

RESOLUTION NO. 15-02

A RESOLUTION OF THE RIDGECREST REDEVELOPMENT AGENCY OVERSIGHT BOARD APPROVING A REVISED LONG RANGE PROPERTY MANAGEMENT PLAN

WHEREAS, prior to February 1, 2012, the Ridgecrest Redevelopment Agency (herein referred to as the "Former Agency") was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.), and was authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of Ridgecrest ("City"); and

WHEREAS, Assembly Bill x1 26, chaptered and effective on June 27, 2011, added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484, chaptered and effective on June 27, 2012 (together, the "Dissolution Act"); and

WHEREAS, as of February 1, 2012 the Former Agency was dissolved pursuant to the Dissolution Act and as a separate legal entity the City serves as the Successor Agency to the Ridgecrest Redevelopment Agency ("Successor Agency"); and

WHEREAS, the Successor Agency administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and

WHEREAS, pursuant to Health & Safety Code Section 34191.5(b), upon the Successor Agency's receipt of a "Finding of Completion" from the California Department of Finance pursuant to Health & Safety Code Section 34179.7, the Successor Agency is required to prepare a long range property management plan ("Property Management Plan") for the Former Agency's real property assets and submit the approved Property Management Plan to the Oversight Board and the Department of Finance for approval, all within six months of the date of the Finding of Completion; and

WHEREAS, during December of 2013, pursuant to Health & Safety Code Section 34179.7, the Successor Agency received a Finding of Completion from the Department of Finance; and

WHEREAS, on February 20, 2014, by its Resolution No. 14-13, the Successor Agency approved a Long Range Property Management Plan (the "February 2014 PMP"), which February 2014 PMP was subsequently approved by the Oversight Board to the Successor Agency on February 24, 2014, by its Resolution No. 14-02, and was subsequently submitted to the California Department of Finance ("DOF"); and

WHEREAS, the DOF has indicated, through its staff, that the Successor Agency is required to modify its Property Management Plan to include provisions for compensation agreements in connection with the transfer of certain properties; and

WHEREAS, Successor Agency staff has prepared a modified Property Management Plan in the form now submitted herewith (the "February 2015 LRPMP"), including provisions for compensation agreements as more particularly set forth therein; and

WHEREAS, by this Resolution, the RIDGECREST REDEVELOPMENT AGENCY OVERSIGHT BOARD desires to approve the February 2015 LRPMP in the form submitted to the RIDGECREST REDEVELOPMENT AGENCY OVERSIGHT BOARD concurrently herewith and to authorize the transmittal of the February 2015 LRPMP as the Property Management Plan, and to authorize the RIDGECREST REDEVELOPMENT AGENCY OVERSIGHT BOARD to transmit such Property Management Plan to the Department of Finance for approval, all pursuant to Health & Safety Code Section 34191.5(b).

NOW, THEREFORE, BE IT RESOLVED BY THE RIDGECREST REDEVELOPMENT AGENCY OVERSIGHT BOARD:

Section 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

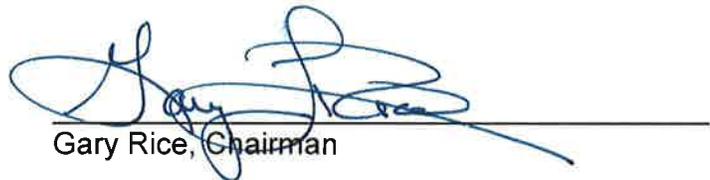
Section 2. The RIDGECREST REDEVELOPMENT AGENCY OVERSIGHT BOARD hereby approves the February 2015 LRPMP as the Property Management Plan in the form submitted to the RIDGECREST REDEVELOPMENT AGENCY OVERSIGHT BOARD concurrently herewith and authorizes the RIDGECREST REDEVELOPMENT AGENCY OVERSIGHT BOARD to transmit said Property Management Plan to the Department of Finance for approval, all pursuant to Health & Safety Code Section 34191.5(b).

Section 3. This Resolution shall be effective immediately upon adoption.

