

RESOLUTION NO. 2013-OB-16

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER RANCHO MIRAGE REDEVELOPMENT AGENCY APPROVING AND ADOPTING A LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO ASSEMBLY BILL X1 26 AND ASSEMBLY BILL 1484.**

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**WHEREAS**, the City of Rancho Mirage ("City") agreed to serve as the successor agency to the Rancho Mirage Redevelopment Agency (the "RDA") commencing upon the dissolution of the RDA on February 1, 2012 pursuant to Assembly Bill X1 26 ("AB 26"); and

**WHEREAS**, as of February 1, 2012, title to all assets, including real property, owned by the RDA transferred to the RDA's successor agency ("Successor Agency") by operation of law under AB 26; and

**WHEREAS**, on June 27, 2012 as part of the Fiscal Year 2012/2013 State budget bill, the Governor signed into law Assembly Bill 1484 ("AB 1484") which added to the provisions of AB 26, including Health & Safety Code Section 34191.5(b), which requires that a Long-Range Property Management Plan ("LRPMP") be approved and submitted by the former RDA successor agency and its oversight board to the Department of Finance ("DOF"), by no later than six months following the issuance to the Successor Agency of the Finding of Completion; and

**WHEREAS**, on May 7, 2013, the Successor Agency received its Finding of Completion letter from the DOF, requiring that a LRPMP be submitted by no later than November 7, 2013; and

**WHEREAS**, generally, under AB 1484, successor agencies may not dispose their real property holdings until their LRPMP is approved by the DOF, which approval would allow disposition and use of the real properties for purposes of (1) retention for governmental use, (2) retention for future development, (3) sale of the property and (4) fulfillment of an enforceable obligation, as that term is defined in AB 1484; and

**WHEREAS**, on July 18, 2013, the City Council of the City of Rancho Mirage, on behalf of the Successor Agency, adopted Resolution No. 2013-SA-20 approving the Successor Agency's proposed LRPMP; and

**WHEREAS**, the Successor Agency's oversight board ("Oversight Board") has reviewed and now desires to approve the LRPMP approved by the Successor Agency.

**NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER RANCHO MIRAGE REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Recitals.**

That the Recitals set forth above are true and correct and incorporated herein by reference.

**Section 2. Approval of Long-Range Property Management Plan.**

That the Oversight Board hereby approves and adopts the LRPMP in substantially the same form as that attached hereto as Exhibit "A," which shall be submitted to the DOF for further approval.

**Section 3. Transmittal.**

That the City Clerk, on behalf of the Oversight Board, is hereby authorized and directed to transmit the LRPMP to the DOF for approval, and take whatever additional actions as may be necessary to carry out the purposes of this Resolution pursuant to AB 26 and AB 1484.

**Section 4. Other Acts.**

That each officer of the Successor Agency is hereby authorized and directed, jointly and severally, to execute and deliver such documents and instruments and to do such things which may be necessary or proper to effectuate the purposes of this Resolution, and any such actions previously taken by such officers are hereby ratified, approved and confirmed.

**Section 5. Repeal of Conflicting Provisions.**

That all the provisions heretofore adopted by the Oversight Board that are in conflict with the provisions of this Resolution are hereby repealed.

**Section 6. Severability.**

That if any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

**Section 7. Effective Date.**

That this Resolution shall take effect immediately upon adoption.

**Section 8. Certification.**

That the City Clerk acting for the Successor Agency's Oversight Board shall certify to the passage of this Resolution and enter it into the book of original resolutions.

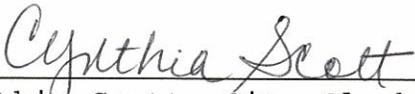
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**PASSED, APPROVED AND ADOPTED** this 23<sup>rd</sup> day of July, 2013.

