

RESOLUTION SAOB 13-07

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SHASTA LAKE SUCCESSOR AGENCY
APPROVING THE LONG RANGE PROPERTY MANAGEMENT PLAN AS REVISED
DECEMBER 2, 2013**

WHEREAS, the Oversight Board of the Successor Agency to the Shasta Lake Redevelopment Agency ("Oversight Board") has been established to direct the Successor Agency to the Shasta Lake Redevelopment Agency ("Successor Agency") to take certain actions to wind down the affairs of the Redevelopment Agency (RDA) including submittal of a Long Range Property Management Plan (PMP) to the Department of Finance; and

WHEREAS, the Oversight Board approved a PMP which was submitted to the state Department of Finance on April 25, 2013; and

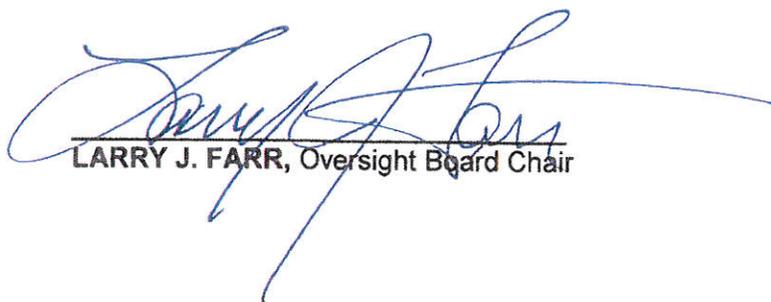
WHEREAS, the Department of Finance subsequently found that PMP to be deficient as stated in a letter from that agency dated September 20, 2013; and

WHEREAS, Successor Agency staff have made certain revisions to the PMP to bring it into compliance with Department of Finance requirements.

NOW, THEREFORE, BE IT RESOLVED THAT THE OVERSIGHT BOARD OF THE SHASTA LAKE SUCCESSOR AGENCY HEREBY APPROVES THE ATTACHED LONG RANGE PROPERTY MANAGEMENT PLAN AS REVISED ON DECEMBER 2, 2013.

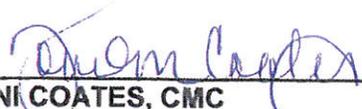
PASSED, APPROVED AND ADOPTED at a special meeting of the Oversight Board, on the 18th day of December, 2013, by the following vote:

AYES: HILLMAN, LAWSON, LUGO, MORGAN, SCHAPPELL, FARR
NOES: NONE
ABSENT: RODRIGUE
ABSTAIN: NONE



LARRY J. FARR, Oversight Board Chair

ATTEST:



TONI COATES, CMC
Secretary of the Oversight Board

LONG-RANGE PROPERTY MANAGEMENT PLAN

City of Shasta Lake
Successor Agency



April 10, 2013

(Revised December 2, 2013)

LEGAL REQUIREMENT

Pursuant to Health and Safety Code section 34191.5, within six months after receiving a Finding of Completion from the Department of Finance ("DOF"), each Successor Agency is required to submit for approval to the Oversight Board and DOF, a Long-Range Property Management Plan ("PMP") that addresses the disposition and use of the real properties of the former redevelopment agency.

The LRPMP shall do all the following:

1. Include an inventory of all properties in the Community Redevelopment Property Trust Fund ("Trust"), which was established to serve as the repository of the former redevelopment agency's real properties. The inventory shall consist of all of the following information:
 - a. The date of acquisition of the property and the value of the property at that time, and an estimate of the current value of the property.
 - b. The purpose for which the property was acquired.
 - c. Parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.
 - d. An estimate of the current value of the parcel including, if available, any appraisal information.
 - e. 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 those funds.
 - f. The history of environmental contamination, including designation as a brownfield site, and related environmental studies, and history of any remediation efforts.
 - g. A description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency
 - h. A brief history of previous development proposal and activity, including the rental or lease of property.
2. Address the use or disposition of all the properties in the Community Redevelopment Property Trust Fund. Permissible uses include 1) the retention of the property for governmental use pursuant to subdivision (a) of Section 34181, 2) the retention of property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforceable obligation.
3. The Plan shall separately identify and list properties in the Trust dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties, all the following shall apply:
 - a. If the plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the city, county, or city and county.
 - b. If the plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or other than that specified in the bullet directly above, the proceeds from the sale shall be distributed as property tax to the taxing entities.

- c. Property shall not be transferred to a successor agency, city, county, or city and county, unless the PMP has been approved by the Oversight Board and DOF.

PROPERTY DESCRIPTION SUMMARY

The former Shasta Lake Redevelopment Agency owns nine non-housing properties. The nine properties are grouped into three property sites, as summarized below and described in greater detail in the Property Inventory section that follows.