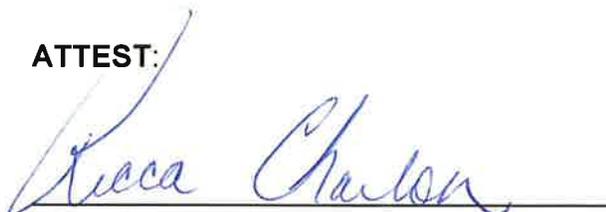
Section 4. The Secretary to the Successor Agency shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this 12th day of February 2015 by the following vote:

**RIDGECREST REDEVELOPMENT AGENCY
OVERSIGHT BOARD**


Gary Rice, Chairman

ATTEST:


Ricca Charlton, Secretary

STATE OF CALIFORNIA)
COUNTY OF KERN) ss.
CITY OF RIDGECREST)

I, Ricca Charlon, Secretary of the RIDGECREST REDEVELOPMENT AGENCY OVERSIGHT BOARD hereby certify that the foregoing resolution was duly adopted by the RIDGECREST REDEVELOPMENT AGENCY OVERSIGHT BOARD at its regular meeting held on the 12th day of February, 2015, and that it was so adopted by the following vote:

Ayes: Rice, Lebsock, Sloan, Fallgatter
Nays: None
Absent: None
Abstain: None



Secretary, Ridgecrest Redevelopment Agency
Oversight Board

LONG-RANGE PROPERTY MANAGEMENT PLAN

CITY OF RIDGECREST SUCCESSOR AGENCY



Prepared By:



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FEBRUARY 24, 2015

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The analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project pro forma and tax analyses are projections only. Actual results may differ materially from those expressed in this analysis.

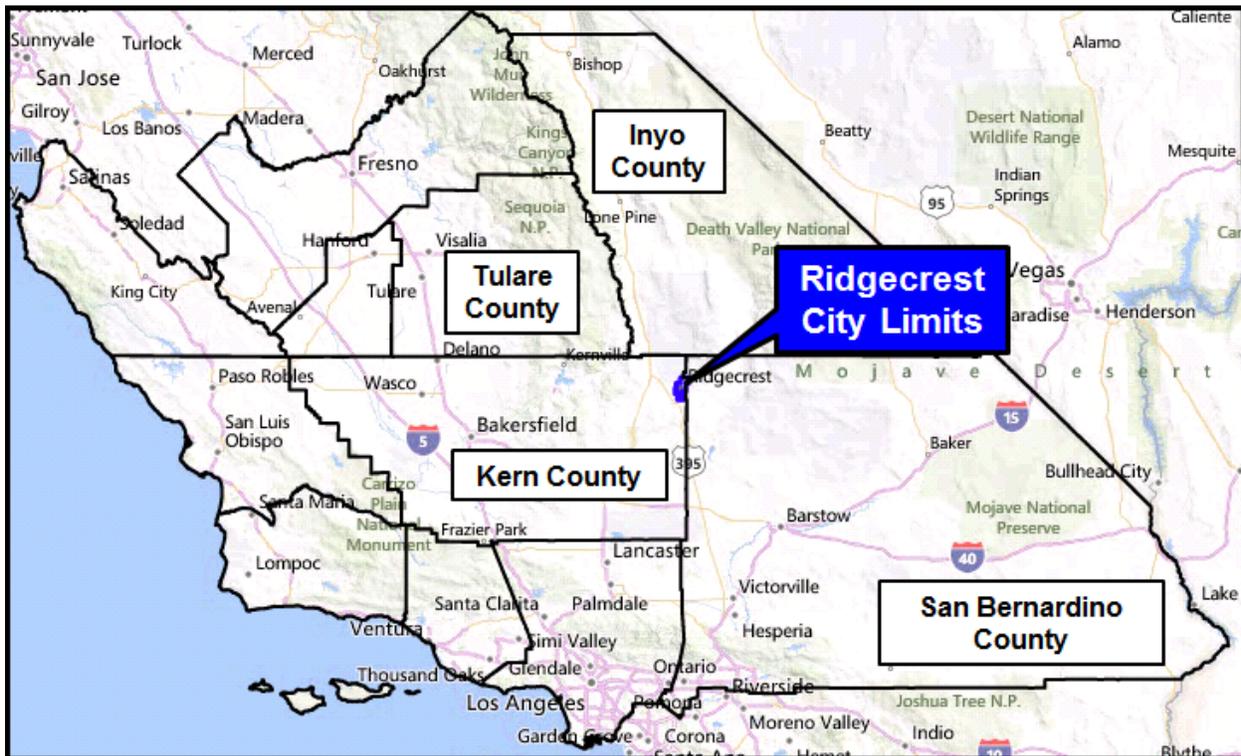
865 South Figueroa Street, 35th Floor Los Angeles California 90017 ph 213.417.3300 fax 213.417.3311

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 SA to the former City of Ridgecrest Redevelopment Agency (“RDA”).