OVERSIGHT BOARD OF SUCCESSOR  
AGENCY TO THE FORMER RANCHO MIRAGE  
REDEVELOPMENT AGENCY

  
\_\_\_\_\_  
Vernon Kozlen  
Oversight Board Vice Chair

ATTEST:

  
\_\_\_\_\_  
Cynthia Scott, City Clerk  
Acting on Behalf of  
Successor Agency's Oversight Board

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EXHIBIT "A"

LONG-RANGE PROPERTY MANAGEMENT PLAN

SEE ATTACHED

# **LONG-RANGE PROPERTY MANAGEMENT PLAN**

**FOR THE SUCCESSOR AGENCY TO THE  
FORMER RANCHO MIRAGE REDEVELOPMENT  
AGENCY**



## LONG-RANGE PROPERTY MANAGEMENT PLAN

### BACKGROUND

With the dissolution of redevelopment under Assembly Bill X1 26, as subsequently amended by Assembly Bill 1484 ("AB 1484"), successor agencies must prepare a long-range property management plan ("LRPMP") that addresses the disposition and use of the real properties of the former redevelopment agency.

AB 1484 Section 34191.5(b) requires that a LRPMP be submitted to the Oversight Board and Department of Finance for approval no later than six months following the issuance to the successor agency of the Finding of Completion. The Successor Agency received its Finding of Completion on May 7, 2013 requiring a LRPMP be submitted no later than November 7, 2013.

### SUMMARY OF PROPERTIES OWNED BY THE SUCCESSOR AGENCY

The Successor Agency currently owns two properties:

**Property 1** - Highway 111 & East Veldt - approximately 0.76 acres (33,205 square feet) of land located at the corner of East Veldt and Highway 111, partially developed with a parking lot and encompassing APNs 684-351-001, 684-351-002, and 684-351-014. There is no assigned street address for the property.

Sale of Property - Following approval of the LRPMP by the Successor Agency, Oversight Board and DOF, this property would be sold in accordance with Successor Agency Resolution No. 2012-SA-08 (adopted on September 20, 2012) and Oversight Board Resolution No. 2012-OB-08 (adopted on September 25, 2012). Those Resolutions were adopted following the issuance and widely distributed Request for Proposals to Purchase and Develop the Property in July/August 2012. That RFP process resulted in a \$300,000 offer from an adjacent property owner to purchase and develop the property. The proposed sale price of \$300,000 is in line with a previous December 29, 2011 Residual Land Value Analysis of the property by Kosmont Companies. Authorization of the sale of this property will encourage development of the eastern portion of Highway 111.

**Property 2** - Highway 111 & Via Florencio - approximately 1.26 acres (54,886 square feet) of land, which is ground leased to The Greater Palm Springs Convention and Visitors Bureau (formerly known as The Palm Springs Desert Resorts Convention and Visitors Authority). The property consists of just one parcel identified as APN 689-160-029. CVB's offices, with an address of 70-100

Highway 111, were constructed on the site by the CVB per the terms of a Disposition and Development Agreement approved in 2002.

Retention for Governmental Use - Following approval of the LRPMP by the Successor Agency, Oversight Board and DOF, this property would be retained for governmental purposes and transferred to the City of Rancho Mirage to fulfill the terms of the ground lease which continues through August 31, 2058. The CVB is a valley-wide organization created by a Joint Powers Agreement and is governed by elected officials appointed from each participating agency which encourages, promotes and enhances the hospitality, convention and tourism industry in the Coachella Valley with the CVB. Under the terms of the current ground lease CVB's annual rental payment is \$1 per year and the CVB is responsible for all operating expenses attributed to its office building and adjacent parking facilities. Therefore there is no real fiscal impact from the property's transfer to the City of Rancho Mirage for long-term administration of the ground lease.

Aerial photos and parcel maps for the two properties are attached hereto as Exhibits A & B of the LRPMP.

Attached as Exhibit C is the required information which follows the template provided by the Department of Finance to ensure it adheres to the criteria set forth in AB 1484 Section 34191.5(c).