Properties No. 1, 2, 3, 4



These four properties located at Shasta Dam Blvd. and Shasta Way, totaling approximately 11.3 acres, were identified in 1995 by the Redevelopment Agency as a potential commercial project. The purpose was to redevelop blighted properties into a parcel large enough to attract a commercial developer who would build a shopping center on the property. Since that time, the properties have been marketed several times for commercial development. On three separate occasions, the Redevelopment Agency advertised for proposals and began negotiations with different developers each time. Unfortunately for a variety of reasons detailed in the property inventory, the development of these properties was never brought to fruition. The Successor Agency at this time recommends that these properties be marketed together for commercial development with proceeds from the sale of the properties going to the taxing agencies. In the marketing and selection of potential buyers, it is the objective and intent of the Successor Agency and Oversight Board to obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.

Property No. 5



This property, located at 1684 Cascade Blvd., is approximately 0.1 acres and is used as a gateway monument sign for the City of Shasta Lake. The Successor Agency is recommending that this property be transferred to the City of Shasta Lake, and that the use of the property remain a governmental use as a gateway monument sign.



Properties No. 6, 7, 8, 9



These four properties, totaling approximately 181 acres, were originally owned by the Shasta Dam Public Utility District. Upon incorporation of the City of Shasta Lake in 1993 all PUD properties were transferred to the City. In 1998, the City transferred these four properties to the Redevelopment Agency at no cost to allow the Agency to proceed with the sale and development of the parcels. Property Nos. 6 and 7 are vacant land that have been held for future industrial park expansion, and to provide a secondary access for the existing industrial park. Properties 8 and 9 are vacant sites that have been offered for sale in an improved business park. They have been offered for sale at \$35,500 per acre. The sales price offered includes the assumption or pay off of development bonds by the buyer.

Properties 8 and 9 were encumbered by a development bond on April 9, 1993. All four properties were encumbered by a wastewater bond on April 11, 1995. Principal and interest payments on those bonds have been made by the ratepayers of the City of Shasta Lake through the City's General and Wastewater Funds. Below is a summary of bond payments and balances.

Summary of Bond Payments and Approximate Balances for Properties 6-9

Property No.	Assessor Parcel Numbers	Wastewater Bond Prin/Int Payments	Remaining Prin Balance	Development Bond Prin/Int Payments	Remaining Balance
6	064-150-068-000	\$40,838	\$58,002	NA	NA
7	064-160-007-000	\$440,934	\$626,237	NA	NA
8	064-440-010-000	\$53,476	\$0	\$42,605	\$65,740
9	064-440-015-000	\$53,476	\$0	\$39,241	\$60,550
Totals		\$588,724	\$684,239	\$81,846	\$121,290



PROPERTY INVENTORY

Property No. 1

Parcel Number	007 380 037 000
Address	1429 Hillcrest Street
Lot Size	1.5 acres
Property Type	Commercial
Zoning	Commercial Planned Development
Date of Acquisition	6/30/1997
Value of Property at time of acquisition	\$21,000
Estimated current property value	\$45,000
Original Purpose of acquisition	Commercial development
Estimated income/revenue	None
Contractual obligations for income/revenue	None
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	<p>In conjunction with properties 2, 3, and 4 totaling approximately 11.3 acres, these properties were identified in 1995 by the Redevelopment Agency as a potential project to attract a commercial developer who would build a shopping center and possibly a hotel on the property. The RDA advertised for proposals from developers on three separate occasions in 1996, 1997 and 2007.</p> <p>Voit Development In October of 1996 the RDA and Voit Development came to agreement to sell the property to Voit for commercial development. During the next year it became apparent to Voit that they could not complete the terms of the agreement as originally stated. On January 28, 1997 Voit proposed major changes in the agreement. These were rejected by the RDA on March 19, 1997. The property was never transferred to Voit and the relationship with the RDA was terminated at that time.</p>