Table 1.1: City Location Map



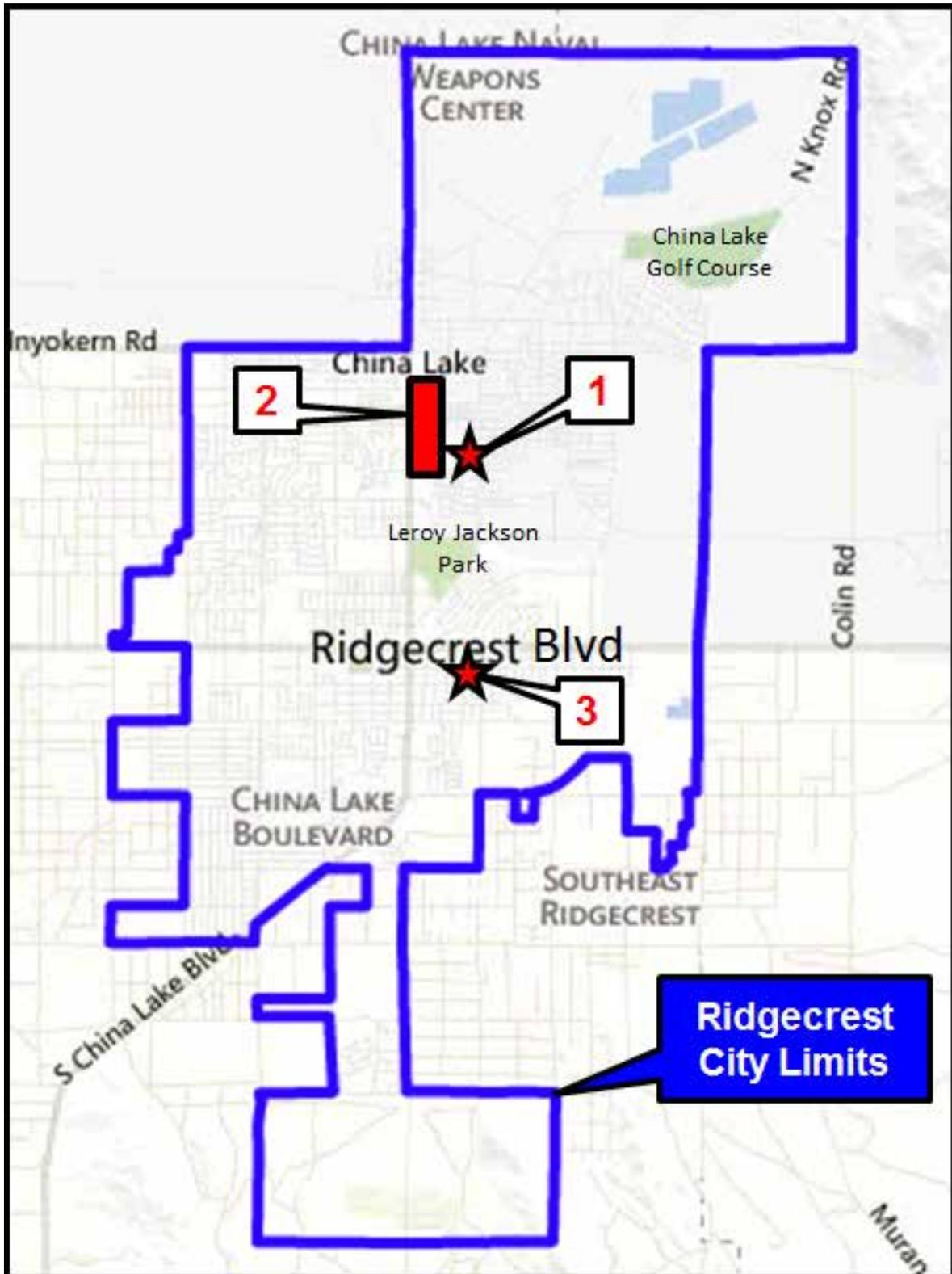
1.2 Successor Agency Property Summary

The SA / former RDA owns four (3) district properties (comprised of 26 parcels) in the City of Ridgecrest. Of these properties, two (2) distinct properties (comprised of 25 parcels) are designated to be transferred to the City for future development. The remaining one (1) distinct property (comprised of 1 parcel) is designated for liquidation, with sale proceeds to be distributed as property tax to local taxing entities. Table 1.2 below summarizes the recommendations for disposition for the LRPMP properties, and Exhibit 1.2 on the following page includes a map of the SA properties.

