City of Signal Hill

Successor Agency

Long Range Property Management Plan

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December 16, 2014

City of Signal Hill
Successor Agency

LONG RANGE PROPERTY MANAGEMENT PLAN

December 16, 2014

City of Signal Hill Successor Agency

2175 Cherry Avenue ◆ Signal Hill, CA 90755

Long Range Property Management Plan

December 16, 2014

	Property Description	Recommended Action
1)	2621 St. Louis Avenue	Market and sell to adjacent property owners; Alban Family Trust and Maden Family Trust. Sell property at fair market value or in a manner aimed at maximum value. The proceeds will be used to pay for enforceable obligations. If the property is not acquired by the adjacent property owners, it will be designated for future development and the City will enter into a compensation agreement with the affecting taxing entities.
2)	859 Patterson Avenue	Market and sell to EDCO who owns the building the site sits on. Sell property at fair market value or in a manner aimed at maximum value. The proceeds will be used to pay for enforceable obligations.
3)	2435-2461, 2475, 2485 Gardena Avenue	Transfer to the City and retain for future development pursuant to HSC §34191.5 (c)(2). It is the City's intent to enter into a compensation agreement with the affecting taxing entities.
4)	630-998 E. Spring Street, 631-799 E, Canton Street, 801-999 E. Canton St., 630-798 E. Canton St., 800-998 E. Canton St., 631-799 E. 29th St., and 801-999 E. 29th St.	Transfer to the City and retain for future development pursuant to HSC §34191.5 (c)(2). It is the City's intent to enter into a compensation agreement with the affecting taxing entities.

Long Range Property Management Plan (Con't.)

5)	1400 E. Spring Street	Market and sell to Glenn E. Thomas Dodge, Jeep and Chrysler. Sell property at fair market value or in a manner aimed at maximum value. The proceeds will be used to pay for enforceable obligations.
6)	1850 E. 28th Street	Market and sell. Sell property at fair market value or in a manner aimed at maximum value. The proceeds will be used to pay for enforceable obligations.
7)	2650, 2660, 2690 Cherry Avenue, 2700-2730 Cherry Avenue; and 2065-2099 E. 27th Street, 2701 St. Louis Avenue	Transfer to the City and retain for future development pursuant to HSC §34191.5 (c)(2). It is the City's intent to enter into a compensation agreement with the affecting taxing entities.
8)	3100 California Avenue	Transfer to the City of Signal Hill for Governmental Purpose, HSC §34181(a). Property is proposed for City of Signal Hill Dog Park and City Yard for emergency preparedness.
9)	2745 Walnut Avenue	Transfer to City of Signal Hill for Governmental Purpose, HSC §34181(a). Property is home to the City of Signal Hill Police Department.

CITY OF SIGNAL HILL SUCCESSOR AGENCY PROPERTIES

LEGEND

CITY OF SIGNAL HILL SUCCESSOR AGENCY PROPERTIES

REDEVELOPMENT PROJECT AREA NO. 1 BOUNDARY

CITY OF SIGNAL HILL CITY LIMIT BOUNDARY

City of Signal Hill-1
Long Range Property Management Plan
Address: 2621 St. Louis Avenue

Background Information	
• Map Reference	1
• Address	2621 St. Louis Ave.
• Assessor Parcel Numbers(s)	7212-014-911 – Exhibit A
• Current Zoning	CTC – Commercial Town Center
• Current Use	Parking lot
• Original Seller	Thomas Daniel Hennesy
• Original Appraised Value	$155,000 (8-2-10)
• Purchase Price	$205,000
• Primary and Supplemental Funding Sources	Tax Increment
• Property History The historic use of the site is oil fields. There are two previously abandoned oil wells and sumps on site. The site is paved and was previously barricaded so that it could not be used for parking. Its current use is a public parking lot to service the Commercial Town Center. There are approximately 12 spaces. There is no charge for parking at this lot or any other parking lot in the City.	
Parcel Information	
• Land Description	
Lot Size	6,750 SF
Topography	The site is level and at grade
Known Drainage Issues	Drainage flows to St. Louis Avenue and the adjacent properties.
Known Ground Stability Issues	Unknown
• Building Description	
No. of Buildings	0
Building Area	N/A
Construction Type	N/A
Year Built	N/A
Improvement Data	N/A
Vehicle Parking	Asphalt parking lot.
Agency Revenue	
• Is Agency receiving lease or rental income for the private use of the property?	Yes____ No X
• If Yes, indicate the amount of Agency's annual rent/lease income	N/A
• If Yes, describe essential contract provisions (i.e., renter/lessee, term, rent calculations, restrictions/obligations, etc.)	
Environmental	
• Have any environmental tests or assessments been performed on the property?	Yes X No____
• If yes, describe the work performed and dates (i.e. Phase 1, Phase 2, borings, etc.)	Phase I environmental site assessment – 8/08/10.
• If Yes, describe the current environmental condition of the site	There are 2 previously abandoned oil wells and sumps on site.

• Has the property been designated as a "Brownfield" site as defined by the US EPA?	Yes____ No X
• If No, would the property qualify for such a brownfield designation?	Yes____ No____ Unknown X
• Describe any remediation work performed on the property.	N/A
Previous Development Proposals	
• Describe any previously proposed or solicited development plans for the property, including any short-term and/or long-term lease/rental arrangements.	None.

Estimate of Current Property Value

Background:

The Signal Hill Redevelopment Agency (SHRDA) purchased the property as part of its second phase of property acquisitions beginning in 2010. The sale of the property was voluntary. The property is adjacent to retail businesses and a bank in the Commercial Town Center. The property is paved for parking, however, the owner would not allow anyone to park in the lot and barricaded it. The SHRDA purchased the property in order to provide public parking to the area.

Sales Comparison Approach:

The property was appraised in 2010 by Flavell, Tennenbaum & Edwards. The property was valued using a Sales Comparison Approach.

Encumbrances on Property:

Based upon the property's previous use for oil operations, the property is potentially contaminated. There are two previously abandoned oil wells and sumps on the site. The site does not meet the minimum lot size for properties zoned in the Commercial Town Center (CTC). The minimum lot size for properties zone CTC is 20,000 and the site is 6,750 SF. Because of the site's size and environmental issues, development of the property would be impossible without the inclusion of adjacent parcels.

Current Value:

Real estate values have stablized in the commercial and industrial markets. In 2012, the City completed an appraisal for a property close to the site at 859 Patterson Avenue. This property is 6,250 square foot and was valued at $14 per square foot using a sales comparison approach. Using this value as a guide, the value of 2621 St. Louis Avenue site is:

6,750 SF @ $14.00 = $94,500

The value of this site is $60,500 less than when appraised in 2010, which was when land

values were higher. The site is constrained potentially by environmental contamination based upon the Phase I Environmental Site Assessment (ESA). There are two previously abandoned oil wells and sumps on site.

Based upon the Phase I ESA, it is recommended that a limited subsurface soils investigation be completed with soil collected from 1-foot below ground surface (bgs), 5-feet bgs, and 10-feet bgs. The soil should be tested for Total Petroleum Hydrocarbons (TPH) – gasoline range, (TPH-g), TPH-diesel range (TPH-d), speciated carbon chains, volatile organic compounds (VOCs), semi-volatile organic compounds (SVOCs) and total threshold limit concentration (TTLC) metals. In addition, the two previously abandoned oil wells should be daylighted to determine their current status and re-abandoned based upon the Department of Oil, Gas and Geothermal Resource (DOGGR) leak test. A methane assessment should be conducted as well as a Human Health Risk Asessment and a soil management plan. The deduction to the value of the site is as follows:

Enviromental Remediation = -$249,310 to -$649,310
Value = ($154,810) to ($554,810)

Reuse Assessment and Recommended Action	
• Describe the property's potential for transit-oriented development.	N/A.
• Describe the reuse potential of the property in terms of advancing the Successor Agency's planning objectives.	The development of this property with a parking lot is consistent with Objective 3 in the Five Year Redevelopment Agency Implementation Plan for Years FY 2010-11 through FY 2014-15. Objective 3 of the Implementation Plan is to "expand and enhance Town Center."
• Permissible Use:	Market and sell to adjacent property owners; Alban Family Trust and Maden Family Trust. Sell property at fair market value or in a manner aimed at maximum value. The proceeds will be used to pay for enforceable obligations. If the property is not acquired by the adjacent property owners, it will be designated for future development and the City will enter into a compensation agreement with the affecting taxing entities.

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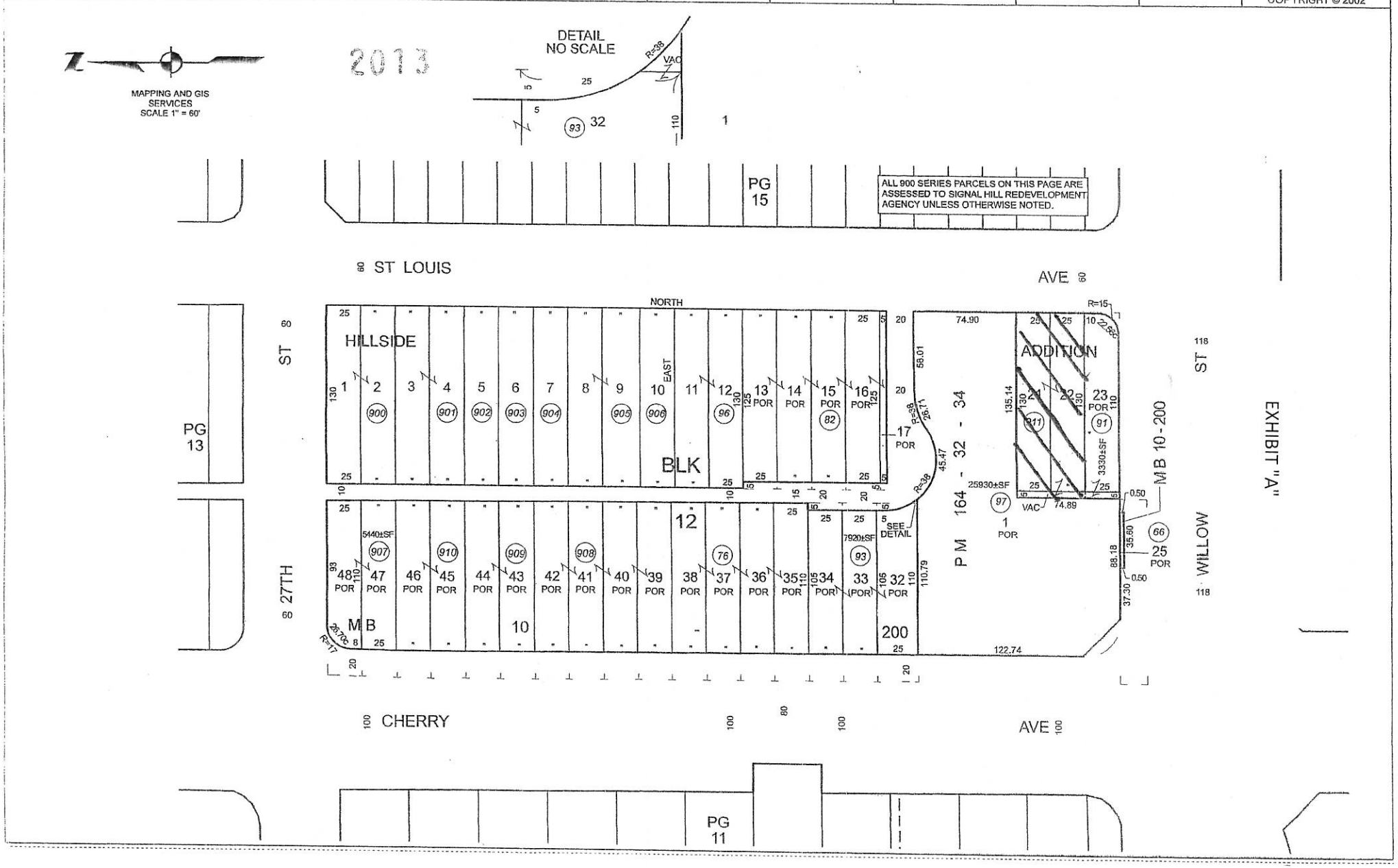
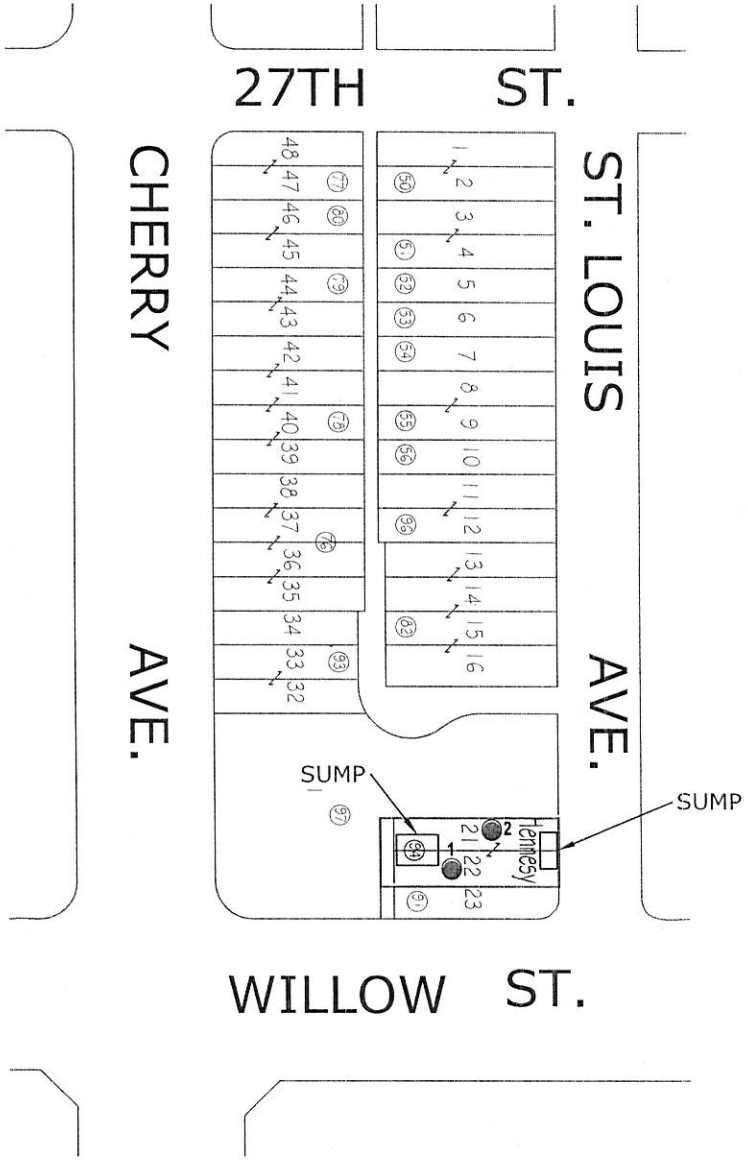


EXHIBIT "A"



Project Area

Location	2621 St. Louis Avenue
Lot Size	6,750 Square Feet
Potential Use	-
Tax Assessors Parcel # Composite of multiple lots	7212-014-094 (Thomas Hennesy Tr)

NOTES:

1) The locations of wells illustrated on this map are approximate and based on historic information supplied by the State Division of Oil & Gas. The actual locations for buried wells would be determined during excavation and grading operations.

2) The historic locations of oil well sumps and above ground storage tanks are approximate and based on historic aerial photographs, fire insurance maps and city records. Actual locations would be determined during Phase II environmental testing and grading operations.

● OIL WELLS

HUD HEADS UP DIGITIZED (FROM SCANNED, GEOREFERENCED MYLAR MAP)

No.	OPERATOR	WELL DESIGNATION	API NO.		WELL STATUS	DATE ABDN.	LOCATION SOURCE.
1	Hagar & Deniston	1	037	09850	Abandoned	12/20/27	HUD
2	Industrial Fuel 24	2	037	09818	Abandoned	09/04/63	HUD

2621 St. Louis Ave. - Before

2621 St. Louis Ave. - After

City of Signal Hill - 2
Long Range Property Management Plan
Address: 859 Patterson Street

Background Information	
• Map Reference	2
• Address	859 Patterson Street
• Assessor Parcel Numbers(s)	7207-022-901 – Exhibit "A"
• Current Zoning	SP-19 – General Industrial Specific Plan
• Current Use	Site is part of EDCO's Recycling and Transfer Station – Exhibit "B"
• Original Seller	Wayne Wilms
• Original Appraised Value	$150,000
• Purchase Price	$172,125
• Primary and Supplemental Funding Sources	Tax Increment
• Property History Since the 1920's, the site was an operating oil field. Beginning in 1989, the site was used to store boat trailers and trailers containing construction equipment and contractor stored demolition debris. Today, the property is improved with EDCO Recycling and Transfer Station. The 6,250 SF site is the ground upon which a portion of the industrial building sits. The on-site improvements were paid for by the tenant.	
Parcel Information	
• Land Description	
Lot Size	6,250 SF
Topography	The site is flat.
Known Drainage Issues	N/A
Known Ground Stability Issues	Unknown
• Building Description	
No. of Buildings	N/A to property; owned by tenant, EDCO.
Building Area	N/A
Construction Type	N/A
Year Built	N/A
Improvement Data	N/A
Vehicle Parking	N/A
Agency Revenue	
• Is Agency receiving lease or rental income for the private use of the property?	Yes X No ___
• If Yes, indicate the amount of Agency's annual rent/lease income	Approximately $12,696 (Monthly rent: $1,058)
• If Yes, describe essential contract provisions (i.e., renter/lessee, term, rent calculations, restrictions/obligations, etc.)	The lease agreement was executed on December 2, 2009 with a starting rent of $1,000 per month. The rent is increased each year based upon a maximum CPI increase of 3.5%. The term of the lease is 33-years (August 31, 2042) with an extension up to 40 years (August 31, 2049).
Environmental	
• Have any environmental tests or assessments	

been performed on the property?	Yes X No____
• If yes, describe the work performed and dates (i.e. Phase 1, Phase 2, borings, etc.)	Phase I environmental site assessment (8/08/10) as well as a Phase II on the balance of the site planned for the transfer station.
• If Yes, describe the current environmental condition of the site	There are 2 previously oil wells and sumps on site. Mearns Consulting completed a Human Health Risk Assessment for the bigger 3.87 acre site where the transfer station was developed and determined that there are not significant environmental risks to humans on the site.
• Has the property been designated as a "Brownfield" site as defined by the US EPA?	Yes____ No X
• If No, would the property qualify for such a brownfield designation?	Yes____ No____ Unknown X
• Describe any remediation work performed on the property.	N/A
Previous Development Proposals	
• Describe any previously proposed or solicited development plans for the property, including any short-term and/or long-term lease/rental arrangements.	N/A

Estimate of Current Property Value

Background:

The Signal Hill Redevelopment Agency (SHRDA) purchased the property in 2008 to assist EDCO with the development of an approximately 68,894 square foot transfer station on a 3.87 acre site. EDCO had already negotiated a long-term lease for the remainder of the site with the Lee family and the remaining 6,250 SF was needed to complete the site for the transfer station. The Agency acquired the property from Wayne Wilms under the threat of eminent domain.

