1125 9 th Street - Parking Garage	14
Property #5: 9 th Street - Pedestrian Bridge.....	16
Property #6: 1150 9 th Street - Modesto Centre Plaza.....	18
Property #7: 777 10 th Street - Parking Lot (<i>Proposed Courthouse Site</i>)	20
3.0 Attachments	

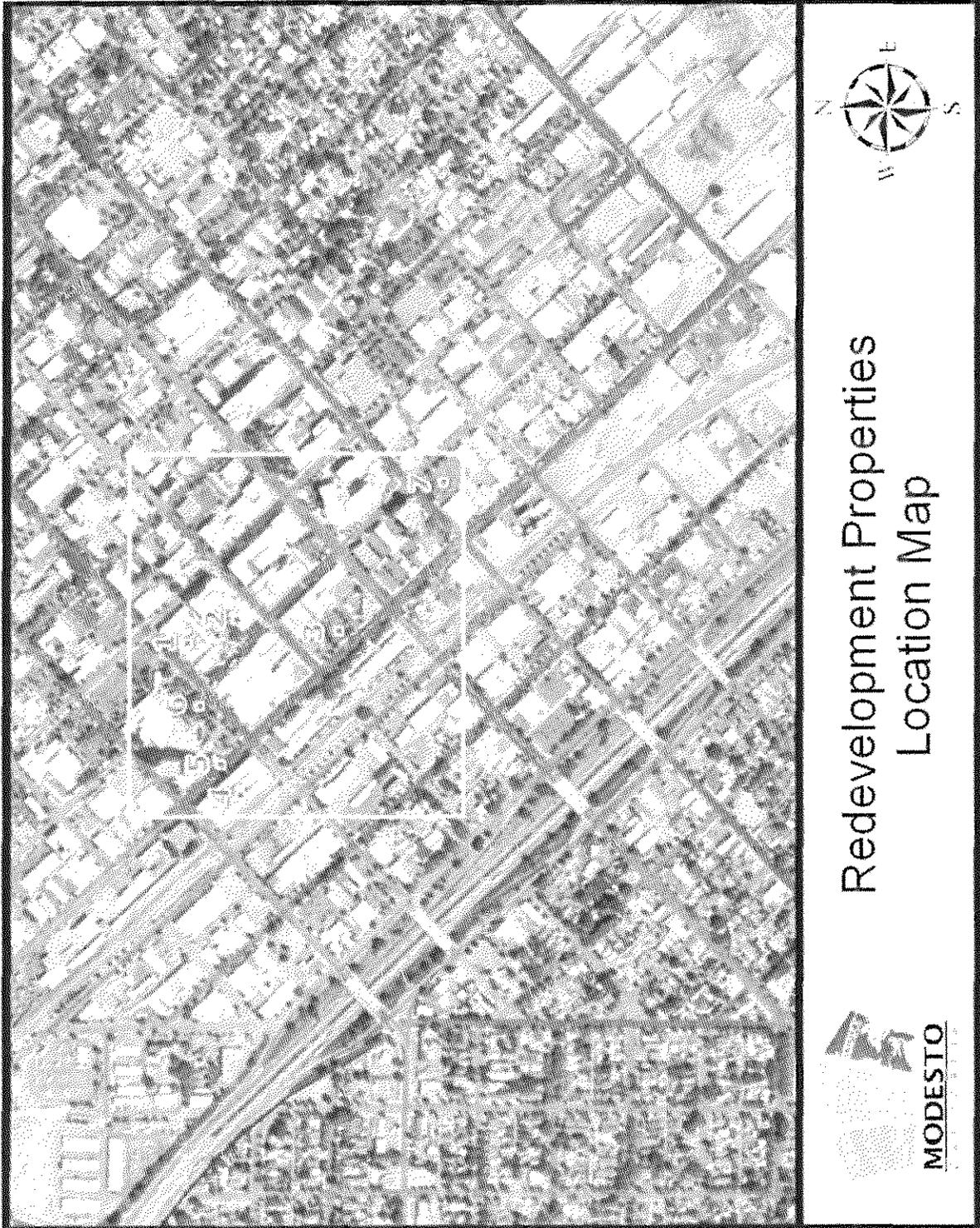


1.0 Introduction

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 Modesto Redevelopment Agency.





