

RESOLUTION NO. OBR-16

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE MONTEREY PARK REDEVELOPMENT AGENCY APPROVING A REVISED LONG RANGE PROPERTY MANAGEMENT PLAN AND DIRECTING SUCCESSOR AGENCY STAFF TO SUBMIT THE REVISED PLAN TO THE DEPARTMENT OF FINANCE

The Oversight Board for the Successor Agency to the Monterey Park Redevelopment Agency (“Oversight Board”) does resolve as follows:

SECTION 1: The Oversight Board (“OB”) finds as follows:

- A. On August 8, 2013, the City Council acting on behalf of the Successor Agency adopted Resolution No. SA-47, approving the Long Range Property Management Plan (“LRPMP”) and recommending OB approval;
- B. On August 15, 2013, the OB approved the LRPMP and, in accordance with the OB’s direction and state law, the LRPMP was submitted to the Department of Finance (“DOF”) for its approval;
- C. DOF requested certain information be added to the LRPMP, and Successor Agency staff have made such changes to the revised Long Range Property Management Plan (“Revised LRPMP”) attached as Exhibit “A,” and incorporated by reference;
- D. The Revised LRPMP accurately identifies and describes properties previously owed by the Monterey Park Redevelopment Agency (“Agency”);
- E. The Revised LRPMP was prepared in accordance with Health and Safety Code § 34191.5;
- F. The Revised LRPMP provides a reasonable method for disposing of the real property it identifies, and it is in the public interest to implement the Revised LRPMP upon its approval by DOF.

SECTION 2: The OB takes the following actions:

- A. The Revised LRPMP is hereby approved, in accordance with Health and Safety Code § 34191.5(c)(2)(C);
- B. The City Manager, or designee, is authorized to execute and forward this Resolution, the Revised LRPMP, and any other appropriate documentation to the Department of Finance (DOF) in accordance with applicable law;

- C. To the extent required by applicable law, and upon advice by the City Attorney, the City Manager is directed to seek guidance from the Department of Industrial Relations (“DIR”) regarding whether the Revised LRPMP, as drafted, may subject projects developed on Site 1 to prevailing wages pursuant to the Labor Code. The DIR must provide such guidance to the Successor Agency before the proposed disposition of Site 1 can occur; and
- D. The City Manager, or designee, is authorized to take all reasonable actions needed to implement the Agreement.

SECTION 3: The City Clerk is directed to certify the adoption of this Resolution; record this Resolution in the book of the OB’s original resolutions; and make a minute of the adoption of the Resolution in the OB’s records and the minutes of this meeting.

SECTION 4: This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

PASSED, APPROVED, AND ADOPTED this 10th day of October, 2013.



Paul Talbot, Chairperson

ATTEST:

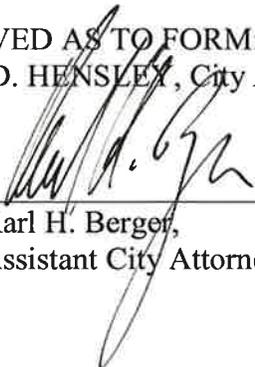
By:



Vincent D. Chang
Oversight Board Secretary

APPROVED AS TO FORM:
MARK D. HENSLEY, City Attorney

By:



Karl H. Berger,
Assistant City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF MONTEREY PARK)

I, Vincent D. Chang, City Clerk, acting as secretary of the Oversight Board for the City of Monterey Park acting on behalf of the Successor Agency to the Monterey Park Redevelopment Agency of the City of Monterey Park, California, DO HEREBY CERTIFY that the whole number of members of the Oversight Board of the said City is six; that the foregoing resolution, being Resolution No. OBR-16 was duly passed and adopted by the said Oversight Board, approved and signed by the Chair of said Board, and attested by the Secretary of said City, all at a special meeting of the said Board held on the 10th day of October, 2013, and the same was so passed and adopted by the following vote:

- AYES: Board Members: Talbot, Gin, Hamner, Plotkin, Yaung, Leung
- NOES: Board Members: None
- ABSENT: Board Members: None
- ABSTAIN: Board Members: None



Vincent D. Chang
Oversight Board Secretary

SUCCESSOR AGENCY TO THE FORMER MONTEREY PARK REDEVELOPMENT AGENCY LONG RANGE PROPERTY MANAGEMENT PLAN

(Revised 10-10-13)

INTRODUCTION

Pursuant to Assembly Bill 1484, the Successor Agency to the former Monterey Park Redevelopment Agency has prepared a Long Range Property Management Plan that addresses the disposition of real properties of the former Redevelopment Agency. There are two parcels contained within the Long Range Property Management Plan. The two sites are summarized below with required property profile and data required under AB 1484 following the site summaries.