EDCO's Transfer Station facility consists of the following components:

1. Transfer Station (TS): The Facility's transfer station component for refuse collection and transfer includes a below grade loadout area to allow for the transfer vehicles to be top loaded through loadout ports at the tipping floor. A portion of the transfer station is also dedicated for self-haul use.

2. Materials Recovery Facility (MRF): The transfer station may include facilities for diversion of recyclable products from commercial and residential customers. The recyclable products shall be baled within the building and transferred to recyclable load out vehicles at the exterior recyclable load out dock. Residue from the diversion process shall also be dedicated for self-haul use.

3. Buyback Operation: A buyback operation allowing the public to drop off recyclables and receive compensation.

4. Green Waste Area: A green waste area would accommodate collection of green waste. The green wasterwill be transferred to outgoing delivery vehicles.

5. E-Waste: The MRF/TS will provide a location for Signal Hill residents to dispose of e-waste free of charge.

Sales Comparison Approach:

The property was appraised in 2012 by Flavell, Tennenbaum & Edwards. The property was valued using a Sales Comparison Approach.

Encumbrances on Property:

The site is encumbered with the EDCO Transfer Station. The improvements are owned by the Lessee. There is a lease between the former Signal Hill Redevelopment Agency and EDCO Waste Services. The Lease allows the Lessee to purchase the property if the Lessee acquires the balance of the site that it leases for the transfer station (Lee parcels). Once EDCO has "control over" the parcels for purposes of exercising its option to purchase the premises, EDCO may give the Lessor written notice of its intent to purchase the premises. The lease goes into further detail about how the value of the property is determined for the sale. The value of the parcel is the fair market value of the site as determined by the price for the Lee parcels or through an appraisal process.

Current Value:

Real estate values have stablized in the commercial and industrial markets. In 2012, the an appraisal for this property was completed. The property was valued at $14 per square foot using a sales comparison approach. The value of the property is:

6,250 SF @ $14.00 = $87,500

Reuse Assessment and Recommended Action	
• Describe the property's potential for transit-oriented development.	N/A
• Describe the reuse potential of the property in terms of advancing the Successor Agency's planning objectives.	The development of this property as a transfer station is consistent with Objective 5 in the Five Year Redevelopment Agency Implementation Plan for Years FY 2010-11 through FY 2014-15. In the Implementation Plan, properties within this area are identified for additional industrial development. This property was rezoned to industrial for

	this project and a general plan amendment was completed. The property was rezoned to Area 3 of SP-19 (Industrial Specific Plan).
• Permissible Use:	Market and sell to EDCO who owns the building the site sits on. Sell property at fair market value or in a manner aimed at maximum value. The proceeds will be used to pay for enforceable obligations.

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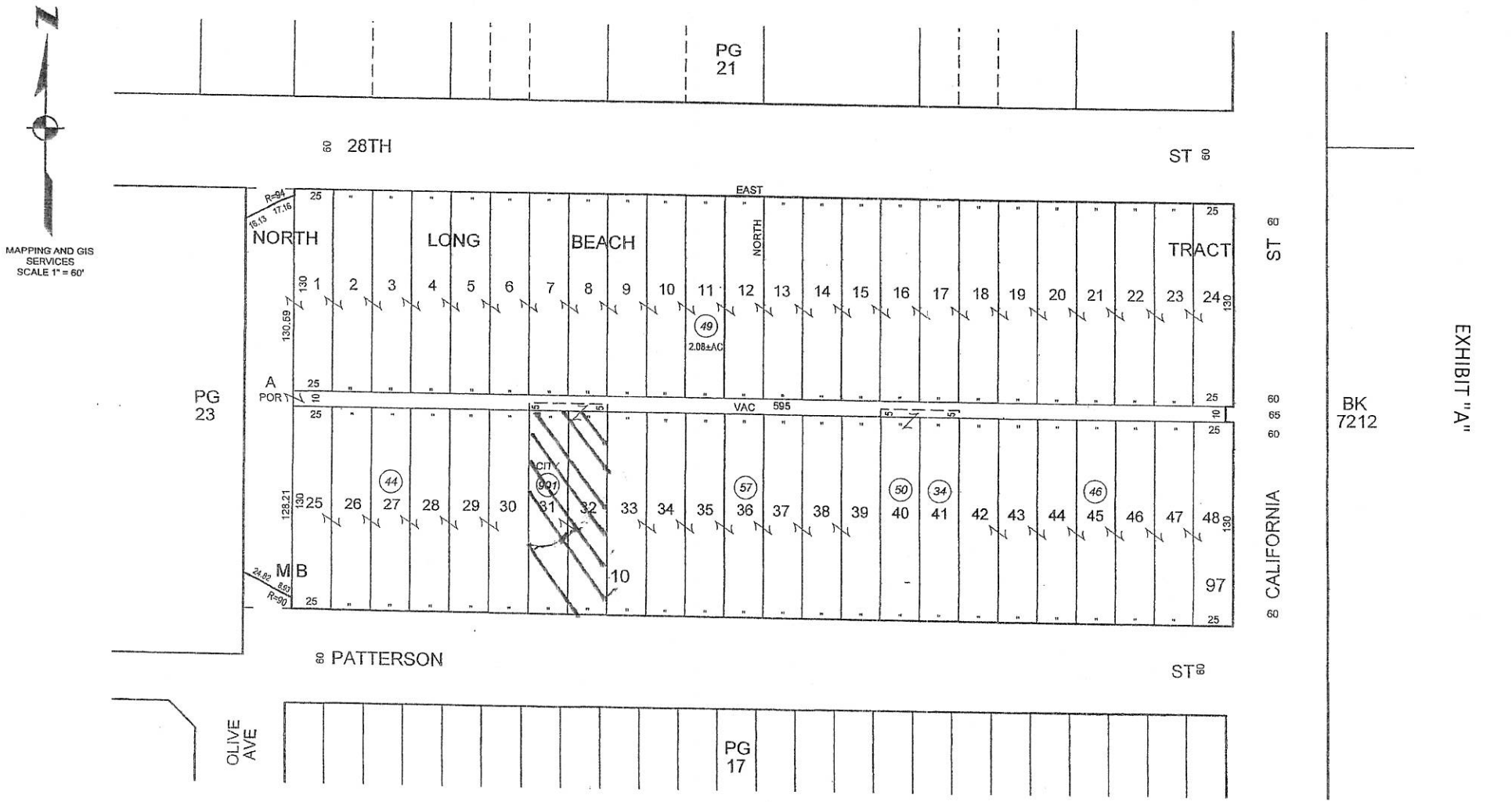

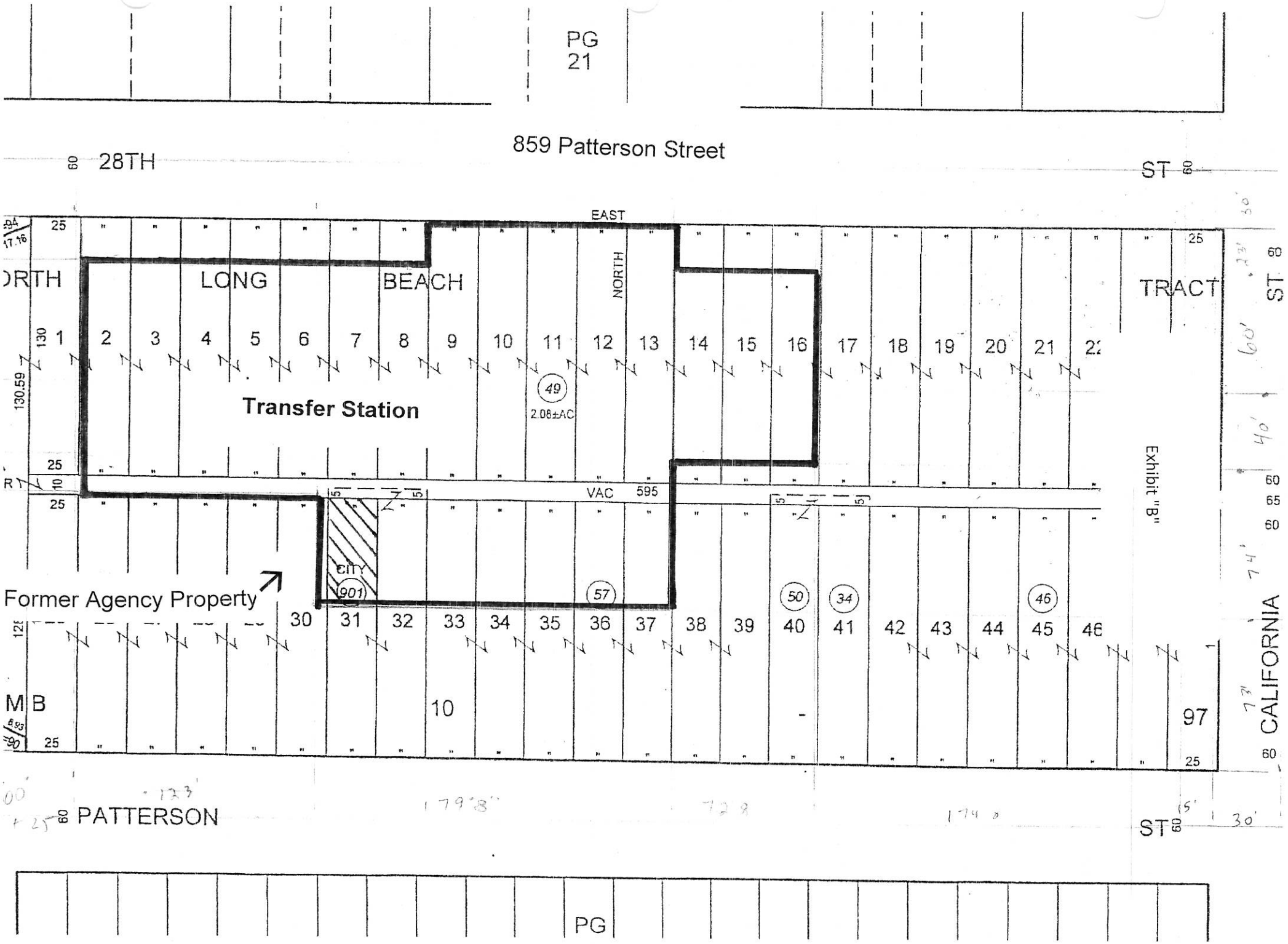
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21
859 Patterson Street
28TH
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Transfer Station
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595
Exhibit "B"
Former Agency Property
CITY
(901)
CALIFORNIA
PATTERSON
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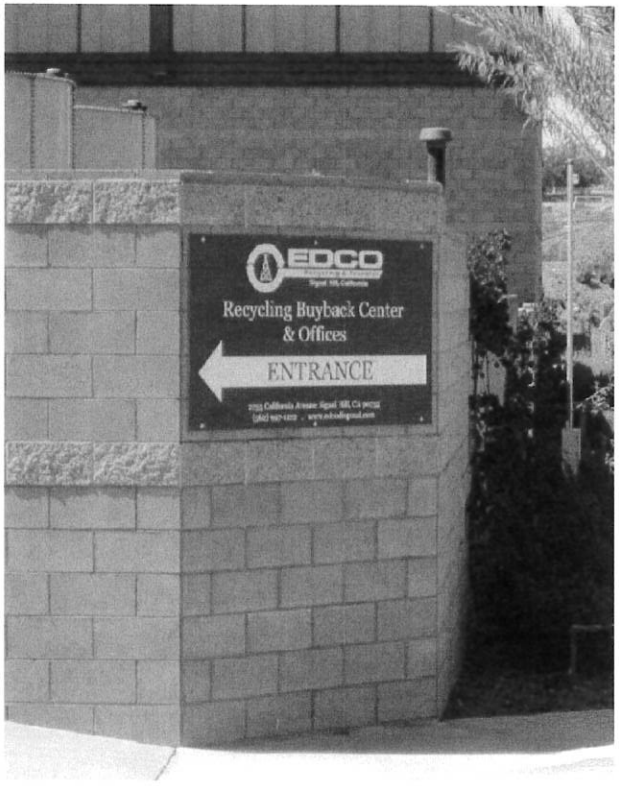
859 Patterson Avenue



City of Signal Hill-3
Long Range Property Management Plan
Address: Gardena Avenue

Background Information	
• Map Reference	3
• Address	2435-2461, 2475, 2485 Gardena Avenue
• Assessor Parcel Numbers(s)	7214-005-901-904 – Exhibit "A"
• Current Zoning	East half of property – Commercial Town Center West half of property – Crescent Heights Historic District Plan
• Current Use	3 vacant warehouse style buildings and undeveloped land.
• Original Sellers	Evelyn B. Sullivan TR, Signal Hill Petroleum, Robin Hiestand, RRH Investments, LLC
• Original Appraised Value	$2,799,800 (2008)
• Purchase Price	$2,702,200
• Primary and Supplemental Funding Sources	Tax Increment
• Property History **2435-2461 Gardena Avenue** – Oil drilling on site since 1928. Historic uses of buildings from 1959-1960 include: general storage, manufacturing of electronic products, and metal products warehouse. **2475, 2485 Gardena Avenue** – The site is used for oil operations.	
Parcel Information	
• Land Description	
Lot Size	1.91 acres / 83,400 SF
Topography	The site slopes slightly downward from southwest to northeast. The easterly, westerly, and northerly boundaries of the property are at street grade.
Known Drainage Issues	Drainage flows primarily to Gardena Avenue and Crescent Heights Street.
Known Ground Stability Issues	Geologic work has been conducted on a portion of the site. In this area (See Exhibit B), the property is impacted by the Cherry Hill Fault and is within the Alquist-Priolo Earthquake Fault Zone boundary.
• Building Description	
No. of Buildings	3 buildings / 1 dilapidated loading dock.
Building Area	2435: 6,000 SF 2449: 4,000 SF 2461: 5,000 SF
Construction Type	2435, 2449: Corrugated metal on heavy steel frame; 2461: concrete tilt-up
Year Built	2435, 2449: 1959; 2461: 1960.
Improvement Data	Warehouse space w/unfinished walls and ceiling, concrete floors.
Vehicle Parking	1 or 2 spaces in front of buildings.
Agency Revenue	
• Is Agency receiving lease or rental income for	

the private use of the property?	Yes_____ No X
• If Yes, indicate the amount of Agency's annual rent/lease income	N/A
• If Yes, describe essential contract provisions (i.e., renter/lessee, term, rent calculations, restrictions/obligations, etc.)	N/A
Environmental	
• Have any environmental tests or assessments been performed on the property?	Yes X No____
• If yes, describe the work performed and dates (i.e. Phase 1, Phase 2, borings, etc.)	Phase I ESA and Phase II ESA have been completed on the site.
• If Yes, describe the current environmental condition of the site	**2435-2461 Gardena Ave.** – Phase I ESA was completed in May and Phase II ESA in August 2010. There are 2 previously abandoned oil wells and sumps. A Phase II ESA was completed and detected VOCs, SVOCs, TPH-g, TPH-d and speciated carbon chains within the TPH-g and TPH-d carbon chain ranges indicative of a refined product. Also metals of arsenic, barium, cobalt, chromium, copper, lead, nickel, vanadium, and zinc were also detected. **2475 Gardena Ave.** - Phase I completed in March, 2008 and Phase II ESA in November 2008. There is 1 previously abandoned oil well. Signal Hill Petroleum has an active oil well on the western 1/3 of the property with an aboveground pumping unit. A Phase II ESA was completed and indicated heavy-end total petroleum hydrocarbons and several metals, most notably arsenic and silver. In addition, concentrations of arsenic were detected in the surface soils. **2485 Gardena Ave.** – Phase I completed in March 2008 and Phase II ESA in November 2008. There is one active oil well and 2 abandoned oil wells. A Phase II ESA was completed and indicated TPH-g, TPH, heavy-end total petroleum hydrocarbons, VOCs, and several metals including silver and arsenic in surface soils. Also tetrachloroethene, a VOC and a solvent were detected in surface soils.
• Has the property been designated as a "Brownfield" site as defined by the US EPA?	Yes____ No X
• If No, would the property qualify for such a brownfield designation?	Yes_____ No____ Unknown X
• Describe any remediation work performed on the property.	None.