Table 1.2: Successor Agency Property Summary

#	Address / Description	APN	Purpose			
			Gov't	Future Dev.	Liquid.	Enf. Oblig.
1	Flood Control Site – Chelsea Street	033-050-23		X		
2	Ridgecrest Business Park – China Lake Blvd.	033-070-01 033-070-02 033-070-03 033-070-05 033-070-06 033-070-07 033-070-08 033-070-09 033-070-10 033-070-11 033-070-12 033-070-14 033-070-15 033-070-16 033-070-28 033-070-29 033-070-30 033-070-31 033-070-32 033-070-33 033-070-34 033-070-35 033-070-36 033-070-41		X		
3	227 Desert Candles St.	080-161-25			X	

Exhibit 1.2: Map of Successor Agency Properties



2.0 Long-Range Property Management Plan (PMP)

Property #1: Flood Control Site – Chelsea Street



Parcel Data – Property #1	
Address	Chelsea Street
APN	033-050-23
Lot Size	12.43 acres
Use	This property is a vacant lot, the majority which contains a natural depression of approximately 3 feet in depth utilized as essential flood control public infrastructure supporting the surrounding property, including the planned Ridgecrest Business Park Redevelopment Project.
Zoning	Western ~6 acres: CS – Service Commercial (General Plan C – Commercial) Eastern ~6 acres: M1 – Light Industrial (General Plan I – Industrial)
Current Title	Ridgecrest Successor Agency

Acquisition & Valuation Information – Property #1	
Purchase Date	April 2003
Purchase Price	Former Redevelopment Agency property valued at \$163,097 was exchanged for the subject Property valued at \$245,025
Funding Source	Tax increment
Purpose	Acquired by the Ridgecrest Redevelopment Agency as essential flood control public infrastructure for surrounding property, including the planned Ridgecrest Business Park Redevelopment Project
Estimate of Current Value	\$34,038
Method of Valuation	Comparable sales evaluation (Attachment D)

Revenues Generated by Property & Contractual Requirements – Property #1	
No Revenues or Contractual Requirements	There are currently no revenues generated by this property and no contractual requirements.

History of Environmental Contamination or Remediation Efforts – Property #1	
None	No known history of environmental contamination, designation, as Brownfield site, or remediation.



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Transit-Oriented Development & Agency Planning Objectives – Property #1	
Potential for TOD	Not applicable
Agency Planning Objectives	Utilizing the site as essential flood control public infrastructure meets a number of the Agency’s goals from the approved Five-Year Implementation Plan (adopted February 12, 2010), including Redevelopment Plan Goal #3 (“ACCESS” / Improve Community Facilities) and Redevelopment Plan Goal #4 (“GROW” / Cultivate New Investment). Additionally, public infrastructure on this property supports the planned Ridgecrest Business Park Redevelopment Project as explicitly characterized within the approved Five-Year Implementation Plan. ¹

Brief History of Previous Development Proposals and Activities – Property #1	
History	There has been no notable development proposal activity or other activity in connection with this property since Agency acquisition.