SUMMARY FORMER REDEVELOPMENT AGENCY SITES:

- **SITE 1 – LOS ANGELES CORPORATE CENTER SITE (700 Corporate Center Drive).**
This vacant property has been held by the former Agency for over two decades. The former Agency acquired this parcel as a result of collaborative effort with the County of Los Angeles. Initially, the Agency was exploring a hotel development on another Agency Parcel. The County inquired as to the possible acquisition of the parcel for a Children’s Court and eventually entered into a purchase and sale agreement. Proceeds from the sale were used to acquire the Los Angeles Corporate Center site and subsequently incorporated into the Agency’s project area. The subject property has been the focus of several hotel proposals over the last two decades. As recommended in the LRPMP, the site is recommended to be disposed of by the Successor Agency. This has been a challenging site due to its configuration, visibility, easements, and access. Ultimately, an option to jointly market with the adjoining property could maximize the eventual development of the site.
- **SITE 2 – 540 WEST GARVEY AVENUE**
This property was initially purchased along with three adjacent parcels. After subdividing the parcel, the westerly portion of the site was transferred to Bank of Canton as a relocation resource for its branch office on North Atlantic Boulevard on impacted by the Atlantic Times Square redevelopment project. The subject lot is the remaining lot from the original acquisition. There have been numerous proposals including an office development, restaurant, fast food restaurant and medical offices. None of the proposals have been implemented to date. At this time the LRPMP recommends the sale of the property with proceeds of the sale to be distributed to the various taxing entities. During the course of the sale, the staff of the Successor Agency will attempt to identify a potential owner/developer who will adhere to the goals and objectives of the City and redevelopment plans.

PROPERTY PROFILES AND DATA

The following profiles are provided in accordance with the information required under AB 1484 regarding the parcel information contained in the Long Range Property Management Plan.

SITE 1 –LOS ANGELES CORPORATE CENTER

PROPERTY INFORMATION

ACQUISITION: DATE OF ACQUISITION: March 1990
VALUE OF PROPERTY: \$4,228,000

PURPOSE FOR ACQUISITION: Between 1978 thru 1984 the former Redevelopment Agency negotiated for a First Class Hotel on a site (Higginson Brickyard) in close proximity to the subject site. Eventually the negotiations terminated.

In 1987, Los Angeles County inquired and eventually purchased the "Higginson Brickyard" site for the Children's Court. Proceeds from the sale plus additional resources were used to purchase the subject site for eventual development of a hotel.

PARCEL DATA:

ADDRESS: 700 Corporate Center Drive, Monterey Park, CA

APN: 5237-022-902

LOT SIZE: 7.33 Acres [319,295 SF] Gross

3.2 Acres Net Usable [139.392 SF]

EASEMENTS: -10,440 SF Non Exclusive

+7,623 Private Driveway

CURRENT ZONING: C-P (Commercial Professional)

ESTIMATE OF CURRENT VALUE: \$5,840,000

LEASE REVENUE: \$0

HISTORY OF CONTAMINATION: Preliminary Environmental Site Assessment conducted in September, 1989. Conclusions indicated little or no potential for subsurface contamination at the site by toxic or hazardous waste materials. No evidence of underground storage tanks.

DISCRIPTION OF TOD & ADVANCEMENT OF

PLANNING OBJECTIVE:

The subject site is located within a 110-acre planned business park. While located in close proximity to major freeways, the site

generally sits at a higher elevation from the surrounding uses and is not located near any proposed transit station. The nearest existing transit station is located on the perimeter of California State University Los Angeles adjacent to Interstate 10. This transit station is separated from the subject site by the Interstate 10 and Interstate 710 interchange. At this time, the subject site does not allow for high density residential and will not be conducive for a transit-oriented development project as are other areas within the City.

While a hotel project has been contemplated for nearly two decades, should the market continue to present a barrier to such a development, the highest use would continue to be the expansion of the office park. The site was added to the project area to facilitate the implementation of a project on a challenging and underutilized site, job creation, and economic enhancements. Either of the anticipated uses is consistent with the goals and objectives of both the Redevelopment Plan and the most recent Five-Year Implementation Plan of the former Redevelopment Agency.