Previous Development Proposals	
• Describe any previously proposed or solicited development plans for the property, including any short-term and/or long-term lease/rental arrangements.	N/A

Estimate of Current Property Value

Background:

The Signal Hill Redevelopment Agency purchased the properties between September 2010 and April 2011. The EAST ½ of the property is in the Crescent Heights Historic District Plan and the West ½ of the property is within the Commercial Town Center.

Sales Comparison Approach:

A Sales Comparison Approach was used to evaluate the property and determine its value. The most recent appraisal is dated February 22, 2012. It was conducted by Flavell, Tennenbaum & Edwards.

Encumbrances on Property:

The City of Signal Hill has a rich oil history which began in the 1920's. Today, the oil operators continue to extract oil and produce up to 1 million barrels per year. This site is partially encumbered by the Signal Hill West Unit Agreement (SHWUA). The SHWUA was recorded on March 1, 1972 as Document No. 3250. The subject property represents the Unit Tract Nos. 115 and 125, "Rothschild Oil Company Jonah Jones Jr. Community Lease." The properties encumbered are 2475 and 2485 Gardena Avenue. The SHWUA grants the Working Interest the right to use as much of the surface of the land within the unit area and deemed necessary for reasonable unit operations together with the right to use all of the subsurface of the land within the unit area, subject to oil and gas leases. It would be necessary to obtain a release of surface rights in order to build on the property.

The site in its entirety consists of 1 active oil well, 1 inactive oil well, and 5 abandoned oil wells. There are several sumps and an above ground storage tank. A fault line study was conducted on the property located at 2435-2461 Gardena Avenue. This work indicates that the property is impacted by the Cherry Hill Fault and is within the Alquist-Priolo Earthquake Fault Zone boundary. Due to this discovery, a fault setback zone has been established for the property. The fault setback zone is intended to encompass possible traces of the active fault zone identified during the investigation. No structure for human occupancy, as defined by the Alquist-Priolo Earthquake Fault Zoning Act should be constructed within the fault setback zone established for the property. The area could be used for parking or a park. Further work is necessary to determine if this fault setback zone can be reduced.

Current Value:

The property was valued at $1,400,000. The date of value is February 22, 2012. The market has not changed tremendously since the date of this appraisal so the value remains current. It may be necessary for a deduction to be made based upon findings from further fault line studies needed in order to reuse the site.

Reuse Assessment and Recommended Action	
• Describe the property's potential for transit-oriented development.	None.
• Describe the reuse potential of the property in terms of advancing the Successor Agency's planning objectives.	The development of this project helps to implement the Crescent Heights Historic District Specific Plan established in 2002. The development of this site potentially for residential and commercial uses is consistent with Objective 3 of the Five Year Redevelopment Agency Implementation Plan for Years FY 2010-11 through FY 2014-15. In the Implementation Plan, properties within this area are identified for the expansion and enhancement of the Town Center and Cherry Corridor.
• Permissible Use:	Transfer to the City and retain for future development pursuant to HSC §34191.5 (c)(2). It is the City's intent to enter into a compensation agreement with the affecting taxing entities.

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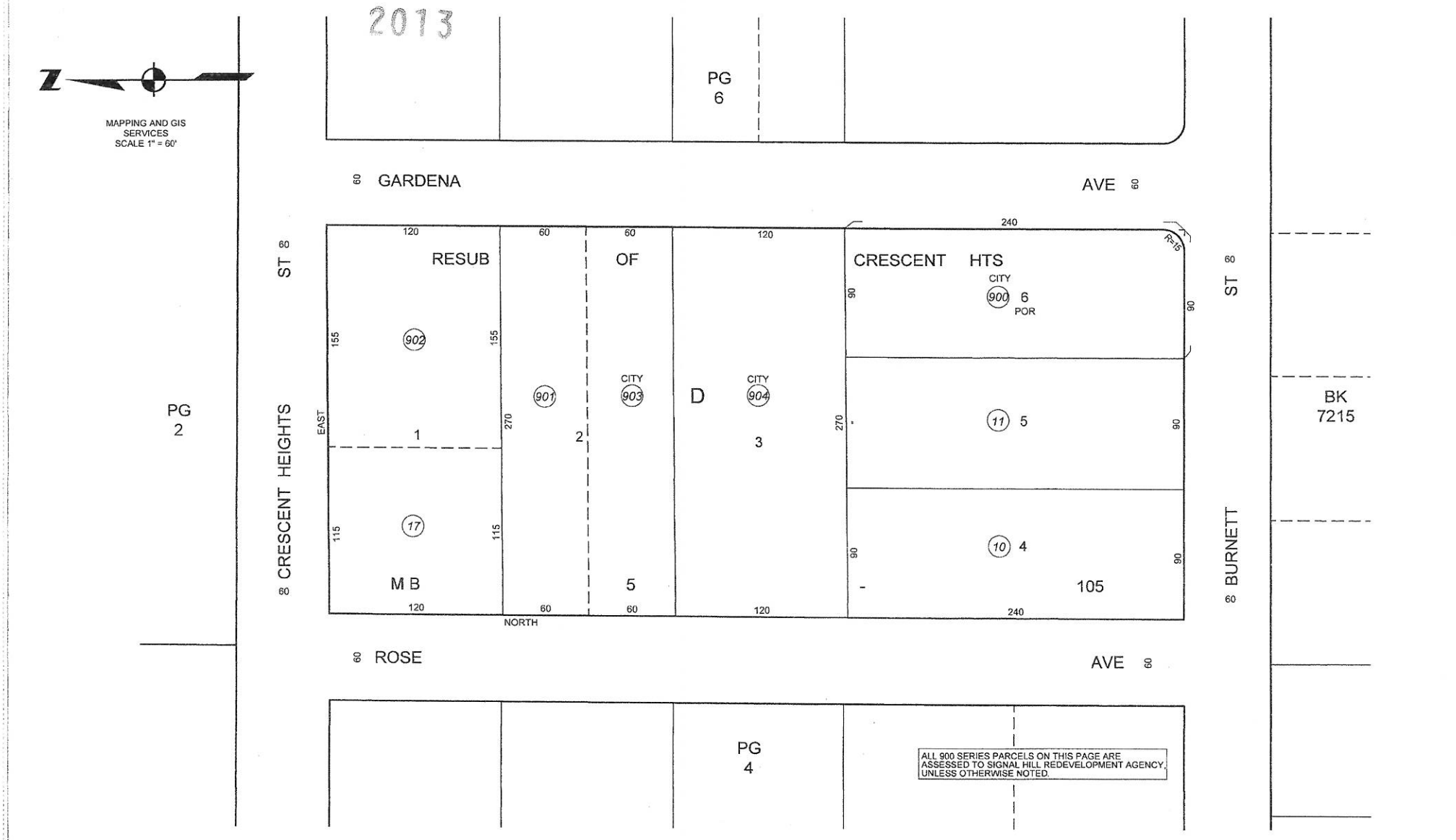
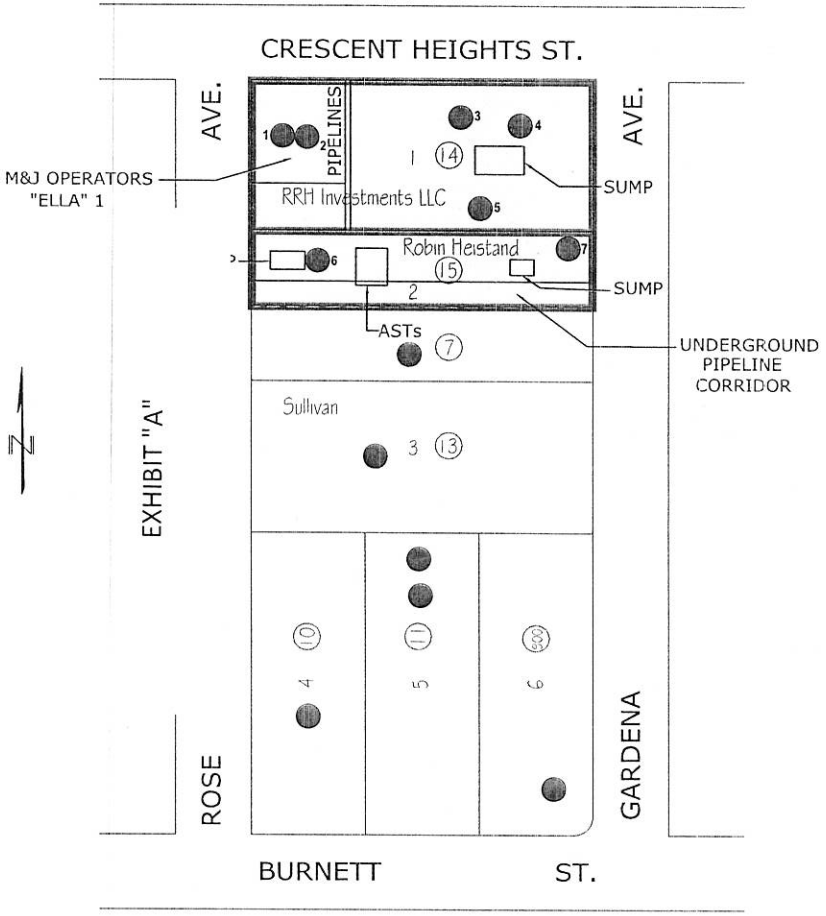




Project Area

Location	Gardena Ave./Crescent Heights St.
Lot Size	1.11Acres
Potential Use	CTC
Tax Assessors Parcel #	7214-005-014
	7214-005-015

Composite of multiple lots

NOTES:

1) The locations of wells illustrated on this map are approximate and based on historic information supplied by the State Division of Oil & Gas. The actual locations for buried wells would be determined during excavation and grading operations.

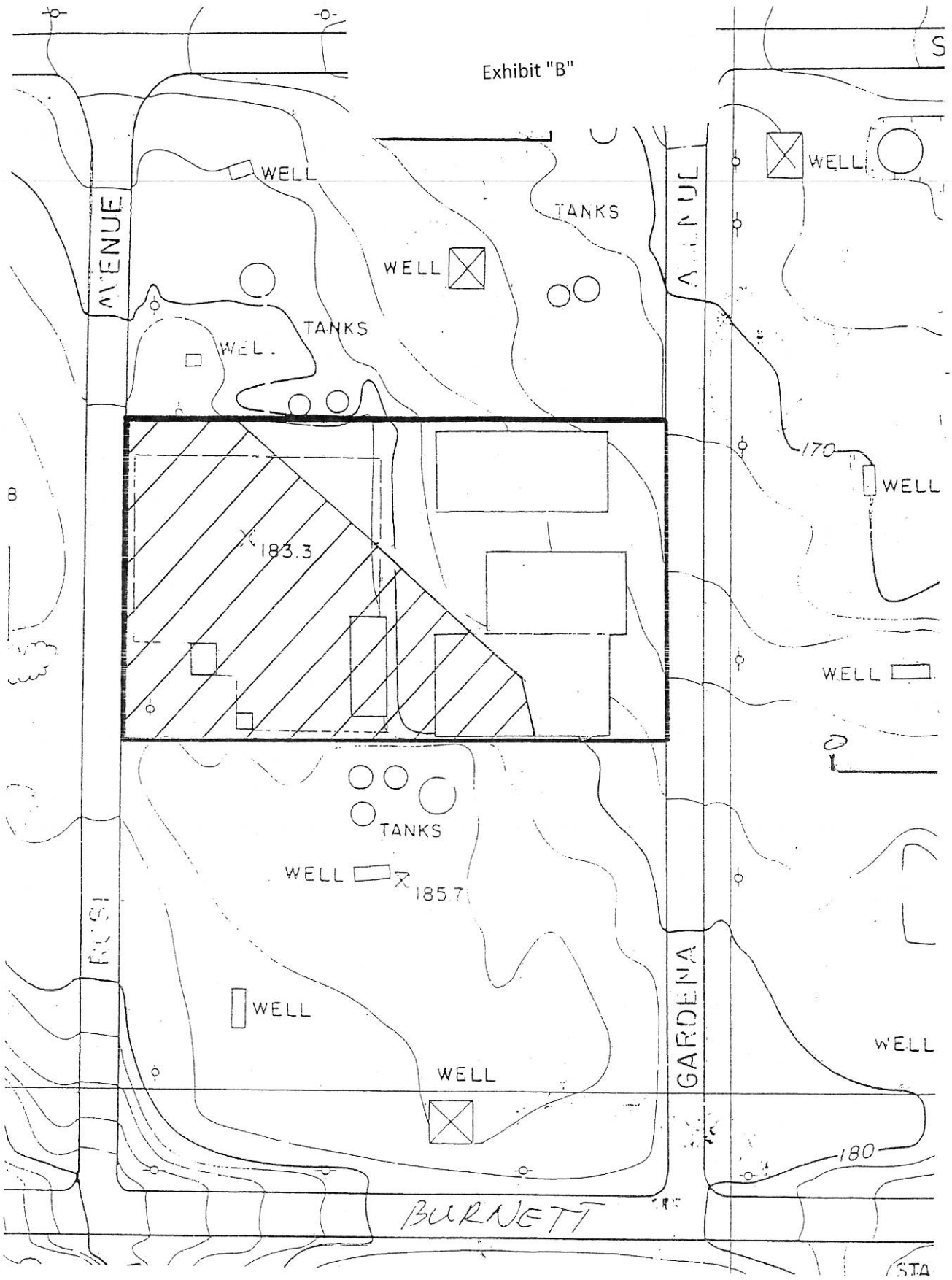
2) The historic locations of oil well sumps and above ground storage tanks are approximate and based on historic aerial photographs, fire insurance maps and city records. Actual locations would be determined during Phase II environmental testing and grading operations.

● OIL WELLS

HUD Heads up digitized (from scanned. georeferenced mylar map)
GPS Collected via Global Positioning System

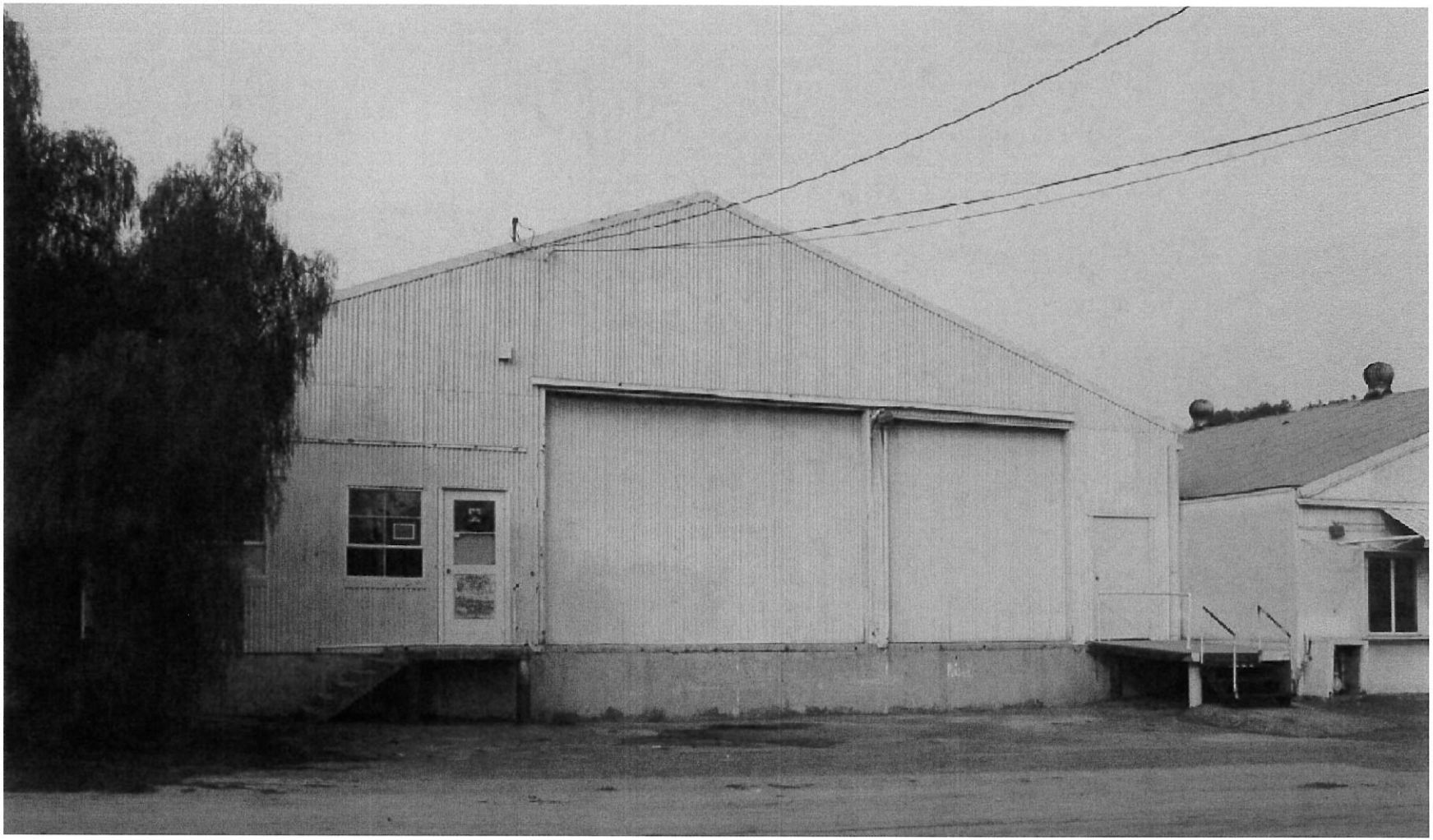
No.	OPERATOR	WELL DESIGNATION	API NO.		WELL STATUS	DATE ABDN.	LOCATION SOURCE.
1	A.D. Mitchell	"Ella" 2	037-	10338	Abandoned	01/28/36	HUD
2	M & J Operator	"Ella" 1	037-	09424	Active		GPS
3	C & C Exploration	"Ella" 1	037-	08823	Abandoned	10/14/50	HUD
4	Franwin Oil & Gas	7A	037-	09779	Abandoned	12/16/70	HUD
5	Signal Hill Petroleum	D48	037-	08794	Active		GPS
6	Signal Hill Petroleum	D42	037-	08947	Active		GPS
7	Douglas Marcell	"M and B"1	037-	10109	Abandoned	?	HUD