	<p>Shasta Gateway Development Group, LLC. (SGDG) On April 3, 1997 the RDA entered into a development agreement with SGDG. The developer paid \$1,000,000 to the RDA which was used to complete the purchase of the properties from the original owners and to pay for relocation costs. Another \$1.03 million was to be paid within 24 months of the date of the agreement. When the developer could not secure an anchor tenant and proceed with development, the RDA extended the requirement for the second payment for an additional 24 months by way of an amendment on February 12, 1999. Eventually, SGDG notified the RDA that it would not be able to fulfill the terms of the agreement and requested a return of its \$1 million investment. SGDG blamed the City and the RDA for misrepresenting the potential for development of the property. A lawsuit followed which finally ended in a settlement agreement signed by the parties on July 22, 2004. In that agreement the RDA returned \$1 million and allowed SGDG to keep .81 acres of the land for resale. That parcel was sold to a private party for a future Subway Sandwich shop, but remains undeveloped.</p> <p>Lewis Pipgras, Inc (Pipgras) In November of 2007 the RDA solicited proposals from commercial developers for development of the property. The asking price was \$2.225 million with a \$100,000 good faith deposit. After reviewing the offers, a committee of staff selected Pipgras as the developer. Staff opened negotiations with Pipgras who wanted a 90 day due diligence period before signing the development agreement and paying the good faith deposit. The RDA agreed to the 90 day period in order to avoid a repeat of the contentious agreements in previous attempts to market the property. This period was the beginning of the commercial real estate crash and Pipgras could garner no interest from anchor tenants. They eventually bowed out of the arrangement and the RDA received no interest from other developers who had participated in the proposal process.</p>
Use or disposition of property	Market properties (No. 1, 2, 3, 4) together for commercial development with proceeds from the sale of the properties going to the taxing agencies.

Property No. 2

Parcel Number	007 380 051 000
Address	Cascade Blvd. and Shasta Dam Blvd.
Lot Size	6.2 acres
Property Type	Commercial

Zoning	Commercial Planned Development
Date of Acquisition	8/12/2004
Value of Property at time of acquisition	\$141,400
Estimated current property value	\$600,000
Original Purpose of acquisition	Commercial development
Estimated income/revenue	None
Contractual obligations for income/revenue	None
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	See description for Property No. 1.
Use or disposition of property	Market properties (No. 1, 2, 3, 4) together for commercial development with proceeds from the sale of the properties going to the taxing agencies.

Property No. 3

Parcel Number	007 380 052 000
Address	Cascade Blvd. and Shasta Dam Blvd.
Lot Size	3.5 acres
Property Type	Commercial
Zoning	Commercial Planned Development
Date of Acquisition	8/12/2004
Value of Property at time of acquisition	\$79,200
Estimated current property value	\$250,000
Original Purpose of acquisition	Commercial development
Estimated income/revenue	None
Contractual obligations for income/revenue	None
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that

	maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	See description for Property No. 1.
Use or disposition of property	Market properties (No. 1, 2, 3, 4) together for commercial development with proceeds from the sale of the properties going to the taxing agencies.

Property No. 4

Parcel Number	007 380 053 000
Address	Cascade Blvd. and Shasta Dam Blvd.
Lot Size	0.1 acres
Property Type	Commercial
Zoning	Commercial Planned Development
Date of Acquisition	8/12/2004
Value of Property at time of acquisition	\$3,900
Estimated current property value	\$5,000
Original Purpose of acquisition	Commercial development
Estimated income/revenue	None
Contractual obligations for income/revenue	None
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	See description for Property No. 1.
Use or disposition of property	Market properties (No. 1, 2, 3, 4) together for commercial development with proceeds from the sale of the properties going to the taxing agencies.

Property No. 5

Parcel Number	007 120 020 000
Address	1684 Cascade Blvd.
Lot Size	0.1 acres
Property Type	City Park/Gateway Monument
Zoning	Commercial Planned Development
Date of Acquisition	8/25/1995
Value of Property at time of acquisition	\$2,200
Estimated current property value	n/a
Original Purpose of acquisition	Gateway monument sign.

Estimated income/revenue	None
Contractual obligations for income/revenue	None
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties, the Successor Agency will perform obligations required by the EOPS, maintain reserves, dispose of assets and property, and enforce all rights for the benefit of taxing agencies. Transferring this property from the Successor Agency to the City meets their objective of disposing of assets and property.
History of previous development proposals and activity	None
Use or disposition of property	Transfer the property to the City of Shasta Lake. The City to retain the property for continued governmental use as a gateway monument sign.

Property No. 6

Parcel Number	064 150 068 000
Address	None
Lot Size	31.9 acres
Property Type	Industrial Park and City roadway
Zoning	Industrial Design Review (M-DR)
Date of Acquisition	4/29/1998
Value of Property at time of acquisition	\$0 (transferred at no cost to RDA)
Estimated current property value	\$ 73,500 Gross value - 58,002 Bond obligation \$15,498 Gross Equity
Original Purpose of acquisition	Originally owned by the Shasta Dam Public Utility District (PUD). Upon incorporation of the City of Shasta Lake in 1993, all PUD properties were subsequently transferred to the City. In 1998, the City transferred the property to the RDA, a portion to be used for sale to third parties for industrial development and a portion for governmental use as wastewater spray fields and city roadways.
Estimated income/revenue	None
Contractual obligations for income/revenue	\$58,002 remaining principal balance on wastewater bond issued on April 11, 1995
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the

	affected taxing agencies.
History of previous development proposals and activity	This property, with Property No. 7 are being used as vacant land being held for future industrial park expansion, a secondary public access roadway for the existing industrial park, and as a spray field for disposal of treated waste water produced b the City's treatment plant.
Use or disposition of property	Market the property for industrial development with any proceeds from the sale of the properties going to the taxing agencies.