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This analysis, projections, assumptions, rates of return, and any estimates presented herein are for illustrative purposes and are not a guarantee of actual or future results. Project tax items and tax advantages are projections only. Actual results may differ materially from those expressed in this analysis.

866 South Figueroa Street, 38th Floor, Los Angeles, California 90017 ph 213 417 3300 fax 213 417 3311

1.2 Successor Agency Property Summary

There are eleven (11) parcels/seven (7) properties owned and controlled by the Successor Agency. All eleven (11) parcels/seven (7) properties entail fee simple property.

#	Address/Description	APN	Purpose			
			Public	Econ. Dev.	Sale	Enf. Oblig.
1	11 th Street Parking Garage	105-037-032			X*	
2	1010 10 th Street - 1 st Floor Retail	105-037-033; 105-037-034			X*	
3	9 th Street Parking Lot	105-041-021	X	X		
4	1125 9 th Street - Parking Garage	105-048-006			X*	
5	9 th Street Pedestrian Bridge	105-048-008	X			
6	1150 9 th Street - Centre Plaza	105-048-011			X*	
7	777 10 th Street - Parking Lot	106-042-001; 106-042,002; 106-042-003; 106-042-004	X	X		

*At or before the retirement of debt, the City will reach compensation agreements with the other taxing entities for Sites #1, #2, #4 and #6 in accordance with all applicable laws and subject to all applicable covenants, contracts, and restrictions affecting the properties.

2.0 Long-Range Property Management Plan (PMP)

Property #1: 11th Street Parking Garage



Parcel Data – Property #1

Address	Southwest Corner 11 th Street and K Street
APN	105-037-032
Lot Size	1.15 acre (50,094 square feet)
Use	Parking Structure
Zoning	DC (Downtown Core)
Current Title	Modesto Redevelopment Agency
Improvements	Four-story + basement parking structure (connected to Tenth Street Place (TSP), City-County Administration Building)

Acquisition & Valuation Information – Property #1

Purchase Date	6/29/2001 (date of existing grant deed in the former RDA name)
Purchase Price	New Construction
Funding Source	Land purchased with City general fund monies; construction was financed through issuance of bonds secured by Redevelopment Agency tax increment.
Existing Debt	This property is collateral for the Lease Revenue Bonds scheduled to be paid in full on 9/1/2033. Outstanding balance of this debt is \$28,493,199.
Purpose	A multi-level public parking facility constructed to serve the City-County Administration building employers and visitors and adjacent office and retail businesses.
Estimate of Current Value	\$7,035,624
Method of Valuation	Straight line depreciation on fixed assets.

Revenues Generated by Property & Contractual Requirements – Property #1

Annual revenue generated equals \$409,117. A portion of this revenue is derived from the parking fees which are charged as follows:

- \$1 per hour 6 a.m. to 6 p.m.
- \$5 flat fee 6 p.m. to 6 a.m.

Additionally, included in that revenue amount are three (3) parking agreements as summarized below:

- \$38,472 from Centerra Capital (Parking Garage retail space)
- \$44,250 from Civic Partners (TSP retail space)
- \$114,411 from AIM Property Management (Cinema)

Annual expenses include:

- \$281,291 for maintenance
- \$1,353,104 debt service (FY14 including Tenth Street Place)

The City of Modesto pays for all maintenance out of the City Parking Fund.

City / Successor Agency Lease Agreement

Of the 727 parking spaces, 432 are perpetually reserved under recorded contracts (Attachment A); 377 for government employees and 55 for the office building owned by Centerra Capital, to satisfy downtown parking requirements. In addition, the parking agreement with Civic Partners requires validation of parking for retail business patrons on a first-come, first-served basis. In addition, there is a parking agreement with the Joint Powers Authority per attachment A.

Approximately 52% of the parking spaces are contractually obligated to provide government employee parking for as long as the City-County JPA is in existence and the government agencies continue to operate and provide services in the public structure adjacent to the garage. In addition, the parking agreements with Centerra Capital, and Civic Partners also continue as long as the parking garage and retail and office uses are in existence and open for business, thus limiting resale value.