Exhibit "B"



HATCHED AREA = N. STRUCTURES INTENDED FOR HUMAN OCCUPANCY

Gardena Avenue



Gardena Avenue

Gardena Avenue

Gardena Avenue

Background Information	
• Map Reference	4
• Address	630-998 E. Spring St., 631-799 E. Canton St., 801-999 E. Canton St., 630-798 E. Canton St., 800-998 E. Canton St., 631-799 E. 29th St. and 801-999 E. 29th St.
• Assessor Parcel Numbers(s)	7207-004-900, 271, 272; 7207-005-900;7207-006-900 to 944; 7207-007-900 to 941 – Exhibit "A"
• Current Zoning	CO-Commercial Office: Between Atlantic Ave. and Olive Ave. to 29th St. SP4-Auto Center Specific Plan: Between Olive Ave. and California Ave. to 29th St.
• Current Use	Unimproved & Oil Operations
• Original Sellers	Multiple Owners-See Exhibit "B"
• Original Appraised Value	$8,131,996
• Purchase Price	$8,145,069
• Primary and Supplemental Funding Sources	Tax Increment

- Property History

Redevelopment of the 700 Block of Spring Street (between California and Olive Avenues to 29th Street) has been hampered by a "town lot subdivision" dating prior to incorporation of the City in 1924. The area was subdivided into 95 small parcels unsuitable for development. The size of the area is approximately 6.82 acres. The area was further complicated by the ownership of these parcels by 23 separate individuals and entities. The property has had extensive historical oil operations and there are 28 oil wells on the property. During the 1920's and 1930's, there were large oil well sumps on the site and Rothchild Oil Company had a mixing laboratory on the site. There were also numerous aboveground storage tanks. Axis Petroleum had an office building that burned down in 1982. Of the 28 wells onsite, 20 are abandoned, 3 are active, and 5 are idle. The site is undeveloped with the exception of oil and gas production. The majority of the wells and surface use rights are governed by the Signal Hill West Unit Agreement. With the exception of the Axis Petroleum site, the active and idle wells on the site are operated by Signal Hill Petroleum as part of their management responsibilities for the Signal Hill West Unit. The site also contains an independent oil operator, Axis Petroleum and the property is subject to oil operational easements for Axis Petroleum. The Redevelopment Agency provided access and operational easements to Axis Petroleum as part of the purchase. Much of the site is encumbered by surface use restrictions for the production of oil and gas. The site also contains active and abandoned oil pipelines.

The "Anastasi" property (Between Olive and Atlantic Avenues to 29th Street) is approximately 6.17 acres in size and was acquired by the Agency in 2009 through a voluntary sale. There are 90 small parcels, as this area was also subdivided prior to the incorporation of the City in 1924 for residential town lots. The Anastasi Development Company approached the Agency after unsuccessfully attempting to develop the property after owning the site for more than 20 years. Anastasi Development Company is a major regional developer of commercial, office, and residential projects. Redevelopment of the site is hampered by the same conditions that impact the adjacent 700 block of Spring Street, including active and abandoned oil wells, storage tanks,

active and abandoned oil lines and soil contamination from the historic oil field uses. The representatives of Anastasi Development felt that the City and the former SHRDA were in the best position to deal with constraints that have historically hampered this property.	
Parcel Information	
• Land Description	
Lot Size	12.99 acres / 565,927 SF
Topography	Overall, the site elevation changes from north to south. The site slopes dramatically from East Spring St. to East 29th Street following the topography of the hill. The land on Spring St. between Olive and Atlantic Avenues has significant topographic relief, dropping from an elevation of 100 feet at the northeast corner to 55 feet at the southwest corner. This will require special grading design in order to provide flat areas suitable for building pads and parking areas.
Known Drainage Issues	Drainage is by percolation and sheet flow towards the contiguous properties South.
Known Ground Stability Issues	There have been two fault line studies completed to date (5-8-13). The study has revealed the Newport-Inglewood fault as well as secondary faults. A set back area where nothing may be developed has been determined. See Exhibit "C"
• Building Description	
No. of Buildings	0
Building Area	N/A
Construction Type	N/A
Year Built	N/A
Improvement Data	N/A
Vehicle Parking	N/A
Agency Revenue	
• Is Agency receiving lease or rental income for the private use of the property?	Yes___ No X__
• If Yes, indicate the amount of Agency's annual rent/lease income	
• If Yes, describe essential contract provisions (i.e., renter/lessee, term, rent calculations, restrictions/obligations, etc.)	
Environmental	
• Have any environmental tests or assessments been performed on the property?	Yes X No____
• If yes, describe the work performed and dates (i.e. Phase 1, Phase 2, borings, etc.)	Phase I Environmental Site Assessment (ESA) completed for entire property on Spring Street, between Atlantic and California Avenues to 29th Street. Phase II ESA with soil samples taken on half of the site on Spring Street between California Ave. and Olive Ave.

	to 29th Street.
• If Yes, describe the current environmental condition of the site	See Exhibit "D"
• Has the property been designated as a "Brownfield" site as defined by the US EPA?	Yes____ No X
• If No, would the property qualify for such a brownfield designation?	Yes___ No____ Unknown X
• Describe any remediation work performed on the property.	None.
Previous Development Proposals	
• Describe any previously proposed or solicited development plans for the property, including any short-term and/or long-term lease/rental arrangements.	Prior to the elimination of redevelopment, the former Agency staff pursued negotiations with Signal Hill Petroleum to acquire and develop the property. Negotiations were hampered and stopped because of the elimination of redevelopment and the uncertainty that it created. The project being proposed at that time was a multi-year, multi-phase project consisting of the following components (See Exhibit "E" for Complete Discussion): 1) The "Gateway Retail Parcel" – destination retail including general goods, groceries, and ancillary retail such as dry cleaners, food service, drug stores, etc. located on an approximate 7 acre site. 2) The "Hotel Parcel/Retail" – a suite style hotel for Memorial guests, visitors, families, students, staff and Signal Hill/Long Beach visitors and associated retail located on an approximate 3 acre site. 3) The "Other/Retail Parcel" – Mixed use medical and administrative offices with support retail such as food services, located on 3 acres.

Estimate of Current Property Value

Background:

The Signal Hill Redevelopment Agency purchased the property in 2008-2009. The site is a four block area, generally located on Spring Street between California and Atlantic Avenues to 29th Street. The property is 12.99 acres or 566,250 square feet in size. The site has historically been used for oil operations. In the 1920's and 1930's, there were large oil well sumps on site and Rothchild Oil Company had a mixing laboratory on site. There were also numerous above ground storage tanks. One of the oil operators, Axis Petroleum had an office building on the site that burned down in 1982. Oil operations still exist on the site today.

The site was subdivided into 179 small parcels, unsuitable for development. The site was characterized by fractured ownership which makes development difficult too. In addition, the site has environmental contamination issues due to its long history of oil operations. The site is also characterized by the Newport-Inglewood fault that runs through the site. Because of its continued use as oil operations, surface use rights, pipelines, and oil well and tanks remain onsite.

Sales Comparison Approach:

A Sales Comparison Approach was used to evaluate the property and determine its value. The most recent appraisal is dated March 5, 2008. The appraisal was completed by Flavell, Tennebaum & Edwards.

Encumbrances on Property:

The City of Signal Hill has a rich oil history which began in the 1920's. Today, the oil operators continue to extract oil and produce up to 1 million barrels per year. The property is encumbered with the the Signal Hill West Unit Agreement (also known as a Surface Use Agreement) which allows the Unit Operator (Signal Hill Petroleum) to explore, develop and conduct oil operations. The Signal Hill West Unit Agreement was recorded on March 1, 1972, as Document No. 3250. The subject property represents the Unit Tract Nos. 115 and 125, "Rothschild Oil Company Jonah Jones Jr. Community Lease."

The intent of the Unit Agreement is "to provide for the cooperative development of operation of the tracts and for the sharing of Unitized Substances." The Unit Agreement grants, from the Working Interest owners, to the Unit Operator, the exclusive right to conduct unit operations. The unit operator has the right to use as much of the surface of the land within the unit area as deemed necessary for reasonable unit operations together with the right to use all of the subsurface of the land within the unit area, subject to underlying oil and gas leases. The term of the Unit Agreement is based on the number of barrels of oil derived from the entire unit.

The majority of the property is controlled by the Signal Hill West Unit Agreement. With the

exception of the "Axis Petroleum" site (the independent oil operator), the active and idle wells are operated by Signal Hill Petroleum as part of their management responsibilities for the Signal Hill West Unit ("SHWUA"). The SHWUA allows SHP to explore, develop, and conduct oil operations. There are also surface use rights for Axis Petroleum, the independent oil operator on the site.

In addition, policy changes by the Division of Oil, Gas, and Geothermal Resources (DOGGR) will significantly impact how this site will be developed. Since 1989, the agency provided a review process for property owners and well owners to abandon and re-abandon their wells. The Construction Site Plan Review Program included a DOGGR certification of the proposed development's site plan, a letter to the City, and a stamped site plan allowing for structures and improvements to be constructed either adjacent to (within 10 feet) or on top of abandoned oil wells, based upon DOGGR guidelines.

In October 2011, DOGGR terminated its 22-year policy and no longer provides a certification and stamped site plan, which shifts the liability of building on top or near wells from the state to the City. Since then, the City has undertaken an analysis of what standards must be required by the City's oil code. The City had to adopt an urgency ordinance in 2011 setting interim standards which prohibited the development of buildings on top of or near abandoned or re-abandoned oil wells. Then in 2013, the City adopted Ordinance No. 2013-07-1459 which adopts standards for development near previously abandoned oil wells, but not over them. These new requirements will further complicate the development of this site.

Additional encumbrances on the property include environmental contamination (See Exhibit "C") and seismic activity. Potentially, the environmental remediation of the site may cost the future developer up to $4.8 million.

Current Value:

A Section 33433 review was completed for the site. Section 33433 requires that the Agency identify the fair market value of the interests being conveyed at the highest and best use allowed under the requirements imposed by the Redevelopment Plan and/or zoning. The valuation was based on the assumption that near-term development is required.

Most recent appraisals identified that highest and best use of the site as "held vacant" because the property is encumbered by surface rights and oil and gas easements held by Signal Hill Petroleum and the other oil operators. The site was acquired at an average price of $12 per square foot in 2008-2009 for acquisitions that were negotiated by the Agency. The Agency was not able to find several owners and the default judgment for these properties was $11 per square foot. Some properties went to trial and the jury awarded $12 per square foot for these properties. The property between Atlantic Avenue and Olive Avenue was acquired on a voluntary basis for $15.63. The average property value is $14.48 per square foot.

Due to the ongoing Great Recession, land values in the area have not risen since the time of site acquisition and, in fact, the appraisals and acquisitions at that time did not fully reflect the general decrease in property values due to the Great Recession. Moreover, the approximate $12 per square foot price does not fully include or deduct the significant costs associated with environmental remediation, testing and fault studies detailed above as the condemnation process did not lend itself to any authoritative determination of such costs. It is estimated that those costs of remediation and testing will result in about $4.83 Million in environmental costs to any landowner acquiring the site.

The estimated $4.83 Million in environmental costs justifies an estimated land discount of $8.53 per square foot for the Site. Therefore, the fair market value of the site is justifiably as low as $5.95 per square foot (i.e., the average $14.48 per square foot paid by the Agency in 2008-2009 offset by $8.53 per square foot representing the total estimated environmental costs on a per-square-foot basis). *Using these numbers and environmental off-sets, the fair market value of the subject site at the highest and best use comes to about $3,369,187.50.*

Reuse Assessment and Recommended Action	
• Describe the property's potential for transit-oriented development.	The property is adjacent to bus transportation on a major street, Atlantic Ave and the I-405 Freeway.
• Describe the reuse potential of the property in terms of advancing the Successor Agency's planning objectives.	City will market the property based upon a mixed use approach and complete zoning amendments as needed.
• Permissible Use:	Transfer to the City and retain for future development pursuant to HSC §34191.5 (c)(2). It is the City's intent to enter into a compensation agreement with the affecting taxing entities.

7207	6 SHEET	P. A. 7207-6	TRA 5674	REVISED 2011060102025001-26 2011060102-26	2011070102004001-26 2011070102-26		SEARCH NO	OFFICE OF THE ASSESSC COUNTY OF LOS ANGELE

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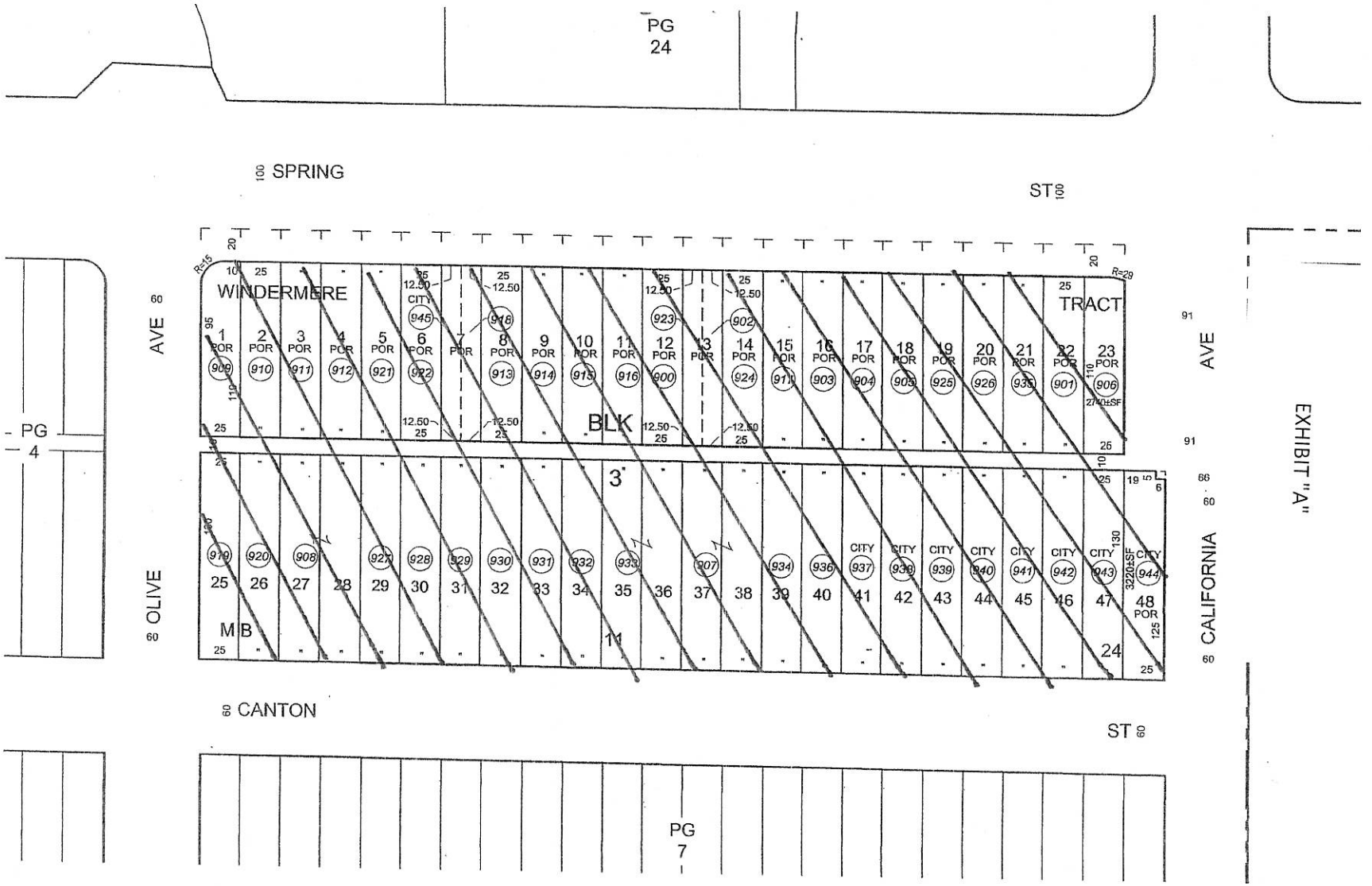
2012

MAPPING AND GIS SERVICES
SCALE 1" = 60'