HISTORY OF PREVIOUS DEVELOPMENT PROPOSALS:

The genesis of a first class hotel concept originated in the mid 1970's on another Agency-owned parcel. In 1989, when the project failed to materialize, the Redevelopment Agency cooperated with Los Angeles County to sell the property to the County for a Children's Court facility and the Redevelopment Agency was able to amend an existing project area, in 1990, identifying a subject site for a potential hotel.

Over the next decade, four separate attempts were made to solicit interest and secure a hotel development. The Recession beginning in the early nineties postponed any hopes of securing financing aside from developer interest.

Between 2001 thru 2004, the Redevelopment Agency updated hotel market studies, issued RFPs, and eventually issued an Exclusive Negotiation Agreement with Extended Stay America Hotel. The project is terminated after developer fails to perform.

The most recent negotiations began in 2004 with an Exclusive Negotiation Agreement (ENA) with Monterey Hills Resort (Ever-Union Trading and Investment, Inc.) and several drafts of a Disposition and Development Agreement for a hotel project. In 2006, Project delays ultimately resulted in termination of the ENA.

The most recent recession resulted in very little discussion for new development on this site and other projects within the City.

OPTION:

DISPOSE OF PROPERTY BY SA

Several recent and existing conditions regarding the site are as follows:

- The subject site is an inferior site being situated behind a parcel in front with street access and visibility.
- The subject parcel is encumbered with a non-exclusive easement for parking that diminishes property value and limits full utilization of the property.
- Access to the site is via a driveway easement; visibility is very limited from the street.
- The adjacent property has been recently acquired and the new owners are motivated to sell the property.

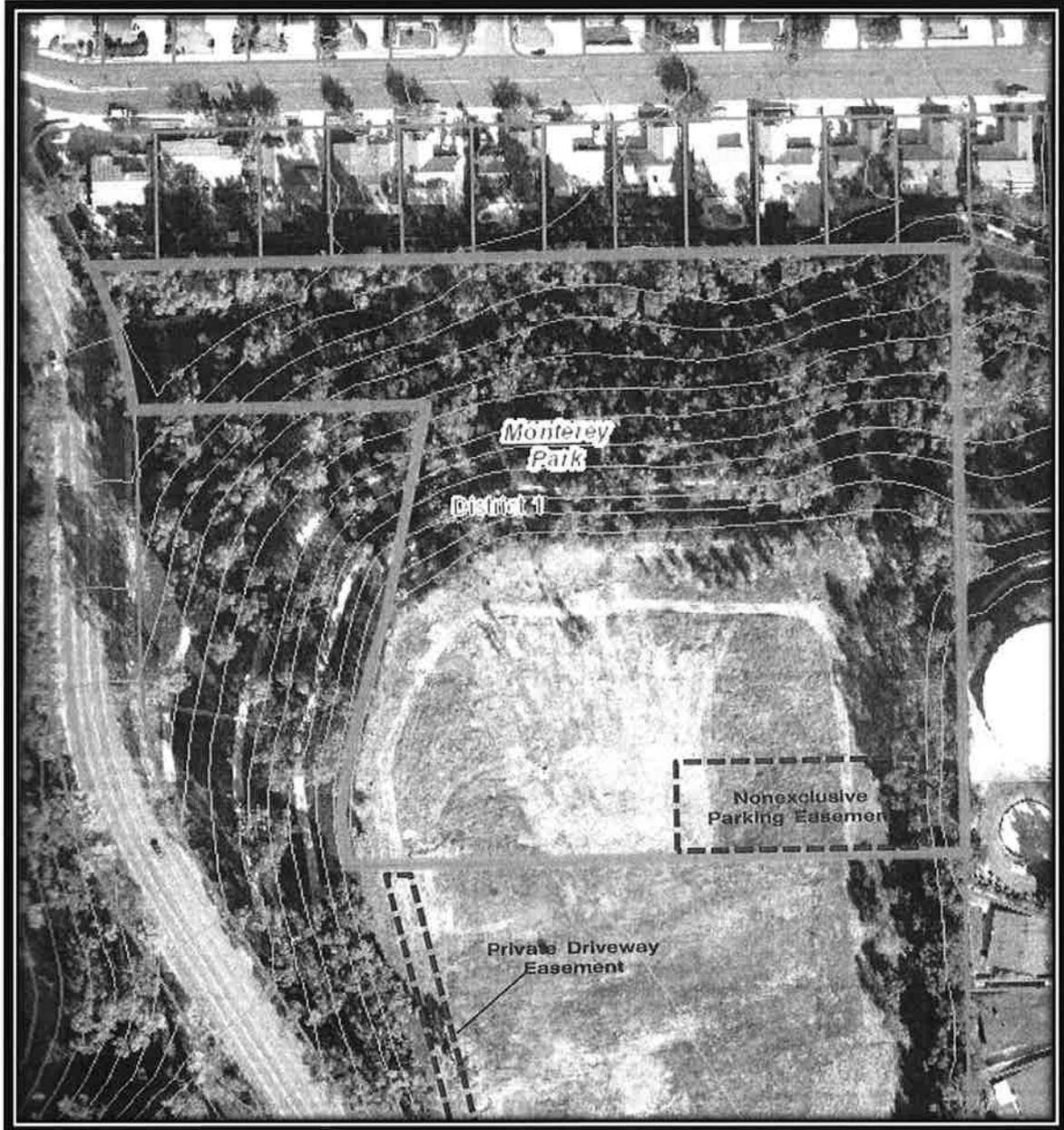
The optimum situation rests in a sale in conjunction with the adjacent parcel to jointly market the combined properties for a unifying development. This would maximize the development potential, maximize value, and eliminate the easements constricting the ultimate development potential of the site. While the joining of the two parcels may yield a per square foot value in favor of the Successor Agency for its parcel, the reverse is true for the adjacent property.