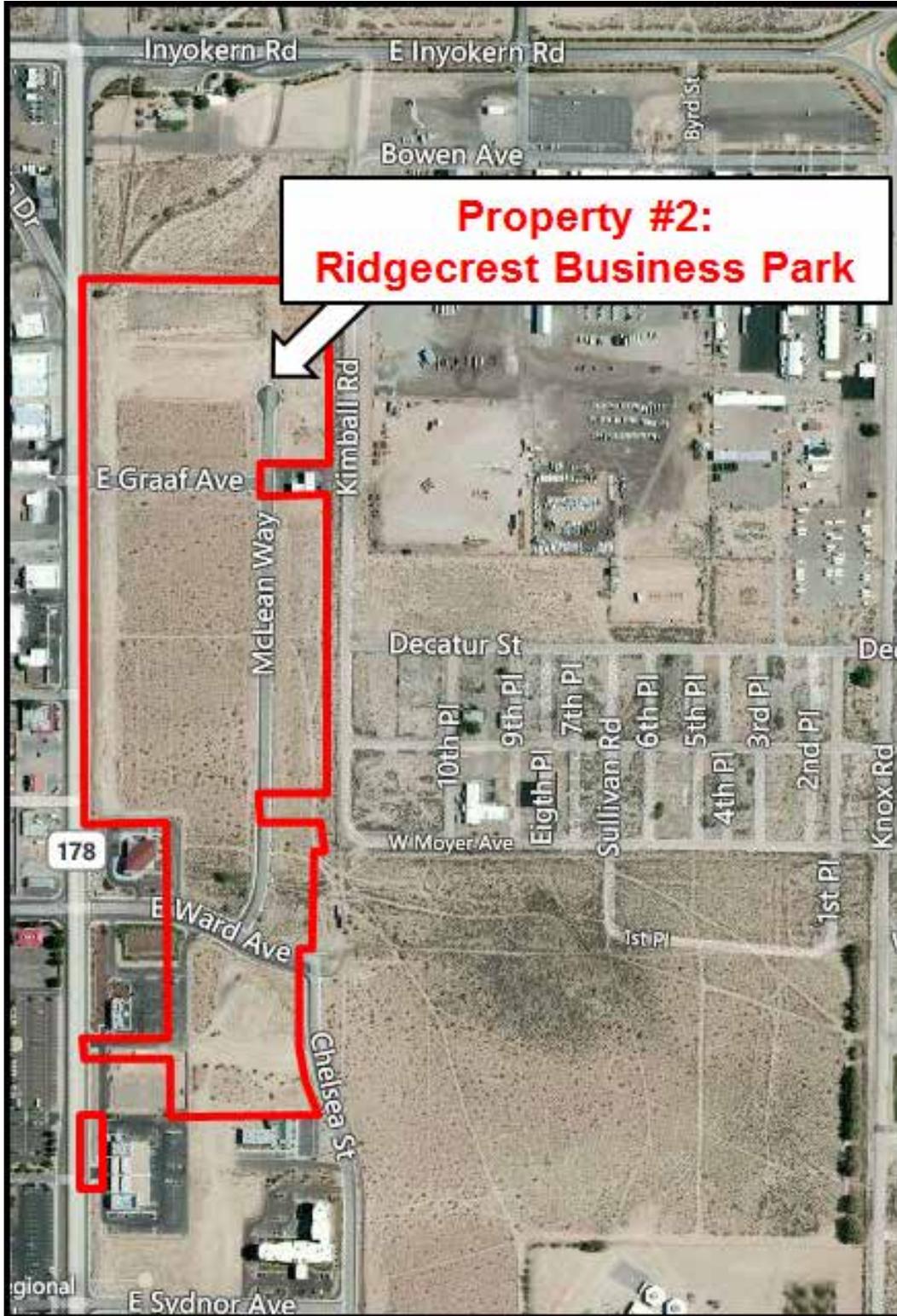
Recommendation for Disposition – Property #1	
Retain for Future Development	Health and Safety Code Section 34191.5 (c) (2)(A) allows for the City to retain title to property for development that is included in an approved redevelopment plan. The future development of the property by the City is consistent with the approved Redevelopment Plan adopted February 12, 2010 as noted above. The City intends to enter into compensation agreements with affected taxing entities for the subject property pursuant to Health and Safety Code section 34180 (f).

¹ See pages 4-5 of 17 of the approved City of Ridgecrest Redevelopment Project Implementation Plan (attached) for a list of goals and planned Redevelopment Projects for the Redevelopment Agency



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Property #2: Ridgecrest Business Park – China Lake Blvd.