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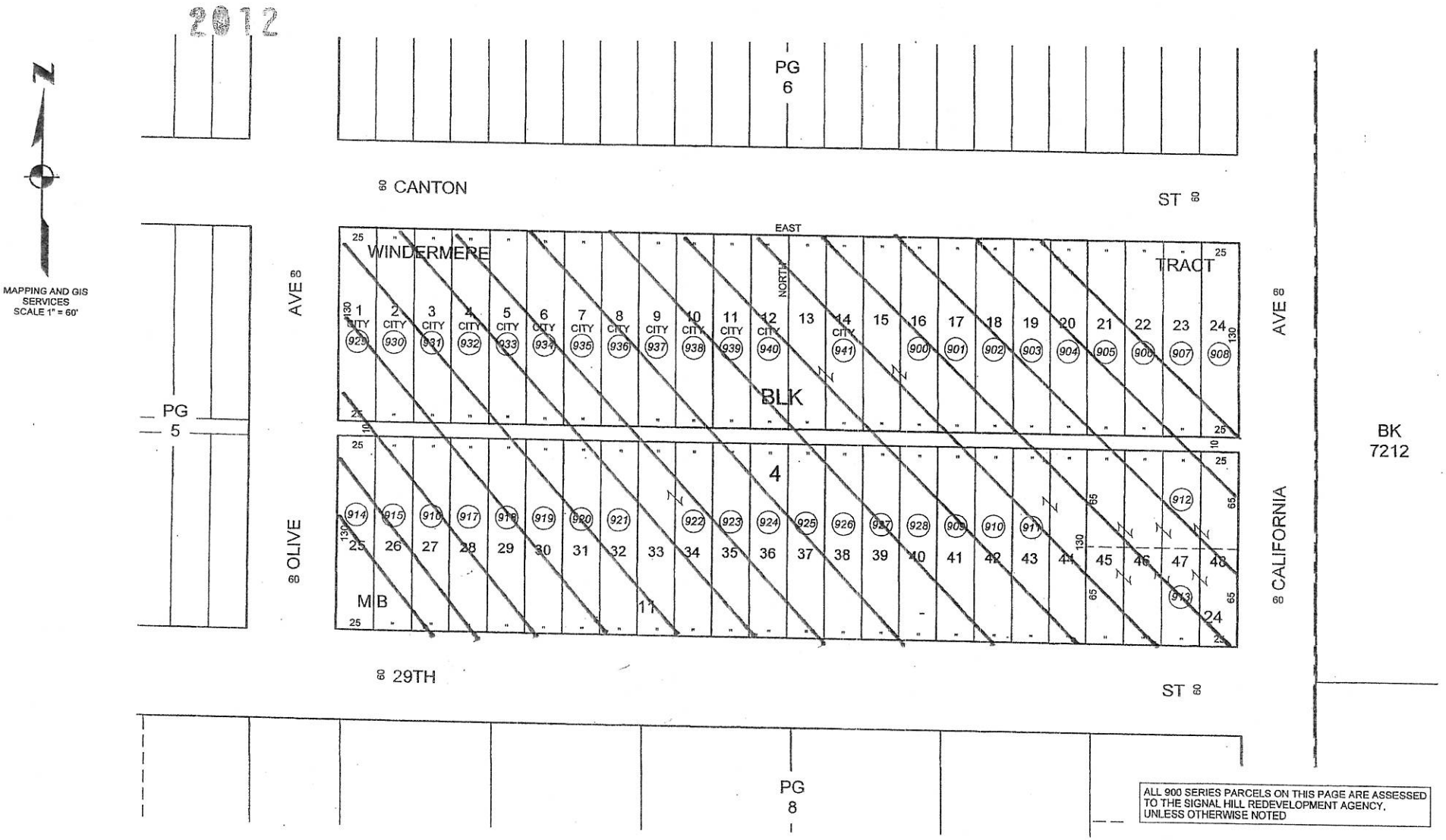

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2011

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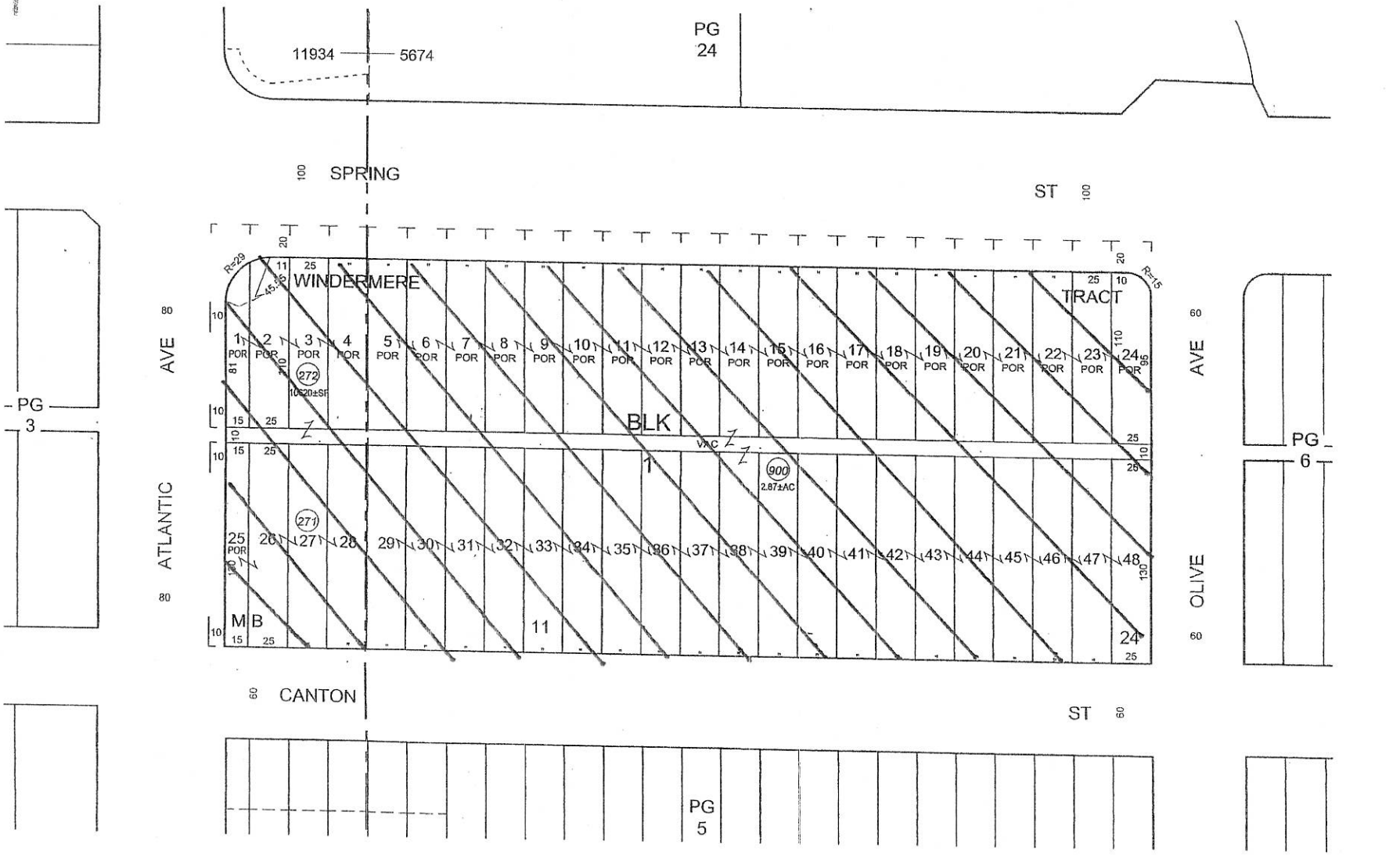

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2011

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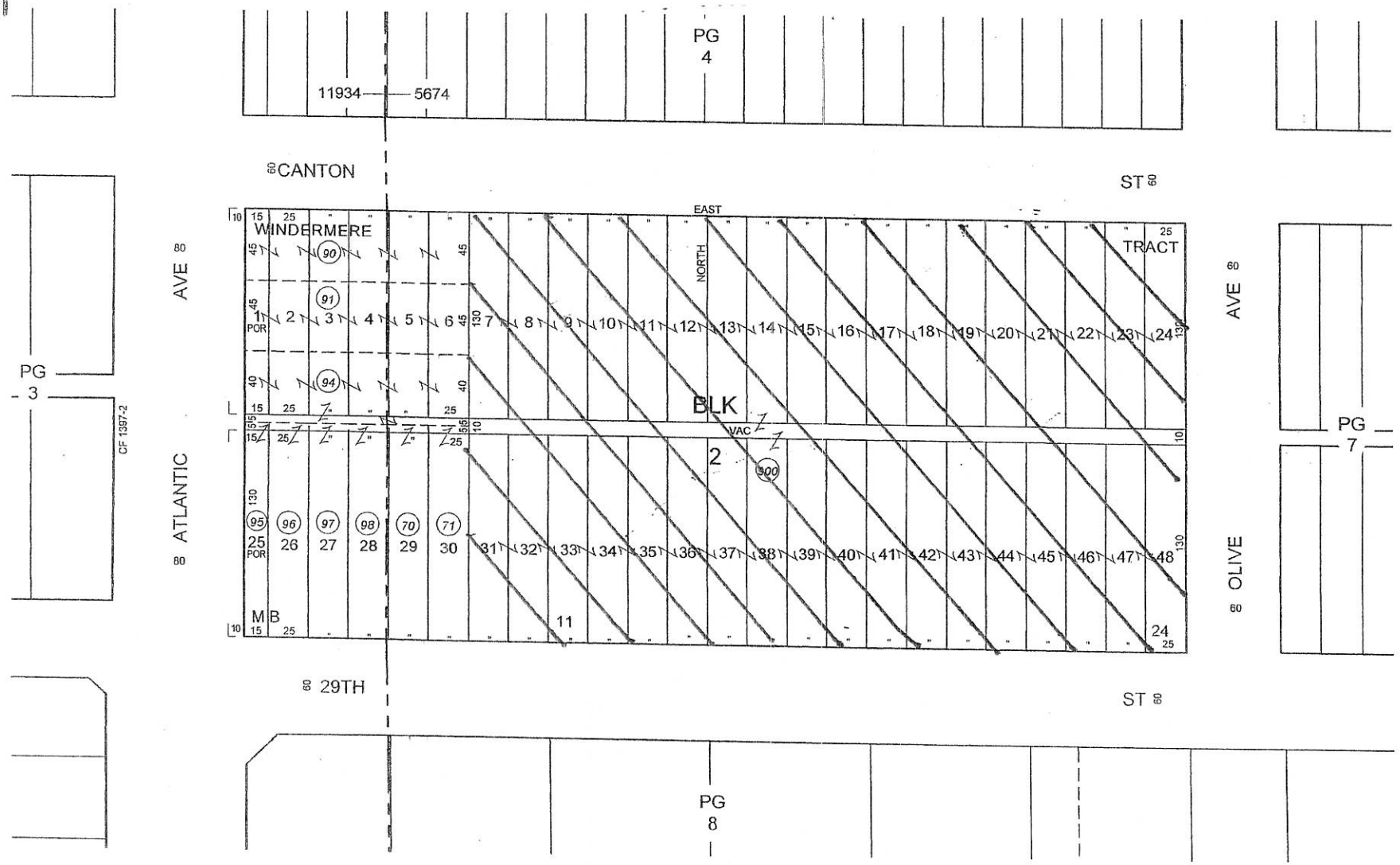

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700 Spring Street

Site	B
Lot Size	7.91 Acres
Potential Use	Auto Center
Tax Assessor Parcel #	7207-006-027 to 046 7207-006-055 to 081 7207-007-001 to 046

OIL WELLS

POTENTIAL AREA TO BE VACATED BY CITY

AREA TO BE DEDICATED TO CITY

HUD Heads up digitized (from scanned. georeferenced mylar map)

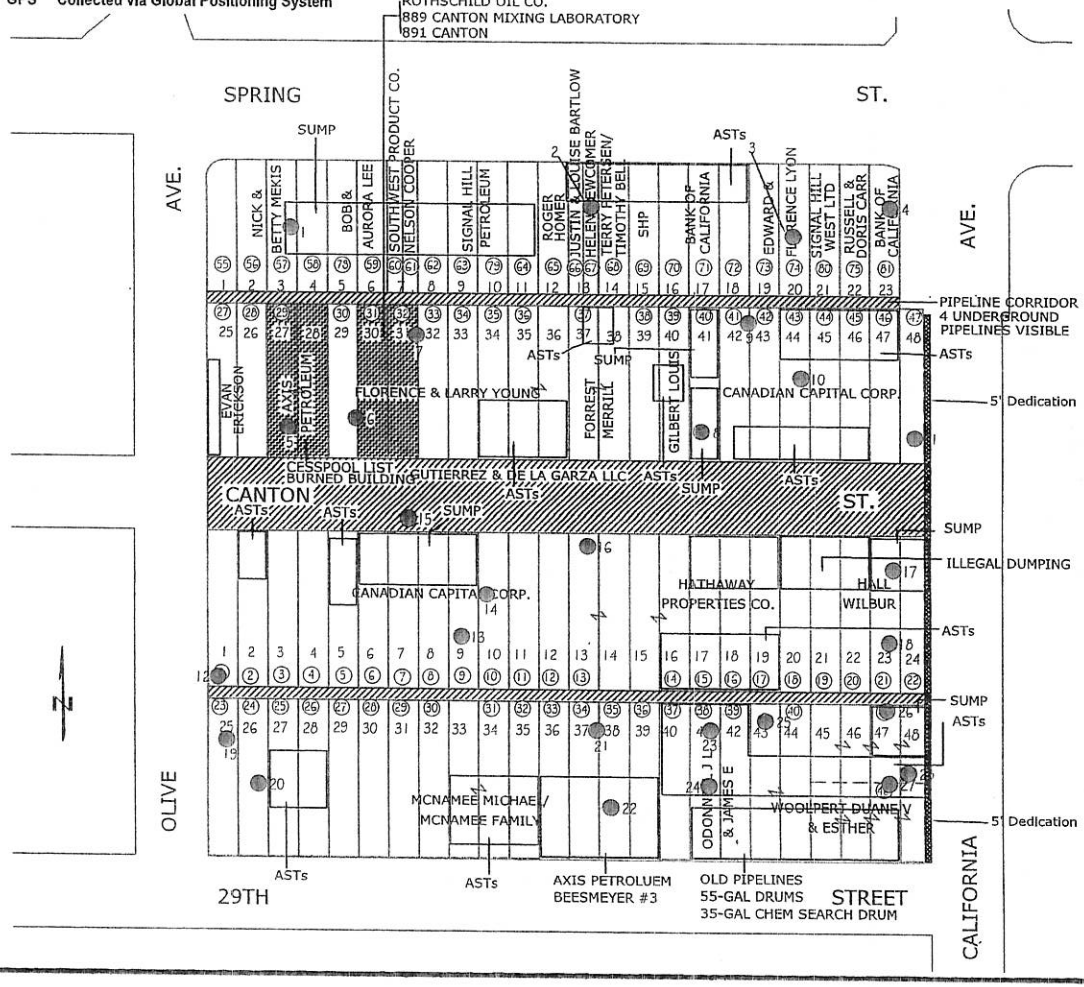
GPS Collected via Global Positioning System

NOTES:

1) **The locations of wells illustrated on this map are approximate and based on historic information supplied by the State Division of Oil & Gas. The actual locations for buried wells would be determined during excavation and grading operations.**

2) **The historic locations of oil well sumps and above ground storage tanks are approximate and based on historic aerial photographs, fire insurance maps and city records. Actual locations would be determined during Phase II environmental testing and grading operations.**

Composite of multiple lots



No.	OPERATOR	WELL DESIGNATION	API No.	WELL STATUS	DATE ABDN.
1	Signal Hill Petroleum, Inc.	B1	037- 10725	Abandoned	8/31/1992
2	Chevron U.S.A. Inc.	"Moore" 2	037- 10724	Abandoned	8/7/1939
3	Signal Hill Petroleum, Inc.	B3	037- 10726	Active	
4	Chevron U.S.A. Inc.	"Moore" 1	037- 10723	Abandoned	5/11/1928
5	Signal Hill Petroleum, Inc.	B2	037- 10427	Idle (Well Head)	
6	Axis Petroleum Co.	"Windemere" 1	037- 09212	Abandoned	4/0/1941
7	Rothschild Oil Co.	"Windemere" 2	037- 10426	Abandoned	11/27/1970
8	Signal Hill Petroleum, Inc.	B4	037- 09923	Abandoned	8/11/1992
9	Chevron U.S.A. Inc.	"Whittier" 21	037- 09821	Abandoned	11/7/1963
10	Chevron U.S.A. Inc.	"Whittier" 20	037- 09820	Abandoned	8/27/1986
11	Chevron U.S.A. Inc.	"Whittier" 22	037- 09822	Abandoned	- 11/7/1963
12	Nicolai & Hamilton	2	037- 06398	Abandoned	2/8/1968
13	Big Basin Devel. Co.	"Mills" 8	037- 09253	Abandoned	7/18/1928
14	Big Basin Devel. Co.	"Mills" 8-A	037- 09254	Idle (Buried)	
15	Graner Oil Co.	"Mills" 2	037- 10330	Abandoned	2/20/1972
16	Sun Exploration & Production Co.	"Rissman" 2	037- 09950	Abandoned	12/30/1980
17	Signal Hill Petroleum, Inc.	B8	037- 09951	Active	
18	Signal Hill Petroleum, Inc.	B9	037- 09949	Idle (Pump Unit)	
19	Carl Maier Syndicate	2	037- 10099	Abandoned	5/7/1951
20	Carl Maier Syndicate	4	037- 10100	Abandoned	6/11/1953
21	Carl Maier Syndicate	1-A	037- 10098	Abandoned	10/27/1944
22	Axis Petroleum Co.	"Beesemyer" 3	037- 10433	Active	
23	Signal Hill Petroleum, Inc.	B5	037- 10148	Idle (P/A)	
24	Sun Exploration & Production Co.	"O'Donnell" 43	037- 10149	Abandoned	6/27/1985
25	Signal Hill Petroleum, Inc.	B10	037- 10601	Idle (Pump Unit)	
26	Signal Hill Petroleum, Inc.	B11	037- 10147	Abandoned	12/10/2003
27	Crest Oil Co.	2	037- 09710	Abandoned	10/26/1977
28	Crest Oil Co.	1	037- 09709	Abandoned	12/5/1977