If a purchase price is less than 90% of the current value, whether sold with or without the adjoining property, the City will return to the Oversight Board for approval the final purchase and sale agreement.

USE OF PROCEEDS FROM SALE:

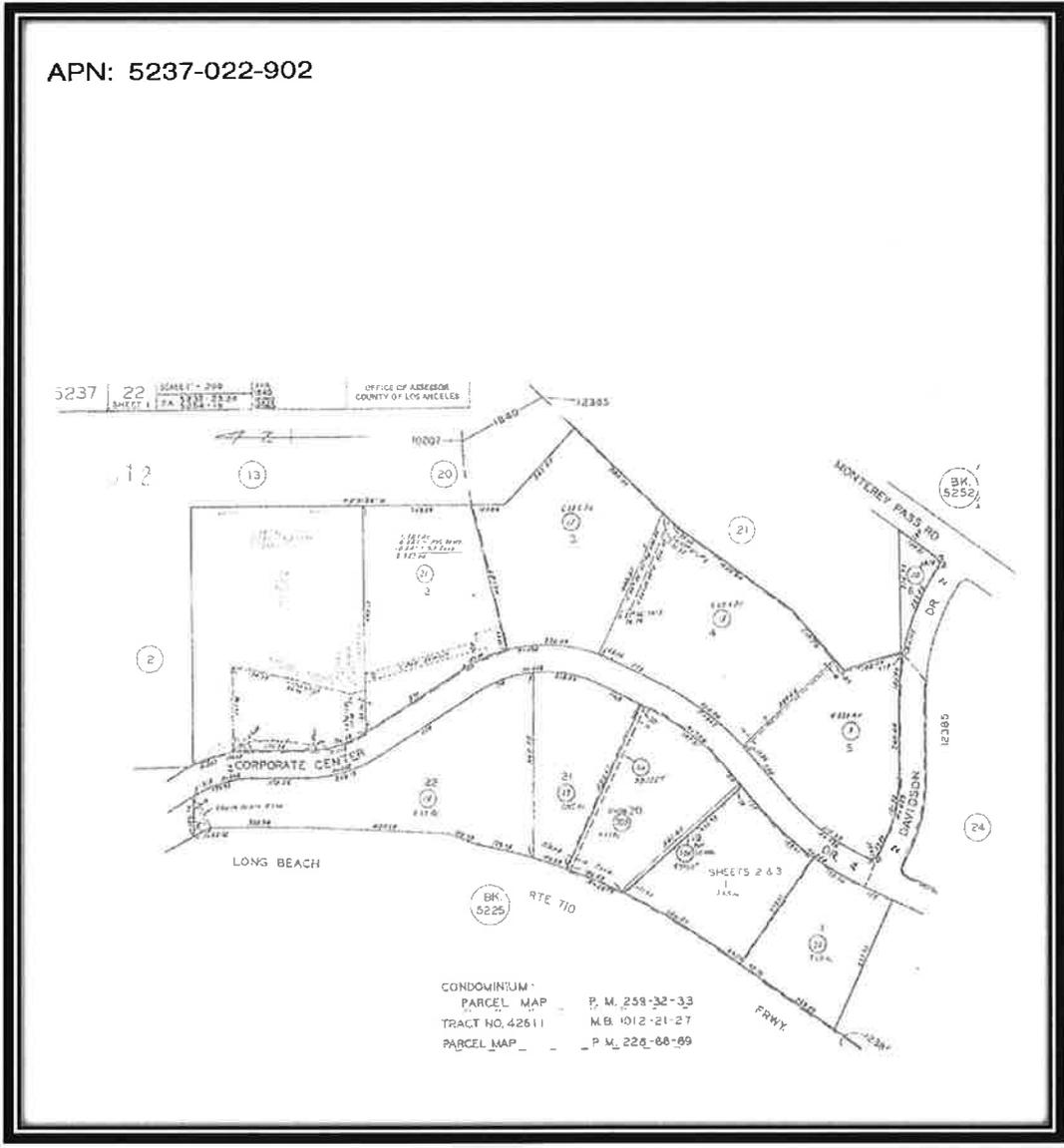
Distribute to the various taxing entities as directed in AB1484.