Property No. 7

Parcel Number	064 160 007 000
Address	None
Lot Size	142.2 acres
Property Type	Industrial Park and City roadway
Zoning	Industrial Design Review (M-DR)
Date of Acquisition	4/29/1998
Value of Property at time of acquisition	\$0 (transferred at no cost to RDA)
Estimated current property value	\$ 326,900 Gross value (assessed value) - 626,237 Bond obligation <\$300,230> Gross Negative Equity
Original Purpose of acquisition	Originally owned by the Shasta Dam Public Utility District (PUD). Upon incorporation of the City of Shasta Lake in 1992, all PUD properties were subsequently transferred to the City. In 1998, the City transferred the property to the RDA for sale and development.
Estimated income/revenue	\$0
Contractual obligations for income/revenue	\$626,237 Principal balance on wastewater bonds issued April 11, 1995
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	This property, with Property No. 6 are being used as vacant land being held for future industrial park expansion, a secondary access roadway for the existing industrial park, and as a spray field for disposal of treated waste water produced b the City's

	treatment plant.
Use or disposition of property	Market the property for industrial development with any proceeds from the sale of the properties going to the taxing agencies.

Property No. 8

Parcel Number	064 440 010 000
Address	None
Lot Size	3.6 acres
Property Type	Industrial
Zoning	Planned Development (SGIP-PD)
Date of Acquisition	7/2/1993
Value of Property at time of acquisition	\$0 (transferred at no cost to RDA)
Estimated current property value	\$ 127,800 Gross value (assessed value) - 65,740 Bond obligation \$ 62,060 Gross Equity
Original Purpose of acquisition	Originally owned by the Shasta Dam Public Utility District (PUD). Upon incorporation of the City of Shasta Lake in 1993, all PUD properties were subsequently transferred to the City. The City then transferred the property to the RDA for sale and development in 1998.
Estimated income/revenue	None
Contractual obligations for income/revenue	\$65,740 Principal balance on development bonds issued April 9, 1993
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	Together with Property No. 9, these parcels are vacant sites offered for sale in an improved industrial park. These two parcels have been offered for sale at \$35,500 per acre for more than 10 years with no consummated sales. The sales price includes the assumption or pay off of development bonds by the buyer. The bonds were issued in the early 1990's to pay for development of the park. The balance on the bond for this property is approximately \$65,740.
Use or disposition of property	Market the property for industrial development with any proceeds from the sale of the properties going to the taxing agencies.

Property No. 9

Parcel Number	064 440 015 000
Address	None
Lot Size	3.3 acres
Property Type	Industrial
Zoning	Planned Development (SGIP-PD)
Date of Acquisition	7/2/1993
Value of Property at time of acquisition	\$0 (transferred at no cost to RDA)
Estimated current property value	\$123,750 Gross value - 60,550 Bond obligation \$ 63,200 Gross equity
Original Purpose of acquisition	Originally owned by the Shasta Dam Public Utility District (PUD). Upon incorporation of the City of Shasta Lake in 1993, all PUD properties were subsequently transferred to the City. The City then transferred the property to the RDA for sale and development in 1998.
Estimated income/revenue	None
Contractual obligations for income/revenue	\$60,550 Principal balance on development bonds issued April 9, 1993
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	Together with Property No. 8, these parcels are vacant sites offered for sale in an improved industrial park. These two parcels have been offered for sale at \$35,500 per acre for more than 10 years with no consummated sales. The sales price includes the assumption or pay off of development bonds by the buyer. The bonds were issued in the early 1990's to pay for development of the park. The balance on the bond for this property is approximately \$60,550.
Use or disposition of property	Market the property for industrial development with any proceeds from the sale of the properties going to the taxing agencies.

PROPERTIES DEDICATED TO GOVERNMENTAL USE PURPOSES

Pursuant to HSC Section 34181 (a) the Oversight Board may *“direct the Successor Agency to transfer ownership of properties that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, and local agency administration*

buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset.” The following are these properties:

Property No. 5 – 007 120 020 000 – 1684 Cascade Blvd.	This property is currently the location of a gateway monument sign. The property is to be retained and transferred to the City of Shasta Lake for the continued governmental use.
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PROPERTIES RETAINED FOR PURPOSES OF FULFILLING AN ENFORCEABLE OBLIGATION

At this time, there are no properties being proposed to be retained for purposed of fulfilling an enforceable obligation.