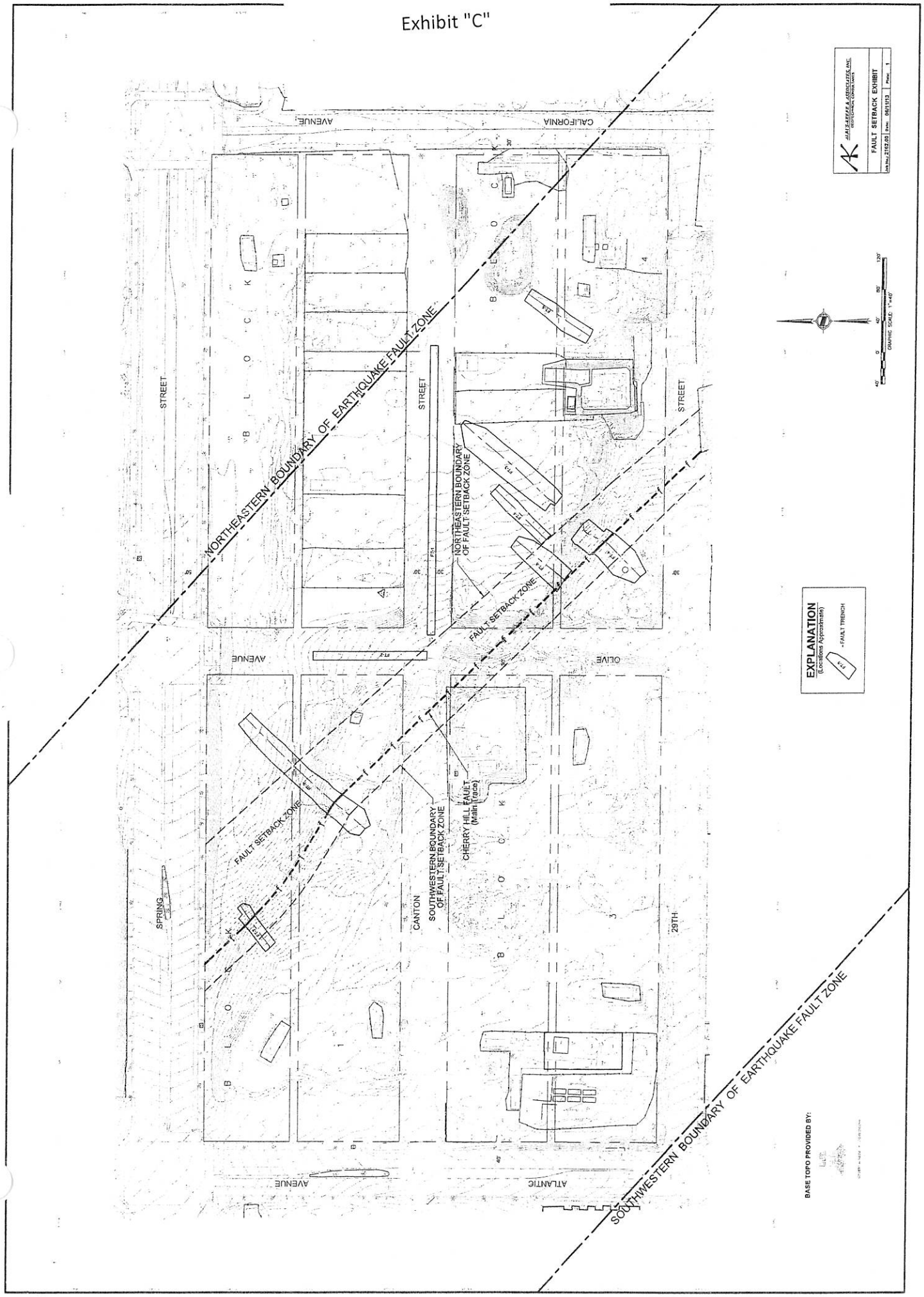
Exhibit No.	Property Owner	Property Description
A1	Axis Petroleum Co.	Lots 27 & 28 of Block 3 in the Windemere Tract
A2	Bank Of California	Lots 16, 17, 18, & 23 of Block 3 in the Windemere Tract
A3	Justin D. & Louise Bartlow	West half of Lot 13 of Block 3 in the Windemere Tract
A4	Signal Hill West, Ltd.	Lot 21 of Block 3 in the Windemere Tract
A5	Canadian Capital Corp.	Lots 41-48 of Block 3 in the Windemere Tract
A6	Russell & Doris Carr	Lot 22 of Block 3 in the Windemere Tract
A7	Nelson Cooper	East half of Lot 7 of Block 3 in the Windemere Tract
A8	Myron F. Erickson Trust	Lots 25 & 26 of Block 3 in the Windemere Tract
A9	Gutierrez & De La Garza, LLC	Lot 39 of Block 3 in the Windemere Tract
A10	Estate Wilbur Hall	Lots 21-24 of Block 4 in the Windemere Tract
A11	Hathaway Properties, Inc.	Lots 15-20 of Block 4 in the Windemere Tract
A12	Roger Homer	Lot 12 of Block 3 in the Windemere Tract
A13	Robert W. & Aurora Lee	Lots 5 & 6 of Block 3 in the Windemere Tract
A14	Gilbert Louis	Lot 40 of Block 3 in the Windemere Tract
A15	Florence & Edward Lyon	Lots 19 & 20 of Block 3 in the Windemere Tract
A16	McNamee Family Trust	Lots 25-40 of Block 4 in the Windemere Tract
A17	Nick A. & Betty C. Mekis	Lots 1-4 of Block 3 in the Windemere Tract
A18	Forrest L. Merrill	Lots 37 & 38 of Block 3 in the Windemere Tract
A19	Estate of Helen E. Newcomer	East half of Lot 13 of Block 3 in the Windemere Tract
A20	Estate of James O'Donnell	Lots 41 & 42 of Block 4 in the Windemere Tract
A21	Terry Petersen & Timothy Bell	Lot 14 of Block 3 in the Windemere Tract
A22	Signal Hill Petroleum	Lots 8-11 & 15 of Block 3 in the Windemere Tract
A23	Southwest Products Co.	West half of Lot 7 of Block 3 in the Windemere Tract
A24	Duane V. & Esther Woopert	Lots 43-48 of Block 4 in the Windemere Tract
A25	Florence E & Larry W. Young	Lots 29-36 of Block 3 in the Windemere Tract
A26	Canadian Capital Corp.	Lots 1-14 in Block 4 in the Windemere Tract

Exhibit "B"

700 Spring Street

Completed Acquisitions	**Old APN:**	**New APN:**	**Square Feet**
Homer	7207-006-065	7207-006-900	2,750
Carr	7207-006-075	7207-006-901	2,750
Newcomer	7207-006-067	7207-006-902	1,375
Bank of CA	7207-006-070,071,072, 081	7207-006-903 to 906	10,990
Hall/Sewell	7207-007-019, 020, 021, 022	7207-007-905 to 908	13,000
Hathaway	7207-007-014, 015, 016, 017, 018	7207-007-900 to 904	19,500
Louis-Default	7207-006-039	7207-006-936	3,250
Lyon-Default	7207-006-073, 074	7207-006-925 to 926	5,500
Merrill	7207-006-037	7207-006-907	6,500
Axis	7207-006-029	7207-006-908	6,500
Canadian Capital	7207-007-001 to 013,7207-006-040 to 047	7207-006-937 to 944, 7207-007-921 to 941	71,470
Mekis	7207-006-055, 056, 057, 058	7207-006-909 to 912	10,952
Southwest Products	7207-006-060	7207-006-945	1,375
O'Donnell-Default & Doyle, Shoultz	7207-007-038, 039	7207-007-909, 910	6,500
California Petroleum/Signal Hill West-Default	7207-006-080	7207-006-935	2,750
Signal Hill Petroleum	7207-006-062, 063, 064, 069, 079	7207-006-913 to 917	13,750
Bartlow, Justin/Louise	7207-006-066	7207-006-923	1,375
Nelson Cooper	7207-006-061	7207-006-918	1,375
Myron Erickson Trust	7207-006-027, 028	7207-006-919, 920	6,500
Gutierrez/De La Garza, LLC	7207-006-038	7207-006-934	3,250
Robert W. & Aurora Lee	7207-006-059, 078	7207-006-921, 922	5,500
Terry Petersen & Timothy Bell	7207-006-068	7207-006-924	2,750
McNamee	7207-006-023 to 037	7207-007-914 to 928	52,000
Young	7207-006-030 to 036	7207-006-927 to 933	26,000
Woolpert	7207-007-040, 045, 046	7207-007-911 to913	19,500
Surface Use Rights-700 Spring St.			
McNamee-Suface	7207-006-023 to 037	7207-007-914 to 928	52,000
Axis - Young-Surface	7207-006-030 to 036	7207-006-927 to 933	6,500

Exhibit "C"



NORTHEASTERN BOUNDARY OF EARTHQUAKE FAULT ZONE
SOUTHWESTERN BOUNDARY OF EARTHQUAKE FAULT ZONE
NORTHEASTERN BOUNDARY OF FAULT SETBACK ZONE
SOUTHWESTERN BOUNDARY OF FAULT SETBACK ZONE
FAULT SETBACK ZONE
FAULT SETBACK ZONE
CHERRY HILL FAULT (Main Trace)
CALIFORNIA AVENUE
OLIVE AVENUE
ATLANTIC AVENUE
SPRING STREET
CANTON STREET
29TH STREET
BLOCK
EXPLANATION
(Locations Approximate)
FAULT TRENCH
FAULT SETBACK EXHIBIT
GRAPHIC SCALE: 1"=40'
BASE TOPO PROVIDED BY:

Exhibit "D"

Current Environmental Condition of Site

There are 40 wells on the site. There are 5 active wells; 7 idle wells; and 28 abandoned wells. Of the abandoned wells, it is estimated that approximately 18 will need to be excavated and leak tested and potentially re-abandoned. The cost is estimated to be $150,000 per well, though costs may escalate all the way up to $500,000 per well. The total reabandonment cost is estimated to be $2.7 million.

The Phase II of the Environmental Site Assessment (ESA) for the property on Spring Street between California and Olive Avenues to 29th Street included 148 soil samples collected from 44 borings. The site was tested for soil gas. The test revealed the presence of volatile organic compounds, benezene, sec-butylbenzene, ethylbenzene, isoproprylbenzene, naphthalene and other potential pollutants. A Phase I ESA has been completed for the site on Spring Street between Olive and California Avenues to 29th Street. Based upon the history of the site as an oil field, the report recommends soil testing to determine the levels of asbestos, arsenic, drilling mud, diesel, benzene, total petroleum hydrocarbons and other pollutants.

The future developer of the site will be required to process a Human Health Risk Assessment application through the State of California. Permits will also be required from the South Coast Air Quality division. General soil remediation will also need to be completed.

The site is encumbered by the Newport-Inglewood fault which transverses the site. To date, there have been two fault lines studies completed on the site. In the second study, geologists discovered the main trace to the fault and have determined a setback area where only parking or open space will be allowed due to the seismic activity.

The estimated environmental remediation costs are as follows:

Task:	**Estimated Cost:**
Well Excavation Permits, Site Work, Testing of abandoned wells (28 wells)	$420,000
Well Re-abandonment (approx. 18 wells @ $150,000 each; cost may be higher up to $500,000)	$2,700,000
Remediation/Abandoned Pipeline Removal	$1,290,000
Human Health Risk Assessment (HHRA), AQMD Permits / Monitoring	$320,000
Seismic Study	$100,000
Total Estimated Environmental Remediation Cost:	**$4,830,000**

Exhibit "E"

The zoning for the "700 Spring Street" site is SP-4, Auto Center Specific Plan. The "Anastasi" property is zoned GI, General Industrial. The City will require that a Specific Plan be completed for both the "700 Spring Street" and "Anastasi" properties and that the site be planned as one larger, mixed use project. The project concept for the entire site is mixed use consisting of a hotel, medical offices serving Memorial Hospital, and retail uses. The project is compatible with Long Beach Memorial Hospital and medical office uses to the west, east, and south of the property and the Signal Hill Gateway center, which is immediately north of the property. It is envisioned that the project would be completed in phases.

The property's location and size allows for a mixed-use "gateway" development that will make an entry statement on the City's northwest boundary. The current underserved needs and expansion plans for the Memorial Medical Center Complex creates immediate and future opportunities. Memorial has the need for administrative uses as well as medical and training uses. This scenario would also have the added effect to enhance customer traffic for the balance of the property as Memorial employees and visitors would be drawn into the project. There is a current need for hospitality services (hotel and dining) and ancillary retail uses immediately adjacent to the Memorial campus.

The success of the Signal Hill Gateway center across the street from the property has shown the viability of targeted commercial uses for the area. The project concept includes pedestrian access to draw from Memorial, as well as retails anchors that will draw from the larger trade area. The concept plan also includes medium rise, condo style housing in a mixed use development. The key driver will be creating an inviting mixed-use urban oasis, leveraging a view component, easy freeway access, retail amenities, and a large base of employment within walking distance.

The earthquake fault zones, wells, and slopes will create on open space opportunity, since buildings cannot be developed within identified setback areas for fault zones. The plan envisions using open space to enhance pedestrian traffic within the project and to create a unique trail system. It is envisioned that this trail system will connect from the project to adjacent open space being planned in Long Beach and the City center. The future restored wetlands and open space in the adjoining Long Beach property will be an added amenity and a bridge for a citywide open space/trail system. The project would seek out partnerships with other developers and dedicated users (such as Memorial) that will enhance the project.

A. Build-Out Concept

The build-out of the project will be completed in multiple phases spanning several years.

1) The "Gateway Retail Parcel" – destination retail of such retail uses as general goods, groceries, and ancillary retail such as dry cleaners, food service, drug stores, etc., located on an approximate 7 acre parcel.

2) The "Hotel Parcel/Retail" – a suite-style hotel for Memorial guests, visitors, families, students, staff, and Signal Hill/Long Beach visitors, and associated retail located on an approximate 3 acre parcel.

3) The "Office/Retail Parcel" – mixed use medical and administrative offices feet in size, with support retail such as food services, located on an approximate 3 acre parcel.

Spring Street

Spring Street

Spring Street

City of Signal Hill-5
Long Range Property Management Plan
1400 E. Spring Street

Background Information	
• Map Reference	5
• Address	1400 E. Spring Street
• Assessor Parcel Numbers(s)	7212-008-906 – Exhibit "A"
• Current Zoning	SP-4 Auto Center Specific Plan
• Current Use	Signal Hill Auto Center Car Storage
• Original Seller	Texaco Exploration & Production, Inc. (TEPI)
• Original Appraised Value	$1,950,000 (9-7-04); $4,450,000 (2-14-07); $2,069,800 (2-2-11) – All appraisals excluded easement areas.
• Purchase Price	$926,119
• Primary and Supplemental Funding Sources	Tax Increment

- Property History

The site was (since at least the 1920's until at least 1989) an operating oil field. The site was part of a large oil field known as Texaco Exploration and Production, Inc. (TEPI) Oil Field Tract 32 (also known as the Long Beach Oil Field/Texaco Oil Tract 34). The site was comprised of 8-acres bounded by Spring Street to the North, Walnut Avenue to the East, East 29th Street to the South and Orange Avenue to the West. Tract 34 was used for the production of crude oil and natural gas from the 1920's through the 1990's.

The Los Angeles Regional Water Quality Control Board (LARWQCB) permitted Texaco to use the site as a soil remediation area. Soil containing crude oil residue was placed onsite in treatment cells, aerated and bioremediated until the clean-up goal of <1,000 mg per kg total petroleum hydrocarbons was achieved. Texaco conducted bio-remediation in 1991 through 1992 under the oversight board of the LARWQCB. The LARWQCB granted closure for the land treatment of crude-oil impacted soils in 1993.

The City acquired the site in 1993. Currently, the site is paved with asphalt, light poles, and a narrow landscaped area at the front of the site. The former Signal Hill Redevelopment Agency completed these improvements. It is used by an automobile dealership for overflow parking.

Parcel Information	
• Land Description	
Lot Size	3.15 acres w/ encumbrances; 2.38 acres / 103,490 SF net unencumbered land area.
Topography	The site is flat sloping towards East Spring Street.
Known Drainage Issues	Unknown
Known Ground Stability Issues	Unknown
• Building Description	
No. of Buildings	0
Building Area	n/a
Construction Type	n/a
Year Built	n/a
Improvement Data	Site is paved with a narrow landscaped area in front and security lighting throughout the site.
Vehicle Parking	300 spaces

Agency Revenue	
• Is Agency receiving lease or rental income for the private use of the property?	Yes X No_
• If Yes, indicate the amount of Agency's annual rent/lease income	$5,000 per month / $60,000 per year.
• If Yes, describe essential contract provisions (i.e., renter/lessee, term, rent calculations, restrictions/obligations, etc.)	Three D Holdings, LLC.
Environmental	
• Have any environmental tests or assessments been performed on the property?	Yes X__ No____
• If yes, describe the work performed and dates (i.e. Phase 1, Phase 2, borings, etc.)	Phase I ESA (1-29-07), Phase II ESA (8-10-07).
• If Yes, describe the current environmental condition of the site	There is an active well located at the southerly portion of the site. (Well No. SHWU-C4). There are three (3) previously abandoned oil wells on the site. One of the abandoned oil wells, (C-1) would need to be daylighted to determine if it is leaking. If it is leaking, the well needs be reabandoned. There is also one abandoned groundwater monitoring well (HK-6) that potentially would also need to be reabandoned prior to the development of the site. Phase II ESA results indicated pyrene, total petroleum hydrocarbons gas (TPH-g), speciated carbon chains, and metals including arsenic are present in the soil. Based upon these findings, a Human and Health Risk Assessment (HHRA) is recommended to evaluate the potential health impacts. A methane assessment would be required 30-days after rough grading as well as a soil management plan.
• Has the property been designated as a "Brownfield" site as defined by the US EPA?	Yes____ No X
• If No, would the property qualify for such a brownfield site designation?	Yes_____ No____ Unknown X
• Describe any remediation work performed on the property.	The Los Angeles Regional Water Quality Control Board (LARWQCB) permitted Texaco to use the site as a soil remediation area. Soil containing crude oil residue was placed onsite in treatment cells, aerated and bio-remediated until the clean-up goal of <1,000 mg per kg total petroleum hydrocarbons was achieved. Texaco conducted bio-remediation in 1991 through 1992 under the oversight board of the LARWQCB. The LARWQCB granted closure for the land treatment of crude-oil impacted soils in 1993.