Parcel Data – Property #2	
Address	China Lake Blvd.
APN	033-070-01 through 03 033-070-05 through 12 033-070-14 through 16 033-070-28 through 36 033-070-41 (24 total parcels)
Lot Size	Approximately 36.1 acres
Use	This property is a vacant lot, designated for the planned Ridgecrest Business Park Redevelopment Project
Zoning	CS – Service Commercial (General Plan C – Commercial)
Current Title	Ridgecrest Successor Agency

Acquisition & Valuation Information – Property #2	
-Purchase Date	May 2000
Purchase Price	\$348,480 cash plus \$1,853,478 promissory note due to China Lake Properties limited partnership to be adjusted as delineated in Section 1.3 of attached Ridgecrest Business Park Purchase and Sale Agreement, including condition of sharing of 50% of sale proceeds from eventual sale of a portion of the property by the former Redevelopment Agency following development of the planned Ridgecrest Business Park Redevelopment Project.
Funding Source	Tax increment
Purpose	This property was acquired by the Ridgecrest Redevelopment Agency to implement a significant Business Park Redevelopment Project to facilitate investment and revitalization in this commercial and industrial area of the City.
Estimate of Current Value	\$1,853,478
Method of Valuation	Appraisal dated October 13, 2003

Revenues Generated by Property & Contractual Requirements – Property #2	
Contractual Requirements Upon Sale of Property	There are currently no revenues generated by this property. There are contractual requirements involving the sharing of sale proceeds generated by the eventual sale of the property by the former Redevelopment Agency following development of the planned Ridgecrest Business Park Redevelopment Project as delineated in Section 1.3 of attached Ridgecrest Business Park Purchase and Sale Agreement.

History of Environmental Contamination or Remediation Efforts – Property #2	
None	No known history of environmental contamination, designation as Brownfield site, or remediation.

Transit-Oriented Development & Agency Planning Objectives – Property #2	
Potential for TOD	Not applicable
Agency Planning Objectives	<p>Development of the site as the Ridgecrest Business Park meets a number of the Agency’s goals from the approved Five-Year Implementation Plan (adopted February 12, 2010), including Redevelopment Plan Goal #1 (“CLEAN” / Update and Renovate) and Redevelopment Plan Goal #4 (“GROW” / Cultivate New Investment).</p> <p>More directly, the Ridgecrest Business Park Redevelopment Project is explicitly characterized within the approved Five-Year Implementation Plan as a planned implementation activity of the former Redevelopment Agency.²</p>

Brief History of Previous Development Proposals and Activities – Property #2	
History	Since Agency acquisition of this property in May 2000, the City has invested U.S. Economic Development Administration (EDA) grant funds of approximately \$1.7 million into public infrastructure (street) improvements on and surrounding the property.

Recommendation for Disposition – Property #2	
Retain for Future Development	<p>Health and Safety Code Section 34191.5 (c) (2)(A) allows for the City to retain title to property for development that is included in an approved redevelopment plan. The future development of the property by the City is consistent with the approved Redevelopment Plan adopted February 12, 2010 as noted above.</p> <p>The City intends to enter into compensation agreements with affected taxing entities for the subject property pursuant to Health and Safety Code section 34180 (f).</p>

² See pages 4-5 of 17 of the approved City of Ridgecrest Redevelopment Project Implementation Plan (attached) for a list of goals and planned Redevelopment Projects for the Redevelopment Agency

"The Ridgecrest Business Park"