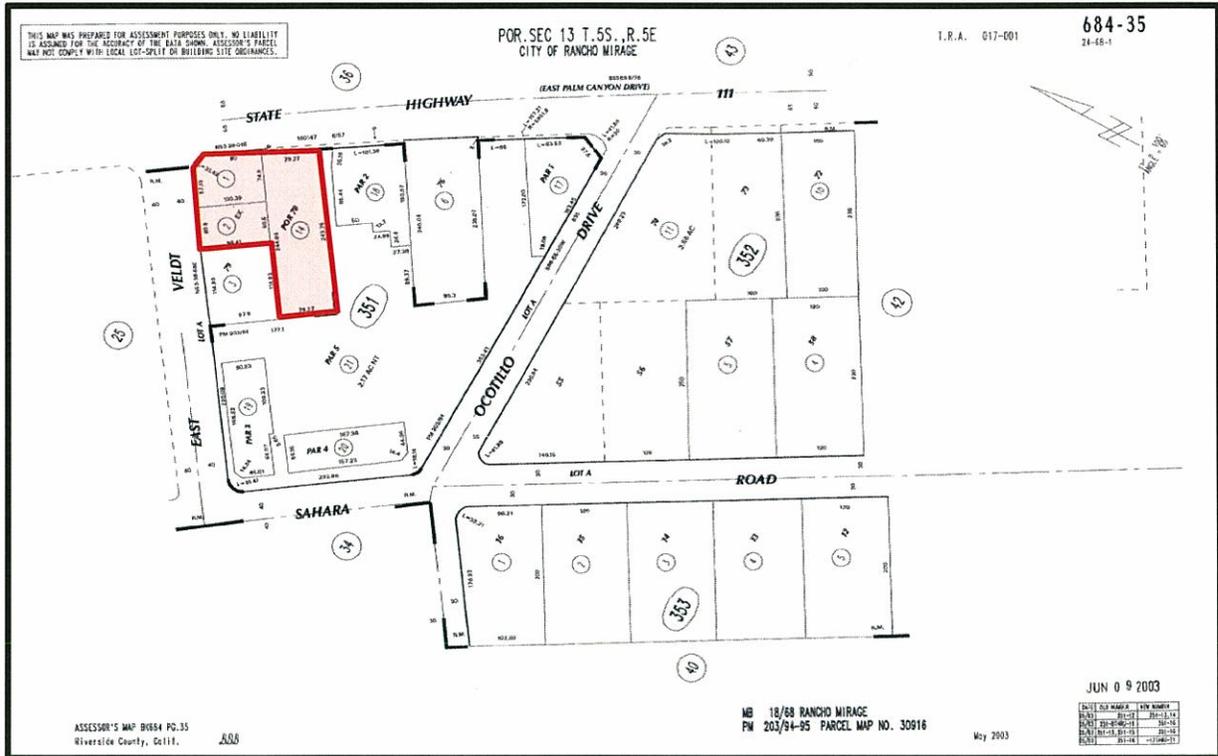
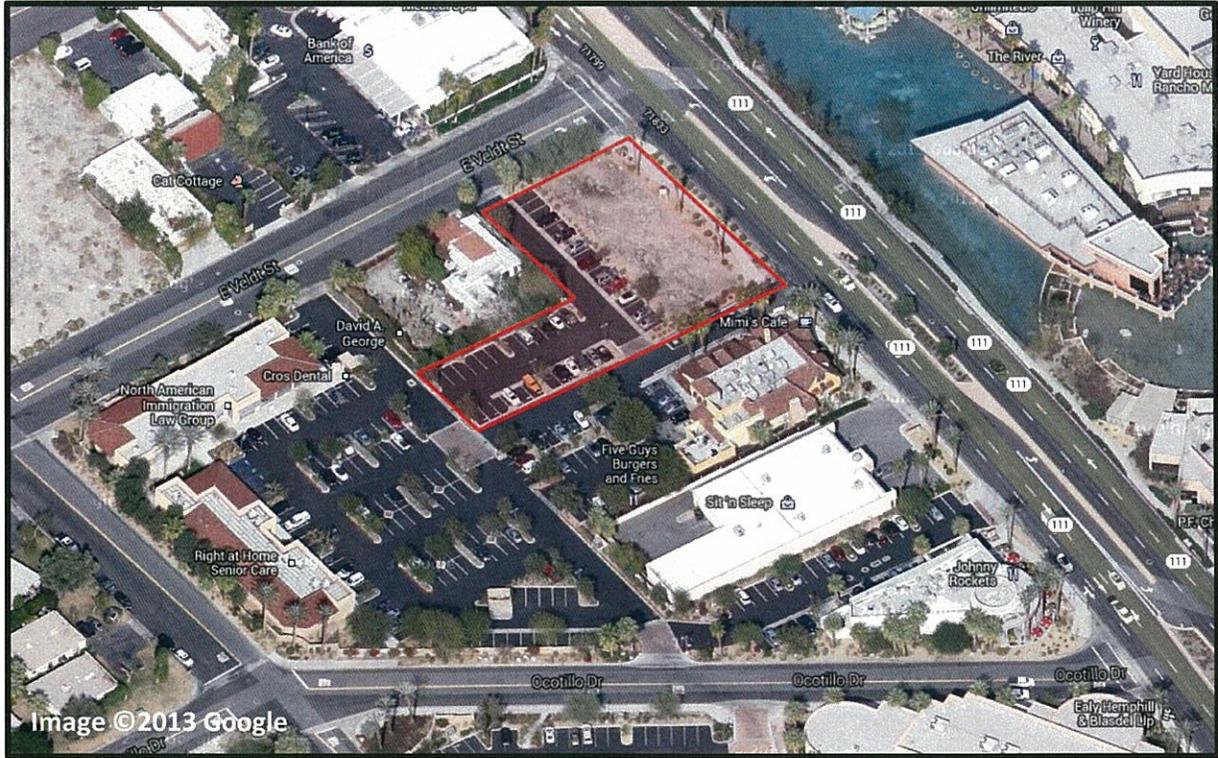