Previous Development Proposals	
• Describe any previously proposed or solicited development plans for the property, including any short-term and/or long-term lease/rental arrangements.	Auto dealerships have been proposed here including a previous proposed Hyundai dealership in 2007. Currently, Glenn E. Thomas Dodge proposes developing a Fiat dealership at the site. Fiat is operating out of a temporary building at its dealership located at 2100 E. Spring Street.

Estimate of Current Property Value

Background:

The Signal Hill Redevelopment Agency purchased the property in 1993. The site is generally rectangular in nature and has frontage on Spring Street as well as 29th Street. Access from 29th Street is for the most part encumbered with oil well and pipeline easements.

Sales Comparison Approach:

A Sales Comparison Approach was used to evaluate the property and determine its value. The most recent appraisal is dated February 2, 2011. The appraisal was completed by R.P. Laurain & Associates.

Encumbrances on Property:

The site is encumbered with a pipeline easement, a joint use area, and two exclusive oil well and pipeline areas. There is an active well located at the southerly portion of the site. (Well No. SHWU-C4). There are three (3) previously abandoned oil wells on the site. One of the abandoned oil well (C-1) would need to be daylighted to determine if it is leaking. If it is leaking, the well needs be reabandoned. There is also one abandoned groundwater monitoring well (HK-6) that potentially would also need to be reabandoned prior to the development of the site. In addition, pursuant to Ordinance No. 2013-07-1459, more stringent standards would need to be followed concerning the development of buildings near, but not over previously abandoned oil wells.

Phase II ESA results indicate pyrene, total petroleum hydrocarbons gas (TPH-g), speciated carbon chains, and metals including arsenic are present in the soil. Based upon these findings, a Human and Health Risk Assessment (HHRA) is recommended to evaluate the potential health impacts. A methane assessment would be required 30-days after rough grading as well as a soil management plan.

Current Value:

The appraisal dated February 2, 2011 valued the net unencumbered land area at $2,069,800 or $20 per square foot. Glenn E. Thomas Dodge, Jeep, Chrysler, and Fiat offered to buy the property for $1,448,860 or $14 per square feet on May 31, 2012 for the development of a permanent Fiat dealership. Automobile dealerships are just beginning to

see increased sales after the Great Recession. The current value is based upon a land value of $14 to $20 per square foot.

The following deductions need to be taken for environmental remediation:

Deductions:

Human Health Risk Assessment:	$18,000
Methane Assessment:	$9,500
DOGGR File Review:	$1,500
Soil Management Plan:	$3,000
Potential Well Reabandonment:	$100,000 to $500,000
	-$132,000 to -$532,000

Value @ $20 per SF:	$2,069,800
Minus Deductions:	-$132,000 to -$532,000
Current Value:	$1,537,800 to $1,937,800

Value @ $14 per SF:	$1,448,860
Minues Deductions:	-$132,000 to -$532,000
Current Value:	$916,860 to $1,316,860

Reuse Assessment and Recommended Action	
• Describe the property's potential for transit-oriented development.	N/A
• Describe the reuse potential of the property in terms of advancing the Successor Agency's planning objectives.	Proposed development is consistent with SP-4 Auto Center zoning and Objective 1, of the Implementation Plan, Expand Auto Center Specific Plan.
• Permissible Use:	Market and sell to Glenn E. Thomas Dodge, Jeep, and Chrysler. Sell property at fair market value or in a manner aimed at maximum value. The proceeds will be used to pay for enforceable obligations.

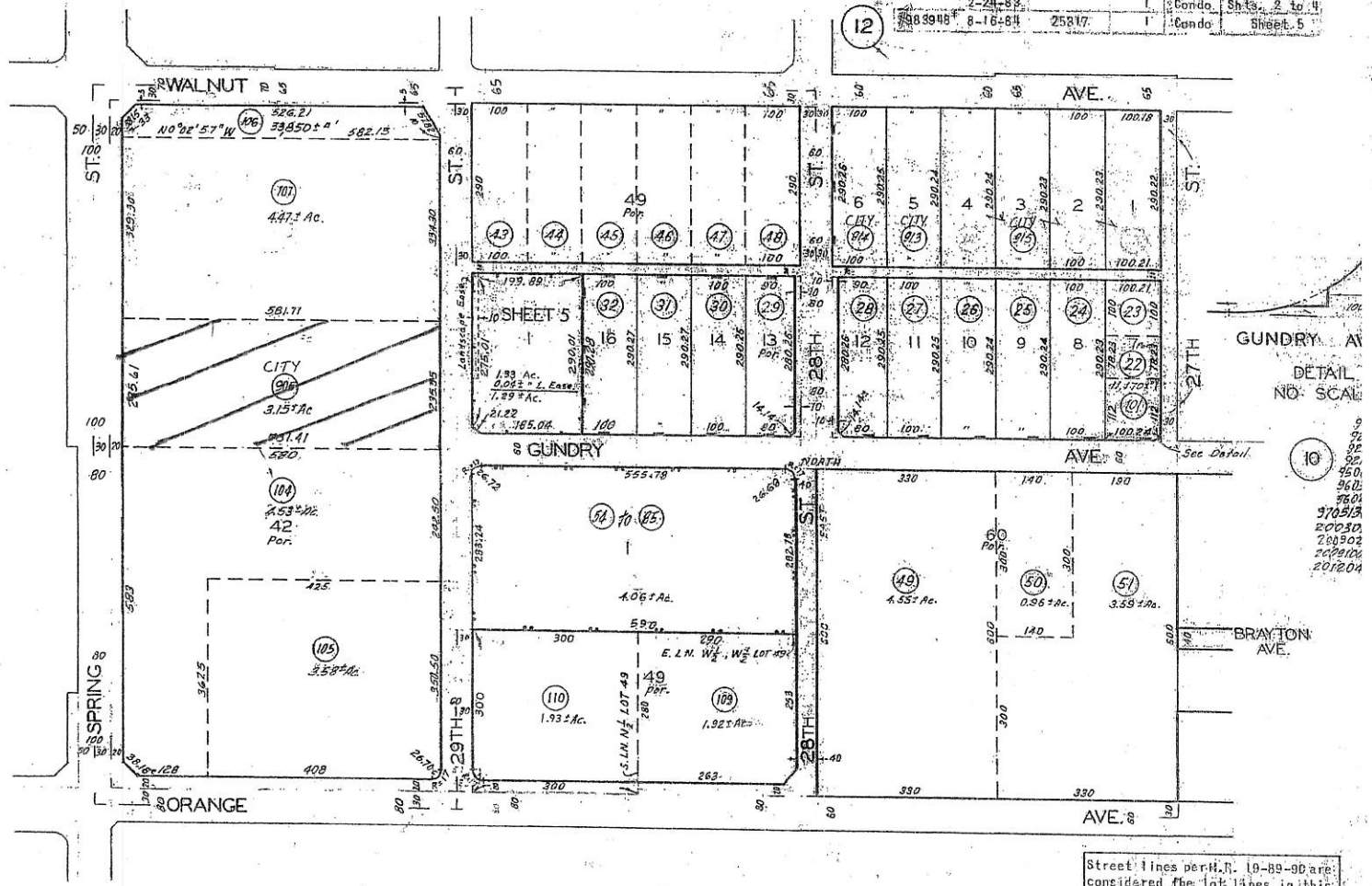
7212 8
SHEET 1
200'

2073

Diagrammatic depicts approximate dimensions.

The assessment of units in the following Condominium Plans, includes all rights and interests in the common areas as set forth in deeds of record.

Condominium Plan Reference	Common Area Tract No.	Lots	Units	Subdivision of Airspace
#528957	5-28-81 P.M. 137-5			
#209379	Amended 2-24-83	1	Condo	Shts. 2 to 4
#383948	8-16-84 25317	1	Condo	Sheet 5



Street lines per H.R. 19-89-90 are considered the lot lines in this tract, although the divisions of some lots are measured from the centerlines of the streets.

AMERICAN COLONY TRACT M.R. 19-89-90
TRACT NO. 4092 M.B. 46-88
CONDOMINIUM
TRACT NO. 35317 M.B. 1038-37-38

CONDOMINIUM PARCEL MAP P.M. 137 - 5

EXHIBIT "A"

CODE 5674

FOR PREV. ASSMT. SEE 7212 - 2 TO 7

COUNTY OF [illegible], CALIF.

1400 E. Spring Street

City of Signal Hill-6
Long Range Property Management Plan
Address: 1850 E. 28th Street

Background Information	
• Map Reference	6
• Address	1850 E. 28th Street
• Assessor Parcel Numbers(s)	7212-012-901 to 916 (See Exhibit "A")
• Current Zoning	SP-4 – Auto Center Specific Plan
• Current Use	Unimproved
• Original Seller	Multiple Owners (See Exhibit "B")
• Original Appraised Value	$635,530
• Purchase Price	$955,895.75
• Primary and Supplemental Funding Sources	Tax Increment
• Property History The site was historically used for oil fields. Since 1994, a portion of the site has been used for a contractor's storage yard of pre-treated lumber, trucks, forklifts, cement mixers, trailers, and oil field supplies.	
Parcel Information	
• Land Description	
Lot Size	1.15 acres / 50,094 sq. ft.
Topography	The site slopes west and southwest and is unpaved.
Known Drainage Issues	Drainage is by percolation and sheetflow towards 28th St. to the north.
Known Ground Stability Issues	Unknown
• Building Description	
No. of Buildings	0
Building Area	N/A
Construction Type	N/A
Year Built	N/A
Improvement Data	N/A
Vehicle Parking	N/A
Agency Revenue	
• Is Agency receiving lease or rental income for the private use of the property?	Yes____ No X
• If Yes, indicate the amount of Agency's annual rent/lease income	N/A
• If Yes, describe essential contract provisions (i.e., renter/lessee, term, rent calculations, restrictions/obligations, etc.)	
Environmental	
• Have any environmental tests or assessments been performed on the property?	Yes X No____
• If yes, describe the work performed and dates (i.e. Phase 1, Phase 2, borings, etc.)	Phase I environmental site assessment – 3/12/08. Phase II environmental site assessment– 12/16/08. Soil samples collected from 9 locations.
• If Yes, describe the current environmental condition of the site	3 oil wells on site; 1 active and 2 presumed to be inactive. 5 previously abandoned oil wells. Volatile

is encumbered with the the Signal Hill West Unit Agreement (also known as a Surface Use Agreement) which allows the Unit Operator (Signal Hill Petroleum) to explore, develop and conduct oil operations. The Signal Hill West Unit Agreement was recorded on March 1, 1972, as Document No. 3250. The subject property represents the Unit Tract Nos. 115 and 125, "Rothschild Oil Company Jonah Jones Jr. Community Lease."

The intent of the Unit Agreement is "to provide for the cooperative development of operation of the tracts and for the sharing of Unitized Substances." The Unit Agreement grants, from the Working Interest owners, to the Unit Operator, the exclusive right to conduct unit operations. The unit operator has the right to use as much of the surface of the land within the unit area as deemed necessary for reasonable unit operations together with the right to use all of the subsurface of the land within the unit area, subject to underlying oil and gas leases. The term of the Unit Agreement is based on the number of barrels of oil derived from the entire unit.

The site consists of one active water injection well, two idle wells, and five abandoned wells as well as pipelines. Pursuant to Ordinance No. 2013-07-1459, more stringent standards would need to be followed concerning the development of buildings near, but not over previously abandoned oil wells.

Based upon the sites historical use, contamination exists on the property. The estimated cost to complete a Human Health Risk Assessment (HRA) with the Office of Environmental Human Health Assessment (OEHHA), as well as soil remediation and removal and oil well/well related work (includes: pipeline removal, AQMD permit, venting daylighting and abandonment) is $949,520 - $2,549,520.

The site is generally flat and unimproved. The appraiser took the surface rights and environmental remediation, specifically the soil remediation/removal into consideration when completing his appraisal. The site was generally valued at $7 to $8 per square foot. The property was appraised for $625,130 in 2008/2009.

Current Value:

Real estate values have stablized in the commercial and industrial markets. In 2012, the City completed an appraisal for a property close to the site at 859 Patterson Avenue. This property is 6,250 square foot and was valued at $14 per square foot using a sales comparison approach. Using this value as a guide, the value of the 1850 E. 28th Street site is:

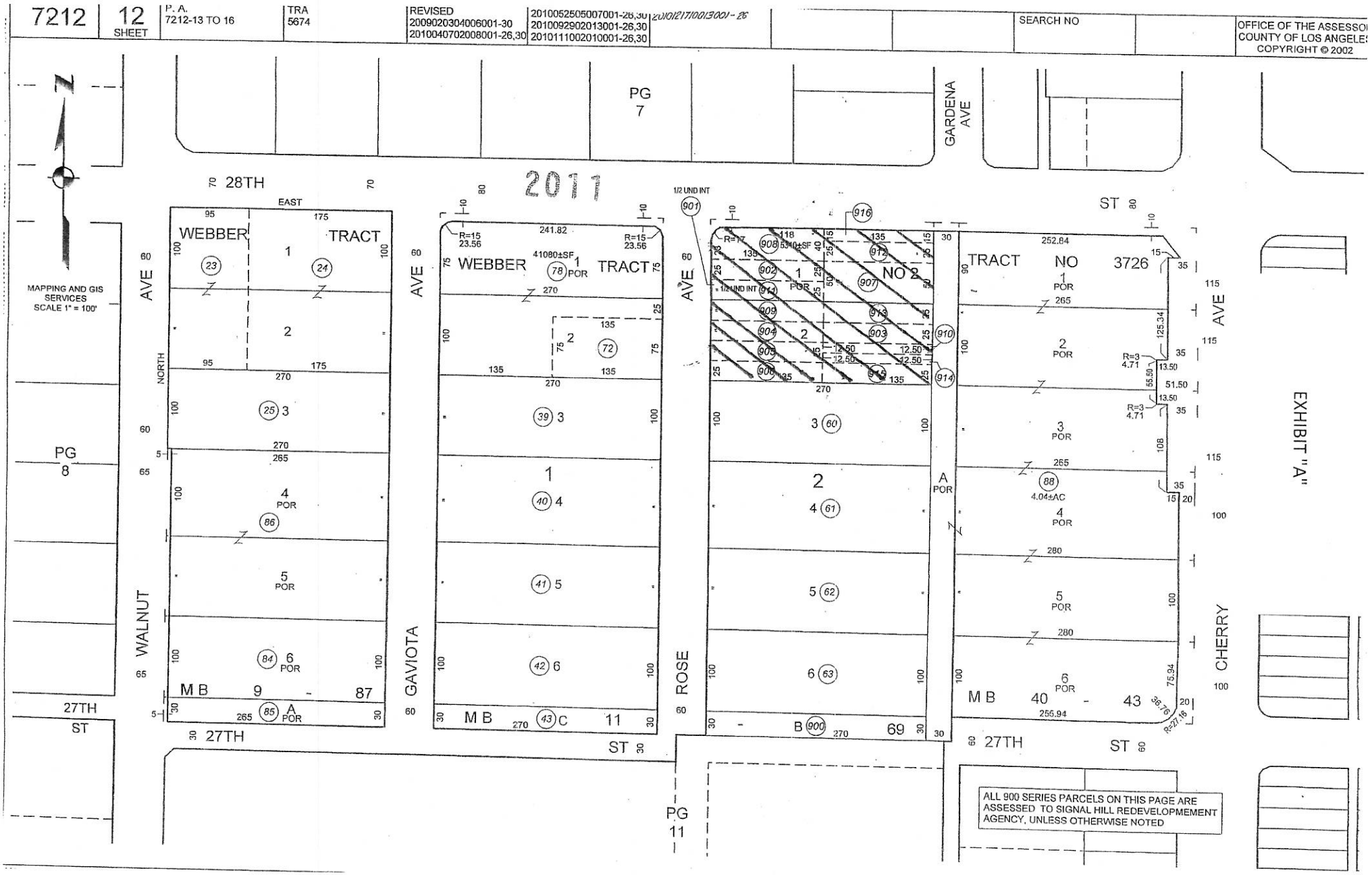
50,094 SF @ $14.00 = $701,316

The site is constrained by surface rights and environmental contamination. The deductions to the value of the site are as follows:

Surface Uses @ $2.00 SF = -$100,188
Enviromental Remediation = -$949,520
Value = -$348,392

This value represents the Reuse Value of the property.