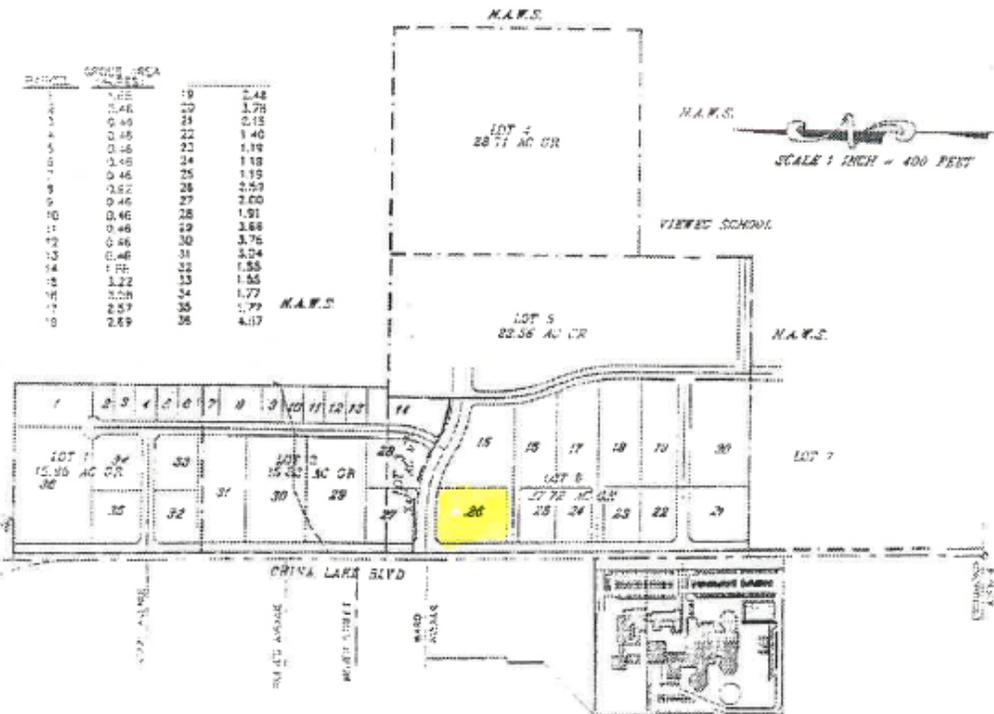
The Ridgecrest Business Park

East side of N. China Lake Blvd.
 At the north entrance to the City of Ridgecrest

A new 63 acre business, technology, and medical Business park
 Opening Winter of 2001



LOT	ACRES	SQ. FT.	ACRES
1	0.46	19	2.48
2	0.46	20	1.76
3	0.46	21	0.18
4	0.46	22	1.40
5	0.46	23	1.19
6	0.46	24	1.18
7	0.46	25	1.19
8	0.52	26	2.53
9	0.46	27	2.00
10	0.46	28	1.91
11	0.46	29	2.68
12	0.46	30	3.76
13	0.46	31	3.24
14	1.75	32	1.55
15	3.22	33	1.55
16	3.28	34	1.77
17	2.57	35	1.79
18	2.69	36	4.17



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Property #3: 227 Desert Candles Street





Parcel Data – Property #3	
Address	227 Desert Candles St.
APN	080-161-25
Lot Size	0.24 acres
Use	This property contains a vacant, dilapidated single family residential dwelling
Zoning	R-1 – Single Family Residential (General Plan RL – Residential Low)
Current title	Ridgecrest Successor Agency

Acquisition & Valuation Information – Property #3	
Purchase Date	October 1998
Purchase Price	\$1.00
Funding Source	Low Income Housing Set-Aside Funds
Purpose	Future low-income housing development
Estimate of Current Value	\$40,000
Method of Valuation	Comparable sales with consideration of significant rehabilitation costs necessary on the property

Revenues Generated by Property & Contractual Requirements – Property #3	
No Revenues or Contractual Requirements	There are currently no revenues generated by this property and there are no contractual requirements related to this property.
History of Environmental Contamination or Remediation Efforts – Property #3	
None	No known history of environmental contamination, designation as Brownfield site, or remediation.
Transit-Oriented Development & Agency Planning Objectives – Property #3	
Potential for TOD	Not applicable
Agency Planning Objectives	Future development of this property by a private third party as a residential project has potential to meet Redevelopment Plan Goal #6 (“LIVE” / Housing for All) from the approved Five-Year Implementation Plan (adopted February 12, 2010). ³
Brief History of Previous Development Proposals and Activities – Property #3	
History	Purchased from U.S. Department of Housing and Urban Development (HUD) in 1998 for future low-income housing development. Multiple attempts were made to transfer to third parties for development; however dilapidated conditions and the presence of a pool on the property have made it difficult to facilitate development.
Recommendation for Disposition – Property #3	
Liquidation	Sale of property to developer or end-user for development consistent with Agency planning objectives for a sale price aimed at maximizing value, consistent with fair market value. Revenue generated from the sale of this property is proposed to be distributed to affected taxing agencies pursuant to AB 1484.

³ See pages 4-5 of 17 of the approved City of Ridgecrest Redevelopment Project Implementation Plan (attached) for a list of goals and planned Redevelopment Projects for the Redevelopment Agency

3.0 Attachments

- A. Approved City of Ridgecrest Redevelopment Project Five-Year Implementation Plan (February 12, 2010)**
- B. Parcel Map – Ridgecrest Business Park**
- C. Purchase and Sale Agreement – Ridgecrest Business Park**
- D. Valuation Analysis – Flood Control Site**