History of Environmental Contamination or Remediation Efforts – Property #1

None

Transit-Oriented Development & Advancement of Agency Planning Objectives – Property #1

Potential for TOD

Not applicable, fully developed as parking structure. Maintaining the property as public parking to support the adjacent City-County government building and retail businesses, is a planning objective identified in former planning

Agency Planning Objectives

Redevelopment Agency planning documents (Attachment C).



Brief History of Previous Development Proposals and Activities – Property #1

History Unknown.

Recommendation for Disposition – Property #1

SALE

At or before the retirement of debt, the City will reach compensation agreements with the other taxing entities for Sites #1, #2, #4 and #6 in accordance with all applicable laws and subject to all applicable covenants, contracts, and restrictions affecting the properties. The agreement will specify that the net sales proceeds for the disposition will be distributed to all of the taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, provided, however, that this provision shall not be operative if a court order, legislation or Department of Finance policy reverses the DOF's directive regarding such agreements.

Property #2: 1010 10th Street 1st Floor Retail



Parcel Data – Property #2	
Address	1010 10th Street 1st Floor Retail Condominium Airspace Parcel
APN	105-37-33,105-37-34
Lot Size	26,984 square feet
Use	Ground Floor Retail within City-County Administration Building
Zoning	DC (Downtown Core)
Current Title	Modesto Redevelopment Agency
Improvements	1 st floor retail airspace of the City/County Administration Building

Acquisition & Valuation Information – Property #2	
Purchase Date	8/24/2001 (date of existing grant deed in the former RDA name)
Purchase Price	New Construction
Funding Source	Construction of City-County Administration Building was financed by bonds issued by the City-County Capital Improvements and Financing Agency.
Existing Debt	This property is collateral for the Lease Revenue Bonds scheduled to be paid in full on 9/1/2033. Outstanding balance of this debt is \$28,493,199.
Purpose	First floor retail/office leasable airspace in the multi-story joint administration building from which both the City of Modesto and County of Stanislaus operate. The space primarily services the users of the City-County Administration Building.
Estimate of Current Value	\$956,912
Method of Valuation	Straight line depreciation on fixed assets.



Revenues Generated by Property & Contractual Requirements – Property #2

Annual Revenues: \$106,294
 Annual Maintenance Costs: \$63,017
 Annual Debt Service: a portion of \$1,353,104 (in conjunction with debt service on the 11th Street Parking Garage)

Agreements Affecting the Condominium Parcel

The Redevelopment Agency has a Lease Agreement with Option to Purchase with Civic Partners Modesto, Inc., on the first floor retail airspace of 1010 10th Street. The Agreement provides for a purchase price of \$1,605,962; the option can be exercised at any time during the lease; the lease term runs through 2032. In addition, the condominium airspace is subject to several other agreements, including a Reciprocal Easement and Maintenance Agreement, and Conditions, Covenants and Restrictions for the City-County Administration Building.

History of Environmental Contamination or Remediation Efforts – Property #2

None

Transit-Oriented Development & Advancement of Agency Planning Objectives – Property # 2

Potential for TOD

Not applicable, fully developed as airspace within a governmental building.

Agency Planning Objectives

Dependent upon the terms of the Lease Agreement with Option to Purchase By and Between Redevelopment Agency of the City of Modesto and Civic Partners Modesto, Inc. and the public financing bonds.

Brief History of Previous Development Proposals and Activities – Property # 2

History Unknown.

Recommendation for Disposition – Property # 2

SALE

At or before the retirement of debt, the City will reach compensation agreements with the other taxing entities for Sites #1, #2, #4 and #6 in accordance with all applicable laws and subject to all applicable covenants, contracts, and restrictions affecting the properties. The agreement will specify that the net sales proceeds for the disposition will be distributed to all of the taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, provided, however, that this provision shall not be operative if a court order, legislation or Department of Finance policy reverses the DOF's directive regarding such agreements.