EXHIBIT "A"  
AERIAL PHOTO AND PARCEL MAP OF PROPERTY 1

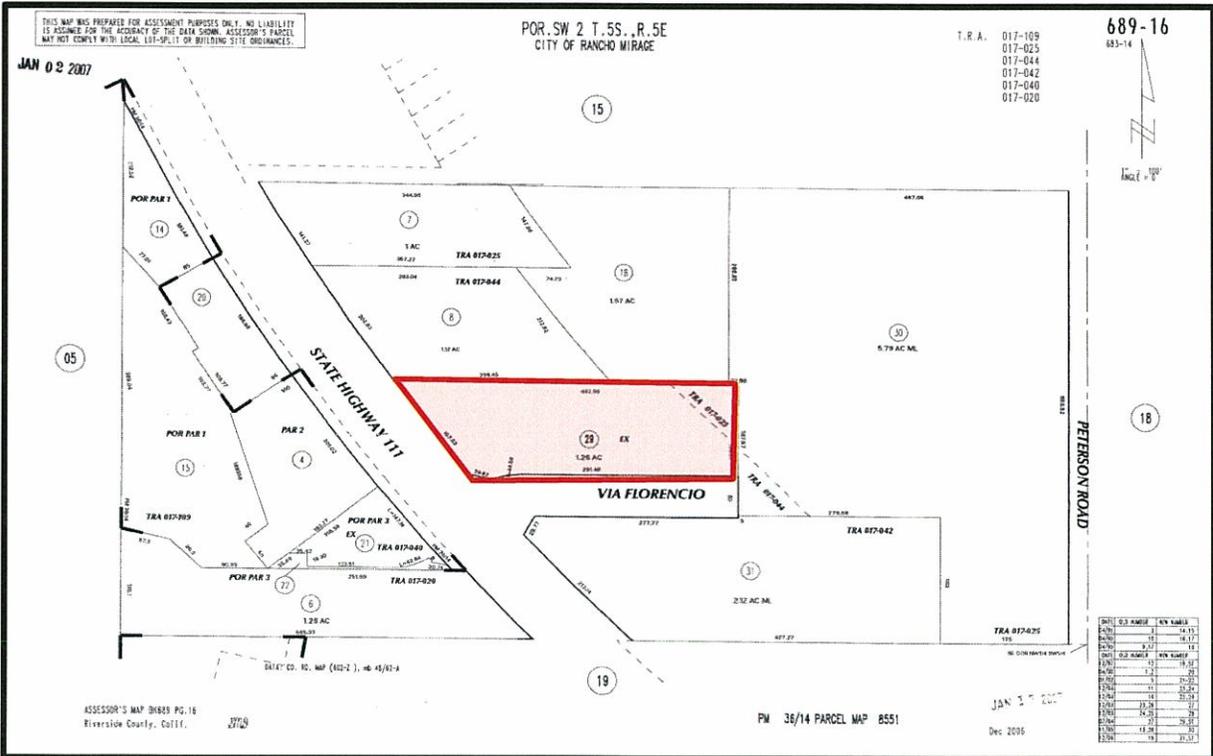
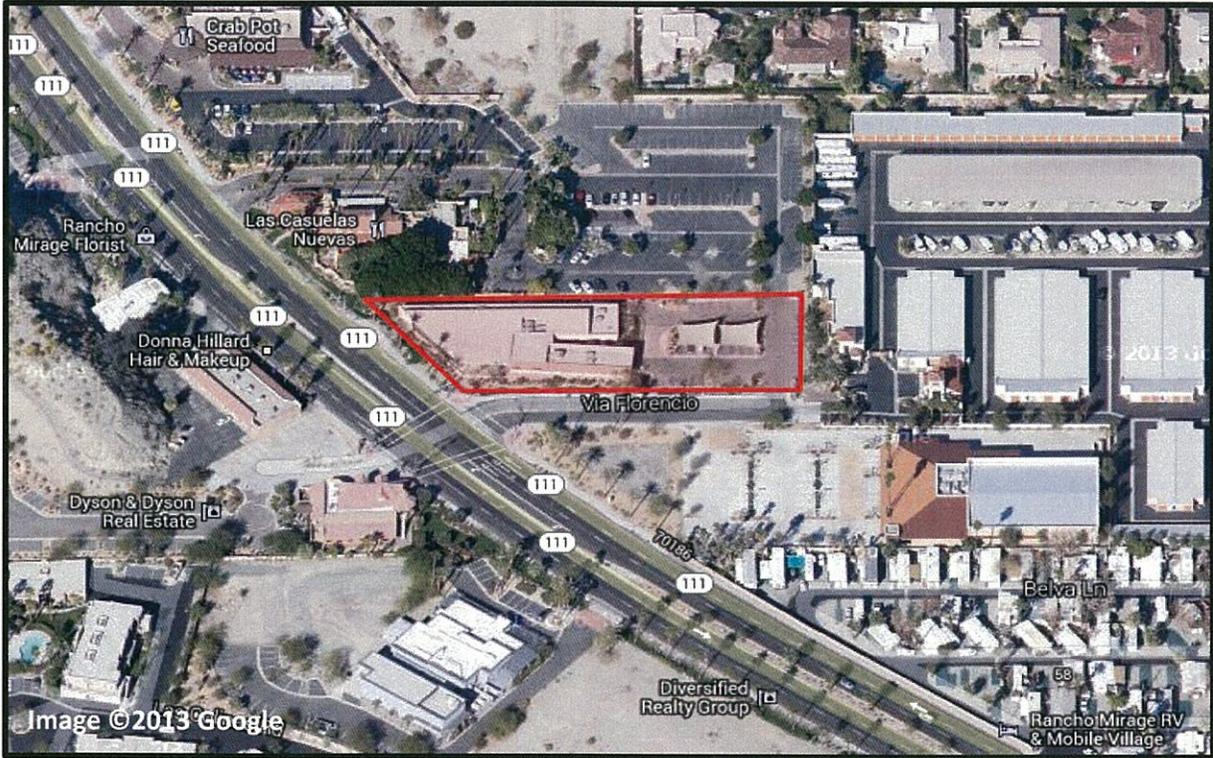