Aerial View



Site Plan

APN: 5237-022-902



Photographs

See aerial photograph on first page of Subject Property Section.



PHOTO NO. 1: View looking northeasterly across subject net buildable area from southwest boundary thereof.

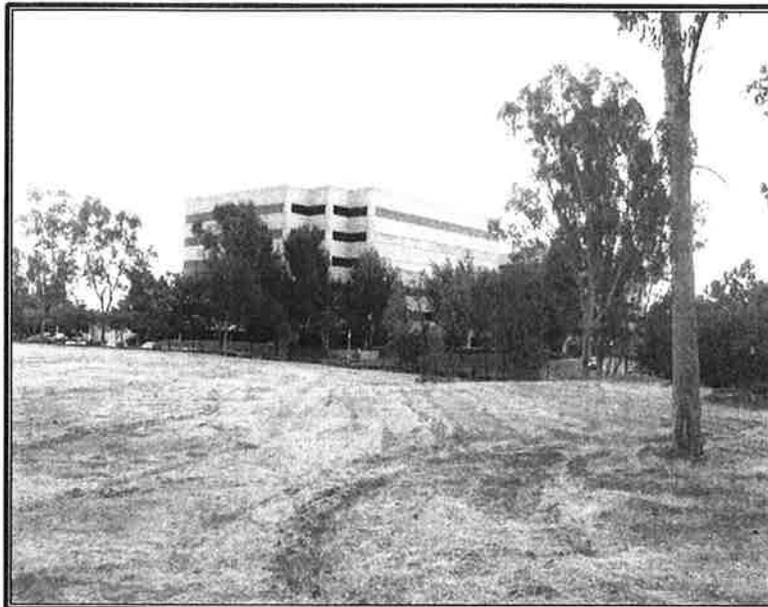


PHOTO NO. 2: View looking southeasterly across driveway easement from southwest property boundary.

The limiting size and future use of the site does not contemplate higher density residential and/or additional transit facilities. Uses on

the parcel will focus on businesses and services that will enhance the downtown commercial activities.

A pedestrian linkage plan overlays most of the downtown area and this site will be developed adhering to linkage guidelines where possible.

**HISTORY OF PREVIOUS
DEVELOPMENT PROPOSALS:**

In 2001, the former Redevelopment Agency began extensive marketing of the site. By 2002, a brokerage firm was retained to further identify potential owners/developers and market the site. Several offers were received and considered ranging from general offices, restaurants, medical offices to a fast food restaurant.

The option for development of offices with an adjoining parking structure was preferred over the other proposals. In addition, the office proposal included an alternative to include the adjoining property to the east for an expanded development. Ultimately, the project did not materialize.

OPTION:

DISPOSE OF PROPERTY BY SA

The subject site continues to be a key parcel within the downtown area. Limited in size as well as a mid-block location, the ultimate development can include a number of uses but the Successor Agency desires to consummate a purchase and sale agreement that meets the overall goals of the Redevelopment Plan.

USE OF PROCEEDS FROM SALE:

Distribute to the various taxing entities as directed in AB1484.

Aerial View



Aerial photograph of subject property. Refer to the Addenda Section for additional photographs of the subject property.