Property #3: 9th Street Parking Lot



Parcel Data – Property #3

Address	9 th Street Parking Lot
APN	105-041-021
Lot Size	19,040 square feet
Use	Parking Lot
Zoning	DC (Downtown Core)
Current Title	Modesto Redevelopment Agency
Improvements	Flat parking lot

Acquisition & Valuation Information – Property #3

Purchase Date	12/1/1994 (date of existing grant deed in the former RDA name)
Purchase Price	\$0
Funding Source	Purchased with City of Modesto general fund monies and transferred without consideration to the Redevelopment Agency for potential development.
Existing Debt	None.
Purpose	As the potential project did not occur, the property has been used, operated and maintained by the City of Modesto continuously as a surface parking lot. Title should have been transferred back to the city, but was not.
Estimate of Current Value	Due to the nature of the reporting of fixed assets, this property is not clearly identifiable in records and therefore an estimate of current value is unknown.
Method of Valuation	N/A

Revenues Generated by Property & Contractual Requirements – Property #3

City / Successor Agency Lease Agreement	Annual revenue generated equals \$30,727. This revenue is derived from the parking fees which are charged as follows: \$1 per hour 6 a.m. to 6 p.m. \$5 flat fee 6 p.m. to 6 a.m. The annual maintenance of this parcel is \$16,250. City pays for all maintenance costs.
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History of Environmental Contamination or Remediation Efforts – Property #3

None	Unknown.
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Transit-Oriented Development & Advancement of Agency Planning Objectives – Property #3

Potential for TOD	The property supports the Modesto Downtown Transportation Center which resides across 9 th Street and runs Amtrak, ACE, a connection to BART, Greyhound buses, and all Modesto Area Express lines.
Agency Planning Objectives	The property should be transferred back to the City of Modesto for continued use as a surface parking lot.

Brief History of Previous Development Proposals and Activities – Property #3

History	The proposed development with McDonald's Corporation for the development of a restaurant, associated parking and landscaping, trash enclosures and restorative work on adjacent parking lot never occurred. It has been used for many years as a City parking lot.
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Recommendation for Disposition – Property #3

Retain as Government/Public Use	Transfer to the City of Modesto. This property was previously owned by the City of Modesto and was conveyed to the Redevelopment Agency for a potential project which never occurred. No Redevelopment Agency funds were used to acquire or maintain the property. The Resolution related to this transfer specifically states "...and the Site will not be acquired by the Agency, either directly or indirectly, with tax increment monies..." (Attachment D)
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Property #4: 1125 9th Street Parking Garage



Parcel Data – Property #4

Address	1125 9 th Street Parking Garage
APN	105-048-006
Lot Size	70,567 square feet
Use	Parking Garage
Zoning	DC (Downtown Core)
Current Title	Modesto Redevelopment Agency
Improvements	Four-story parking garage

Acquisition & Valuation Information – Property #4

Purchase Date	6/30/1988 <i>(date placed in service as a fixed asset)</i>
Purchase Price	Construction financing costs (see below)
Funding Source	Underlying land was purchased using City general fund monies; construction loan/financing obtained by pledging tax increment.
Existing Debt	This property (along with Properties Nos. 5 and 6) is collateral for the Certificates of Participation scheduled to be paid in full on 11/2/2023. Outstanding balance of this debt is \$20,933,535.
Purpose	A multi-level parking garage serving the City's Community Center and DoubleTree Hotel.
Estimate of Current Value	\$1,714,740
Method of Valuation	Straight line depreciation on fixed assets.

Revenues Generated by Property & Contractual Requirements – Property #4

Annual revenue generated equals \$175,051 which are deposited into the City's Parking Fund. A portion of this revenue is derived from the parking fees which are charged as follows:

- \$1 per hour 6 a.m. to 6 p.m.
- \$5 flat fee 6 p.m. to 6 a.m.

Included in that revenue amount is an agreement with the DoubleTree Hotel in the amount of \$103,440. The City of Modesto has maintained the garage since it was constructed out of its Parking Fund.

**Agreements
 Affecting Garage**

This parking structure has 787 parking spaces. As mentioned above, the garage is collateral under the COP financing agreements. In addition, the agreement between the Doubletree Hotel and the City of Modesto allocates 615 parking spaces for use by the DoubleTree employees, office tenants, hotel guests or customers 24 hours a day 7 days a week. In addition, the Amendment provides that the City shall have the right to use 120 parking spaces on the roof of the garage until May 31, 2023. The Agreement with the DoubleTree terminates on May 31, 2055 but gives DoubleTree two (2) ten year options to extend.