EXHIBIT "B"  
AERIAL PHOTO AND PARCEL MAP OF PROPERTY 2

**PROPERTY 1**

Hwy 111 & E. Veldt	Property Type	Vacant Lot/Land
HSC 34191.5 (c) (2)	Permissible Use	Sale of Property
	Permissible Use Detail	Future development
HSC 34191.5 (c) (1) (A)	Acquisition Date	May 2001 and December 2002
	Value at Time of Purchase	\$262,509.14 (including dilapidated buildings)
	Estimated Current Value	\$300,000 based on RFP response to purchase and develop property received on August 27, 2012. See HSC 34191.5(c)(1)(H) below for more details on history of previous development proposals and activity.
	Value Basis	Market
	Date of Estimated Current Value	08/27/2012
SALE OF PROPERTY	Proposed Sale Value	\$300,000.00
	Proposed Sale Date	07/01/2014 (following entitlement process)
HSC 34191.5 (c) (1) (B)	Purpose for which property was acquired	To demolish previously existing substandard buildings on the Property and include the land in a larger redevelopment project to include all parcels bounded by Highway 111, East Veldt, Sahara and Ocotillo (with the exception of one occupied building).
HSC 34191.5 (c) (1) (C)	Address	No Site Address
	APN #	684-351-001, 684-351-002, 684-351-014
	Lot Size	Approximately 33,205 Sq. Ft. (.76 acres)
	Current Zoning	CG - General Commercial
HSC 34191.5 (c) (1) (D)	Estimate of Current Parcel Value	\$300,000 based on RFP response to purchase and develop property received on August 27, 2012. See HSC 34191.5(c)(1)(H) below for more details on history of previous development proposals and activity.
HSC 34191.5 (c) (1) (E)	Estimate of Income/Revenue	\$0.00
	Contractual requirements for use of income/revenue	None
HSC 34191.5 (c) (1) (F)	History of environmental contamination, studies, and/or remediation, and designation as a brownfield site	The Successor Agency has no knowledge of environmental contamination on this site.
HSC 34191.5 (c) (1) (G)	Description of property's potential for transit oriented development	No potential for transit oriented development.
	Advancement of planning objectives of the successor agency	The sale of this property for development would advance the objectives of the successor agency which maintains a goal of the former redevelopment agency, to stimulate development of the eastern portion of Hwy 111.
HSC 34191.5 (c) (1) (H)	History of previous development proposals and activity	Parcels were purchased and previously existing substandard buildings were demolished around 2002. The development project scope at that time included these parcels but changed when three identified tenants withdrew participation. The now dissolved redevelopment agency constructed a parking lot on a portion of the property to meet the needs of future development and provide interim parking for existing businesses at the adjacent Waterfront development. In 2012 the adjacent property owner came forward and offered to purchase the property for integration into the prior adjacent development. A request for proposals to purchase and develop the property ("RFP") was sent to adjacent property owners, distributed electronically to approximately 150 Coachella Valley commercial real estate brokers and affiliates via the Desert Area Commercial Information Exchange, a media press release was issued in this regard and the RFP was posted on the City's website. Upon the RFP deadline only one purchase proposal was received, in the amount of \$300,000.