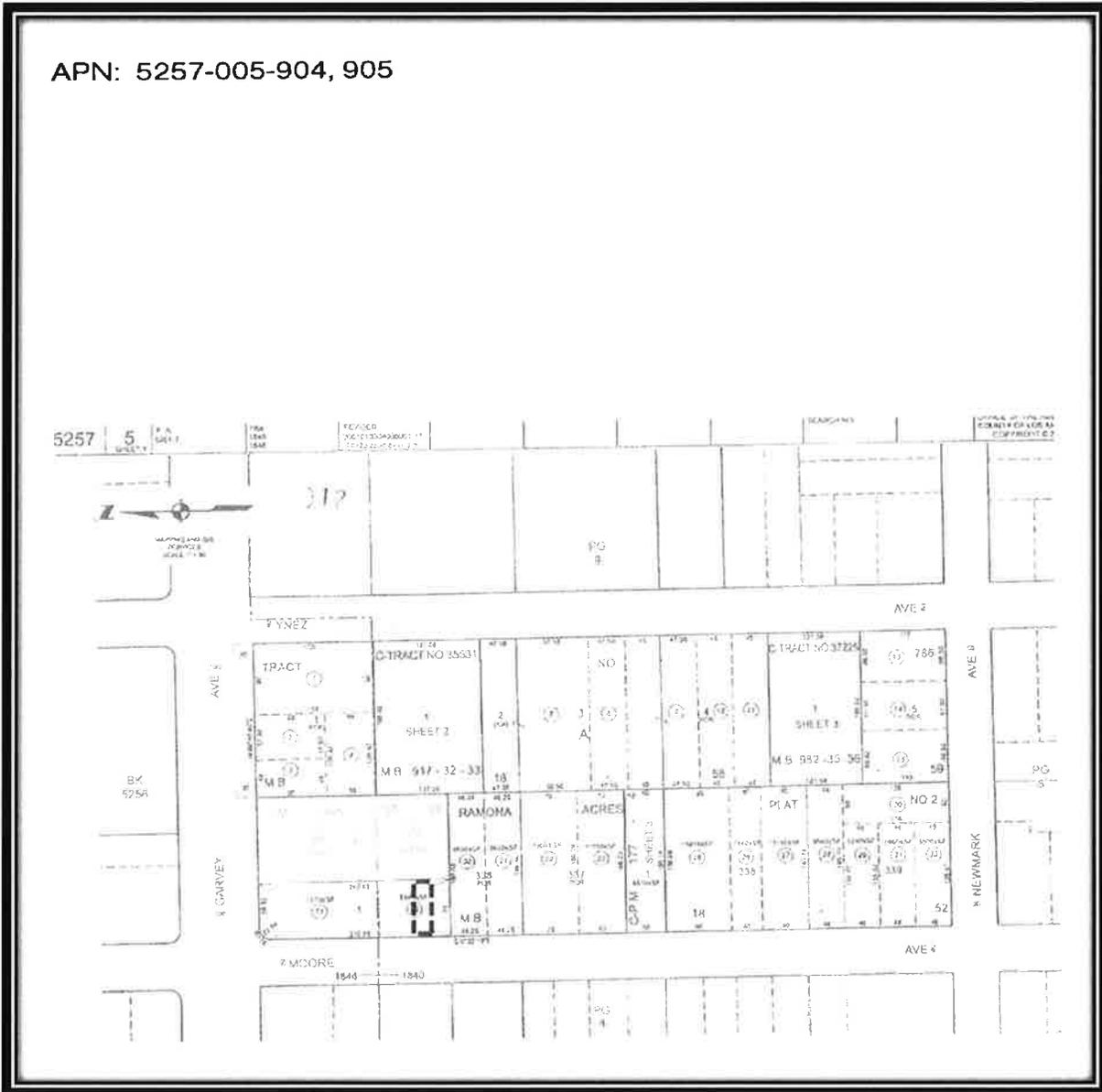
APPARENT VESTEE: City of Monterey Park

PROPERTY ADDRESS: 540± West Garvey Avenue
Monterey Park, California 91754.

LEGAL DESCRIPTION: Parcel 2 of Parcel Map 25809, per map recorded in Book 295, Pages 25 and 26 of Parcel Maps, in the office of the County Recorder, County of Los Angeles, California.

Site Plan

APN: 5257-005-904, 905



Photographs

See aerial photograph on first page of Subject Property Section.



PHOTO NO. 1: View looking southwesterly at subject property from Garvey Avenue.



PHOTO NO. 2: View looking easterly along driveway and utility easement area from Moore Avenue.