History of Environmental Contamination or Remediation Efforts – Property #4

None

This location is part of six properties subject to the Oversight Agreement within a project area as defined in Health and Safety Code Section 33320.1. Passive soil gas surveys conducted by the Regional Water Quality Control Board and consultants to the City of Modesto and the Modesto Redevelopment Agency in 1989 to 1991 and 2000 to 2001, respectively indicate that PCE has entered the subsurface soils from discharge to sanitary sewer lines. **This information is per the Department of Toxic Substances Control ENVIROSTOR database.*

Transit-Oriented Development & Advancement of Agency Planning Objectives – Property #4

Potential for TOD

Not applicable, fully developed as parking structure.

Agency Planning Objectives

Maintaining the property as public parking to support the Modesto Centre Plaza/Community Center, which is a planning objective identified in former planning Redevelopment Agency planning documents (See Attachment G).

Brief History of Previous Development Proposals and Activities – Property #4

History

Construction of the existing multi-level parking garage in support of the Community Center.



Recommendation for Disposition – Property #4

SALE

At or before the retirement of debt, the City will reach compensation agreements with the other taxing entities for Sites #1, #2, #4 and #6 in accordance with all applicable laws and subject to all applicable covenants, contracts, and restrictions affecting the properties. The agreement will specify that the net sales proceeds for the disposition will be distributed to all of the taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, provided, however, that this provision shall not be operative if a court order, legislation or Department of Finance policy reverses the DOF's directive regarding such agreements.



Property #5: 9th Street Pedestrian Bridge



Parcel Data – Property #5

Address	9 th Street Pedestrian Bridge
APN	105-48-08
Lot Size	703 square feet
Use	Pedestrian Bridge
Zoning	DC (Downtown Core)
Current Title	Modesto Redevelopment Agency
Improvements	703 square foot pedestrian bridge between the parking garage and the City Community Center and DoubleTree hotel.

Acquisition & Valuation Information – Property #5

Purchase Date	March 23, 1984 (date of existing grant deed in the former RDA name)
Purchase Price	New Construction
Funding Source	Land was purchased using City general fund monies; construction loan/financing obtained by pledging tax increment.
Existing Debt	This property (along with Properties Nos. 4 and 6) is collateral for the Certificates of Participation scheduled to be paid in full on 11/2/2023. Outstanding balance of this debt is \$20,933,535.
Purpose	Public Use
Estimate of Current Value	Due to the nature of the reporting of fixed assets, this property is not clearly identifiable in records and therefore an estimate of current value is unknown.
Method of Valuation	N/A

Revenues Generated by Property & Contractual Requirements – Property #5

City / Successor Agency Lease Agreement	As mentioned above, the bridge is pledged collateral under the COP financing agreements. There are no revenues for this property nor are there any contractual requirements. The City currently pays for the annual maintenance of the facility which is approximately \$16,970. In addition, this property is included in the debt service payments with the Modesto Centre Plaza and the 9 th Street Parking Garage – this annual payment is \$1,961,450.
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History of Environmental Contamination or Remediation Efforts – Property #5

None	Unknown.
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Transit-Oriented Development & Advancement of Agency Planning Objectives – Property #5

Potential for TOD	Not Applicable.
Agency Planning Objectives	Transfer to City to maintain as pedestrian bridge to provide access from parking garage to Modesto Centre Plaza/Community Center.