**EXHIBIT "C"**

**PROPERTY 2**

**Hwy 111 & Via Florencio**

	Property Type	Commercial
HSC 34191.5 (c) (2)	Permissible Use	Retention for Governmental Use (transfer to the City or Rancho Mirage)
	Permissible Use Detail	Transfer property to the City of Rancho Mirage for fulfillment of long-term ground lease that continues through 08/31/2058
HSC 34191.5 (c) (1) (A)	Acquisition Date	Early 1990's
	Value at Time of Purchase	\$500,000.00 (including dilapidated structure)
	Estimated Current Value	Approximately \$100,000.00 based on Successor Agency staff assessment of ground lease obligations. If required by DOF, an appraisal will be performed prior to transfer of property.
	Value Basis	Market
SALE OF PROPERTY	Date of Estimated Current Value	07/01/2013
	Proposed Sale Value	N/A
	Proposed Sale Date	N/A
HSC 34191.5 (c) (1) (B)	Purpose for which property was acquired	The Property was acquired to stimulate responsible development, road widening and to guide revitalization of the Highway 111 corridor.
HSC 34191.5 (c) (1) (C)	Address	70-100 Highway 111 Rancho Mirage, CA 92270
	APN #	689-160-029
	Lot Size	Approximately 54,886 Sq. Ft. (1.26 acres)
	Current Zoning	CG - General Commercial
HSC 34191.5 (c) (1) (D)	Estimate of Current Parcel Value	Approximately \$100,000.00 based on Successor Agency staff assessment of ground lease obligations. If required by DOF, an appraisal will be performed prior to transfer of property.
HSC 34191.5 (c) (1) (E)	Estimate of Income/Revenue	\$1.00 per year (through 08/31/2058)
	Contractual requirements for use of income/revenue	None
HSC 34191.5 (c) (1) (F)	History of environmental contamination, studies, and/or remediation, and designation as a brownfield site	The Successor Agency has no knowledge of environmental contamination on this site.
HSC 34191.5 (c) (1) (G)	Description of property's potential for transit oriented development	No potential for transit oriented development.
	Advancement of planning objectives of the successor agency	The transfer of this property to the City of Rancho Mirage will allow the City and the Greater Palm Springs Convention & Visitors Bureau to fulfill the terms of a long-term ground lease agreement currently in place through 08/31/2058.
HSC 34191.5(c) (1) (H)	History of previous development proposals and activity	Property was purchased in the early 1990's. A distressed building was demolished and the property was prepared for new development. On or about September 1, 2003 the former Rancho Mirage Redevelopment Agency entered into a ground lease agreement with a joint powers authority operating under the Joint Exercise of Powers Act (California Government Code SS6500 et seq.), the Greater Palm Springs Convention & Visitors Bureau (formerly known as The Palm Springs Desert Resorts Convention and Visitors Authority), for a term of 55 years.

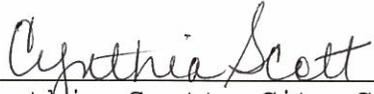
**EXHIBIT "C"**

CERTIFICATION

STATE OF CALIFORNIA )  
 )  
COUNTY OF RIVERSIDE )  
 )  
CITY OF RANCHO MIRAGE )

I, Cynthia Scott, City Clerk Acting on Behalf of Successor Agency's Oversight Board for the City of Rancho Mirage, California, do hereby certify that Resolution No. 2013-OB-16 was duly adopted by the Successor Agency's Oversight Board at a meeting thereof held on the 23rd day of July, 2013, by the following vote:

AYES: De Klotz, Howell, Kozlen, Marshall, Renew, Smith,  
NOES: None  
ABSENT: Pratt  
ABSTAIN: None

  
\_\_\_\_\_  
Cynthia Scott, City Clerk  
Acting on Behalf of  
Successor Agency's  
Oversight Board