Brief History of Previous Development Proposals and Activities – Property # 5

History	Property was developed as a pedestrian bridge in 1988 to support the Modesto Centre Plaza/Community Center as part of the redevelopment project identified in the 1983 RDA Master Plan (Attachment G).
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Recommendation for Disposition – Property # 5

Retain as Government/Public Use	This property will be retained by the City for government use, as its value is undetermined due to no revenue. The City of Modesto desires to take ownership of this property “as is” as it is already responsible for the annual maintenance of this facility.
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Property #6: 1150 9th Street – Modesto Centre Plaza (Community Center)



Parcel Data – Property #6

Address	1150 9 th Street
APN	105-048-011
Lot Size	181,209 square feet
Use	Community Center: Public & Enforceable Obligations
Zoning	DC (Downtown Core)
Current Title	Modesto Redevelopment Agency
Improvements	Community Center

Acquisition & Valuation Information – Property #6

Purchase Date	7/31/1991 (date of existing grant deed in the former RDA name)
Purchase Price	New Construction
Funding Source	Land was purchased using City general fund monies; Certificates of Participation were issued to finance construction; tax increments pledged for payment.
Existing Debt	This property (along with Properties Nos. 4 and 5) is collateral for the Certificates of Participation scheduled to be paid in full on 11/2/2023. Outstanding balance of this debt is \$20,933,535.
Purpose	Community Center
Estimate of Current Value	\$4,001,166
Method of Valuation	Straight line depreciation on fixed assets.

Revenues Generated by Property & Contractual Requirements – Property #6

City / Successor Agency Lease Agreement	<u>Revenue Generated by Property & Contractual Requirements:</u> Annual revenue generated equals \$744,000. This revenue is generally derived from the following sources:	
	Labor Charges for Services:	\$ 24,000
	Commissions (Cultural and Tech Services):	\$ 230,000
	Equipment Rentals:	\$ 75,000
	Room Rentals:	\$ 410,000
	Misc.	\$ 5,000

In addition to the leases entered into as part of the COP financing, the Modesto Centre Plaza (through the City of Modesto) is under a catering contract with the DoubleTree Hotel (Attachment H). Revenue from this catering contract is included in the line item for "Commissions."

The existing contract expires in May 2019 and has three 10-year extension options. The contract states "DOUBLETREE will have the exclusive right to provide all catering services at the CENTER." Catering Services is defined as "the preparation and serving of food and non-alcoholic beverages at a per-plate, per-person or per-order charge at the CENTER, regardless of the event, including, without limitation, banquet, meetings, conferences, exhibits, trade shows, concerts and any other uses of the CENTER. The exception relates to Non-Profit Organizations which are allowed to "(1) prepare their own food items in the CENTER's kitchen if the food items are prepared by the non-profit organization's members; and (2) supply their own donated alcoholic beverages for hosted functions provided such non-profit organizations pay any corkage fees established by DOUBLETREE from time to time.

Revenue is also received from the Parking Lot which is part of this parcel. Annual revenues total: \$52,587. Annual maintenance costs total approximately: \$50,000. In addition, this property is included in the debt service payments with the 9th Street Parking Garage and the 9th Street Pedestrian Bridge – this annual payment is \$1,961,450. The City is responsible for all maintenance costs of the Center.

History of Environmental Contamination or Remediation Efforts – Property #6

None	Prior to purchase by the City of Modesto, the Modesto Centre Plaza site was occupied by Bradbury's Cleaners. During construction and demolition work at the site, four leaking underground storage tanks used to store Stoddard Solvent were uncovered. Contaminated soils were excavated to 25 feet below ground surface, aerated, and backfilled into the excavation area. <i>*This information is per the Department of Toxic Substances Control ENVIROSTOR database.</i>
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Transit-Oriented Development & Advancement of Agency Planning Objectives – Property #6

Potential for TOD	Not applicable, fully developed as a City community center.
Agency Planning Objectives	Maintaining the property as public space to increase tourism downtown as a planning objective identified in the 1983 RDA Master Plan (Attachment G).

Brief History of Previous Development Proposals and Activities – Property #6

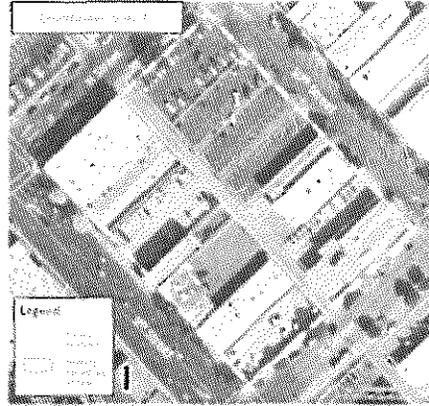
History	Unknown.
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Recommendation for Disposition – Property #6

SALE	At or before the retirement of debt, the City will reach compensation agreements with the other taxing entities for Sites #1, #2, #4 and #6 in accordance with all applicable laws and subject to all applicable covenants, contracts, and restrictions affecting the properties. <u>The agreement will specify that the net sales proceeds for the disposition will be distributed to all of the taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, provided, however, that this provision shall not be operative if a court order, legislation or Department of Finance policy reverses the DOF's directive regarding such agreements.</u>
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Property #7: 777 10th Street – Parking Lot (Proposed Courthouse Site)



Parcel Data – Property #7

Address	777 10th Street
APN	106-042-001, 106-042-002, 106-042-003, 106-042-004
Lot Size	31,500 square feet
Use	Parking Lot
Zoning	DC (Downtown Core)
Current Title	Modesto Redevelopment Agency
Improvements	Surface Parking Lot

Acquisition & Valuation Information – Property #7

Purchase Date	1/25/2005
Purchase Price	\$0
Funding Source	City of Modesto General Fund – property was transferred without consideration to the Redevelopment Agency for a potential project.
Existing Debt	None.
Purpose	Use from pre-1987 to present is a surface parking lot. These parcels are currently part of an entire block of parcels that the State Administrative Office of the Courts has selected as the future site for the State of California Superior Court Courthouse for Stanislaus County.
Estimate of Current Value	Unknown.
Method of Valuation	A certified appraisal was completed by the State of California Judicial Council Administrative Office of the Court (AOC) in 2011. It is the property of the AOC and has not been released for public disclosure.

Revenues Generated by Property & Contractual Requirements – Property #7

City / Successor Agency Lease Agreement	Annual revenue generated equals \$89,266. This revenue is derived from the parking fees which are charged as follows: \$1 per hour 6 a.m. to 6 p.m. \$5 flat fee 6 p.m. to 6 a.m. Annual maintenance costs for this property are approximately \$42,561.22.
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History of Environmental Contamination or Remediation Efforts – Property #7

None	A Phase 2 environmental study was recently conducted by the State of California Administrative Office of the Courts; however, the findings have not been released for public disclosure. In addition, a Phase 1 was conducted as part of a previous development project lead by Team Modesto.
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Transit-Oriented Development & Advancement of Agency Planning Objectives – Property #7

Potential for TOD	The property is located within close proximity (0.2 miles/ 5 minute walk) of the Modesto Downtown Transportation Center, which provides access to Amtrak, ACE, a connection to BART, and all Modesto Area Express lines. Also located next to bus stop for Modesto Area Express, Bus Lines include 25, 34, 37, 38, and 39.
Agency Planning Objectives	These parcels are currently part of an entire block of parcels that the State Administrative Office of the Courts has selected as the future site for the State of California Superior Court Courthouse for Stanislaus County. In addition, these parcels are located along 10 th Street which is a focal point in the 2007 RDA Master Plan (Attachment I).

Brief History of Previous Development Proposals and Activities – Property #7

History	These parcels were originally acquired and owned by the City of Modesto and were the subject of two mixed-use projects which did not come to fruition.
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Recommendation for Disposition – Property #7

**Retain as
Government/Public
Use**

Transfer of these parcels to the City of Modesto in order to meet the State of California Administrative Office of the Courts' deadline for securing the State of California Stanislaus County Superior Courthouse project. In addition, this property was previously owned by the City of Modesto and was conveyed to the Redevelopment Agency for purposes of disposition to a developer pursuant to a DDA. No property tax increment was used to purchase these parcels.

3.0 Attachments

- A. 11th Street Parking Garage Agreements and Assignment of Agreements
- B. 1991 – FINAL Environmental Impact Report
- C. 1994 RDA Master Plan
- D. Civic Partners Lease Agreement
- E. DDA between City and RDA for 9th Street Lot/McDonalds
- F. Amendment to 9th Street Parking Garage Agreement with DoubleTree Hotel
- G. 1983 RDA Master Plan
- H. DoubleTree Catering and Concessionaire Agreement
- I. 2007 RDA Master Plan