Reuse Assessment and Recommended Action	
• Describe the property's potential for transit-oriented development.	N/A.
• Describe the reuse potential of the property in terms of advancing the Successor Agency's planning objectives.	The development of this site separately or in conjunction with a commercial development or for vehicle storage for the Auto Center is consistent with Objective 3 of the in the Five Year Redevelopment Agency Implementation Plan for Years FY 2010-11 through FY 2014-15. In the Implementation Plan, properties within this area are identified for the expansion and enhancement of the Town Center and Cherry Corridor.
• Permissible Use:	Market and sell. Sell property at fair market value or in a manner aimed at maximum value. The proceeds will be used to pay for enforceable obligations.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COUNTY OF LOS ANGELES
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27TH ST
WALNUT AVE
GAVIOTA AVE
ROSE AVE
CHERRY AVE
WEBBER TRACT
TRACT NO 2
TRACT NO 3726
M B 9 - 87
M B 270 43 C 11
M B B 900 270 69
M B 40 - 43
ALL 900 SERIES PARCELS ON THIS PAGE ARE ASSESSED TO SIGNAL HILL REDEVELOPMEMENT AGENCY, UNLESS OTHERWISE NOTED
EXHIBIT "A"

1850 28th Street

Site	D
Lot Size	1.15 Acres
Tax Assessors Parcel #	7212-012-045 to 077
Rezone	From: GI-General Industrial To: SP-4 Auto Center Specific Plan

Composite of multiple lots

No.	OPERATOR	WELL DESIGNATION	API NO.		WELL STATUS	DATE ABDN.	LOCATION SOURCE.
1	Signal Hill Petroleum, Inc.	C48	037-	08779	Idle (Well Head)		GPS
2	Signal Hill Petroleum, Inc.	C54	037-	09920	Active		GPS
3	Sun Exploration & Production Co.	"Dye" 4	037-	09921	Abandoned	07/05/1973	HUD
4	Signal Hill Petroleum, Inc.	C49	037-	08778	Idle (Pump Unit)		HUD
5	Harry S. Rothschild	"Yunker" 2	037-	09915	Abandoned	04/03/1951	HUD
6	Yunker, Morton & Dolley	"Associates" 1	037-	12190	Abandoned	08/27/1970	HUD
7	Atlantic Oil Co.	1	037-	09318	Abandoned	04/29/1968	HUD
8	Signal Hill Petroleum, Inc.	C55	037-	10599	Abandoned	06/23/1994	HUD

NOTES:

1) The locations of wells illustrated on this map are approximate and based on historic information supplied by the State Division of Oil & Gas. The actual locations for buried wells would be determined during excavation and grading operations.

2) The historic locations of oil well sumps and above ground storage tanks are approximate and based on historic aerial photographs, fire insurance maps and city records. Actual locations would be determined during Phase II environmental testing and grading operations.

● OIL WELLS

HUD Heads up digitized (from scanned, georeferenced mylar map)
GPS Collected via Global Positioning System

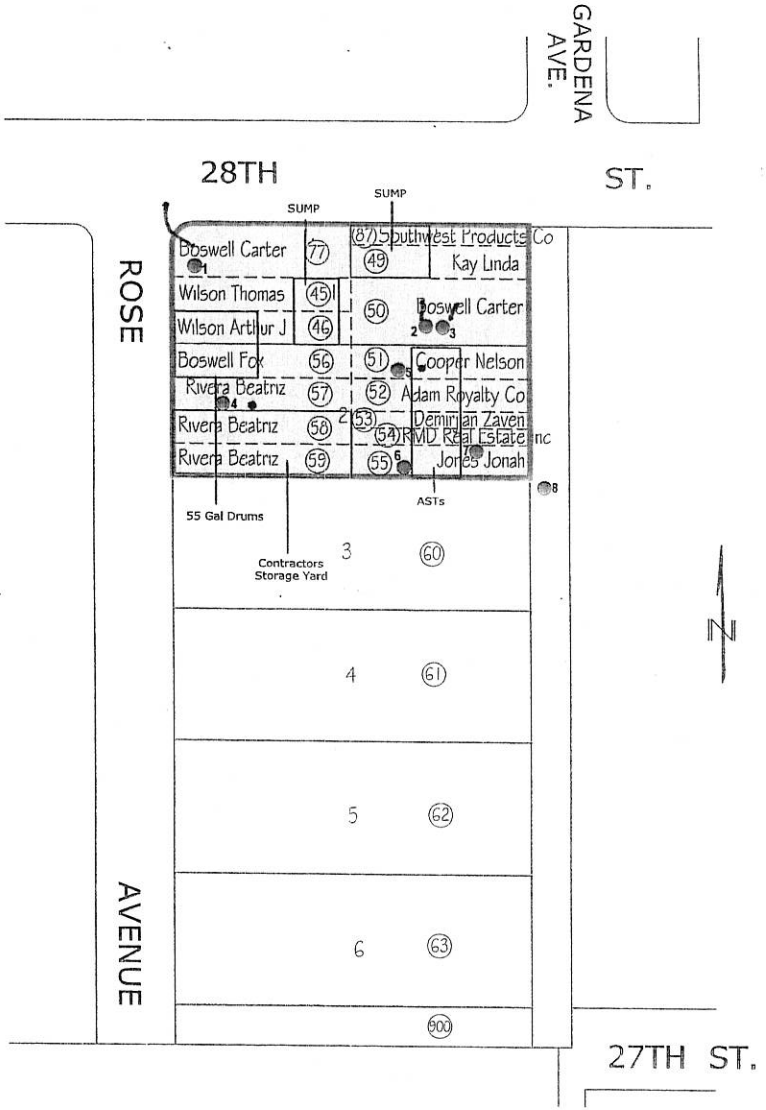


Exhibit "B"

Former Property Owners: 1850 E. 28th Street

	Name	Parcel Number	Size of Parcel
1.	Thomas Wilson	½ 7212-012-901, 7212-012-902	5,063 sq. ft.
2.	Arthur J. Wilson	7212-012-911	1,688
3.	Linda Kay	7212-012-912	3,375
4.	Carter Boswell	7212-012-907, 908, 909	15,463
5.	Nelson Cooper	7212-012-913	3,375
6.	Adam Royalty	7212-012-903	3,375
7.	Zaven Demirjian	7212-012-910	1,688
8.	RMD Real Estate	7212-012-914	1,688
9.	Jonah Jones	7212-012-915	3,375
10.	Beatriz Rivera	7212-012-904, 905, 906	10,125
11.	Southwest Productions Co.	7212-012-916	2,025

1850 E. 28th Street

City of Signal Hill-7
Long Range Property Management Plan
Address: 27th Street / Cherry Avenue Corridor

Background Information	
• Map Reference	7
• Address	2650,2660,2690 Cherry Avenue ("2690") 2700-2730 Cherry Avenue ("2700"), 2065-2099 E. 27th Street, 2701 St. Louis Avenue ("2065")
• Assessor Parcel Numbers(s)	See Exhibit "A"
• Current Zoning	SP-4 Auto Center Specific Plan (2690) CI – Commercial Industrial (2700,2065)
• Current Use	2690 – Building is vacant. 2700- Building is leased. 2065 – Building is leased with 1 vacancy.
• Original Seller	Multiple – See Exhibit "A"
• Original Appraised Value	$3,546,000 (all parcels)
• Purchase Price	$5,267,480 (all parcels)
• Primary and Supplemental Funding Sources	Tax Increment

- Property History

This site was acquired from three separate owners. The history of each property is described below:

2690 – The City's address files show previous land uses including: auto body repair, radiator repair, auto and truck repair, metal fabrication, machine shop, oil well, and construction supplies and contractor storage. Prior to the 1940's the lots had cesspools. At the time of acquisition, there was an appliance store called American Appliance at 2689 St. Louis Avenue, a deli called The Giant Grinder Deli, and a Hertz Rent-A-Car business.

2700 – Historical uses of the property include oil production, accountant offices and auto equipment and oil equipment repair. Historic uses at 2730 include an above ground storage tanks and a large sump, a 5,000-gallon gasoline tank and pump, automotive use and manufacturing using epoxy, flammable liquids and certified peroxides in a building that had dirt floors. The current use of the property is office space. There is also a light industrial compressor business in the warehouse.

2065 – Historical uses include industrial and commercial, such as engine repair, automobile repair, machine manufacturing and repair, electric generator repair, oil well equipment servicing, warehouse storage and insurance offices. Current uses include an automobile mechanic, storage uses, a beauty salon, permanent make-up business and a graphic designer. There are currently 9 businesses leasing space in this building.

Parcel Information	
• Land Description	
Lot Size	86,100 SF, 1.98 acres
Topography	Relatively level and at grade w/ adjacent streets.
Known Drainage Issues	Drainage for 2690 flows to the north onto 27th St; 2730 drainage flows to Cherry Ave. and East 27th St; and 2065 drainage flows to East 27th St, and St. Louis Ave.
Known Ground Stability Issues	Unknown

• Building Description	
No. of Buildings	2690- 1 story building. 2730- 2-story office building, 1-story office and warehouse space 2065 – 3 buildings; appear as one building. Portions are two-story (2075, 2099)
Building Area	
Construction Type	2690 - Mixed construction: wood frame and stucco, wood siding, concrete block, and corrugated metal siding. 2730 - Wood frame and stucco and 1 building of mixed construction 2065 - 2 metal buildings, 1 wooden frame and stucco building. All 3 buildings improved with wood siding; made to look like one building. There are 2 open air garage bay with a weather canopy.
Year Built	2690 – 1930 2730 – 1946 2065 – 1953, 1981
Improvement Data	
Vehicle Parking	2690 – Surface parking; approximately 40 spaces and unimproved land with the potential for parking if improved. 2730 – 6 spaces at 2700-2728; 12 spaces at 2730. 2065 – No parking spaces.
Agency Revenue	
• Is Agency receiving lease or rental income for the private use of the property?	Yes X__ No ___
• If Yes, indicate the amount of Agency's annual rent/lease income	2690 – None. 2730 – $67,126.09 Received in 2012. 2099 – Approximately $25,000 annually.
• If Yes, describe essential contract provisions (i.e., renter/lessee, term, rent calculations, restrictions/obligations, etc.)	See Exhibit "B"
Environmental	
• Have any environmental tests or assessments been performed on the property?	Yes X No____

• If yes, describe the work performed and dates (i.e. Phase 1, Phase 2, borings, etc.)	2690 – Phase I ESA and Phase II ESA. 2730 – Phase I ESA. 2099 – Phase I ESA.
• If Yes, describe the current environmental condition of the site	See Exhibit "C"
• Has the property been designated as a "Brownfield" site as defined by the US EPA?	Yes____ No X
• If No, would the property qualify for such a brownfield designation?	Yes___ No____ Unknown X
• Describe any remediation work performed on the property.	None.
Previous Development Proposals	
• Describe any previously proposed or solicited development plans for the property, including any short-term and/or long-term lease/rental arrangements.	Lease agreements previously discussed in Exhibit "B"

Estimate of Current Property Value

Background:

The Signal Hill Redevelopment Agency purchased this 1.98 acre site located at Cherry Avenue and 27th Street in 2010-2011. The property was acquired in the second phase of a larger property acquisition program that began in 2008. There were 3 separate acquisitions and 28 parcels.

The site consists of 6 buildings and 2 garage bays. The property currently has access from Cherry Avenue, 27th Street and St. Louis Avenue. There are currently 6 abandoned wells on the site that will need to be daylighted and potentially reabandoned.

In addition, policy changes by the Division of Oil, Gas, and Geothermal Resources (DOGGR) will significantly impact how this site will be developed. Since 1989, the agency provided a review process for property owners and well owners to abandon and re-abandon their wells. The Construction Site Plan Review Program included a DOGGR certification of the proposed development's site plan, a letter to the City, and a stamped site plan allowing for structures and improvements to be constructed either adjacent to (within 10 feet) or on top of abandoned oil wells, based upon DOGGR guidelines.

In October 2011, DOGGR terminated its 22-year policy and no longer provides a certification and stamped site plan, which shifts the liability of building on top or near wells from the state to the City. Since then, the City has undertaken an analysis of what standards must be required by the City's oil code. The City had to adopt an urgency ordinance in 2011 setting interim standards which prohibited the development of buildings on top of or near abandoned or re-abandoned oil wells. Then in 2013, the City adopted

Ordinance No. 2013-07-1459 which adopts standards for development near previously abandoned oil wells, but not over them. These new requirements will further complicate the development of this site.

At a staff level, staff has discussed the potential of closing 27th Street between Cherry Avenue and St. Louis Avenue to increase the size of the site to 2.3 acres. The Planning Commission already took action to close the alley roughly from 2690 Cherry Avenue to 27th Street pursuant to Resolution No. 589-03-08.

Sales Comparison Approach:

The site was appraised by Flavell and Tennenbaum & Edwards in 2009-2010. A sales comparison approach was used.

Encumbrances on Property:

The site is encumbered by six (6) wells that have been abandoned. This is indicative of Signal Hill's rich oil history that began in the 1920's when oil was discovered. Additional environmental work needs to be completed prior to the site's development. The estimated cost to complete this work is $1,027,010 to $3,407,070.

Each site was appraised separately and consideration was taken for the environmental encumbrances. Individually, 2690 was appraised for $1,860,000 (4/09), 2700 was appraised for $976,000 (8/10); and 2065 was appraised for $710,000 (9/10). The total appraised value of the site was $3,546,000 at the time.

Current Value:

Real estate values have stablized in the commercial and industrial markets. In 2012, the City completed an appraisal for a property close to the site at 859 Patterson Avenue. This property is 6,250 square foot and was valued at $14 per square foot using a sales comparison approach. The value of the site has also been calculated at $25 per square foot since this is the current per square foot price that the private sector is offering for a 6.1-acre property at 2950 Walnut Avenue, an automobile dealership site. Using this value as a guide, the value of this site is:

@ $14 = $1,205,400

@$ 25 = $2,152,500

The site is constrained by environmental contamination. The deductions to the value of the site are as follows:

Environmental Remediation -$1,207,010 to -$3,407,070
Value: @ $14 = ($1,600) to (2,201,670)
Value: @ $25 = $945,490 to $ ($1,254,570)

Reuse Assessment and Recommended Action

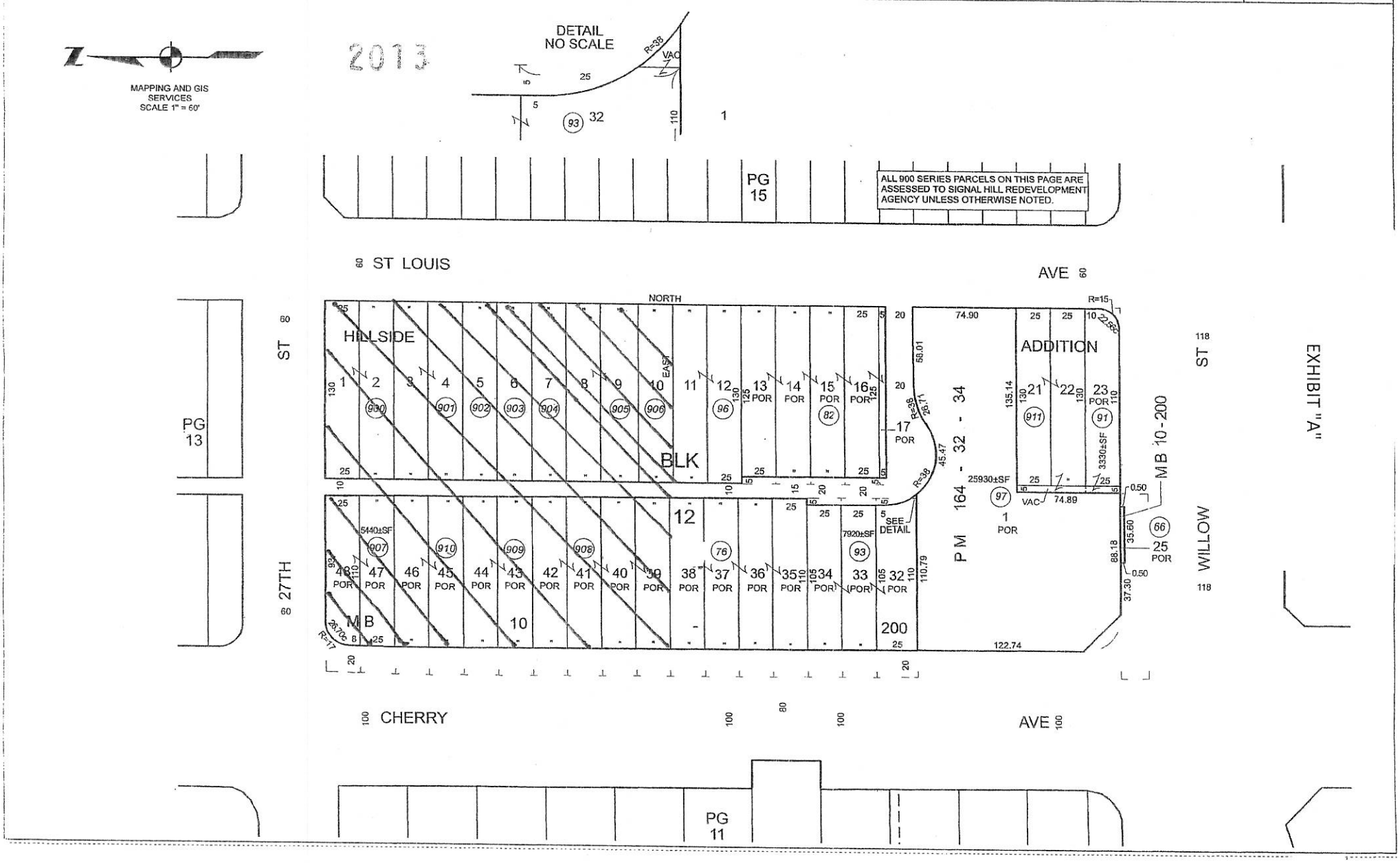
• Describe the property's potential for transit-oriented development.	Close to public transportation.
• Describe the reuse potential of the property in terms of advancing the Successor Agency's planning objectives.	The development of the site for commercial use is consistent with Objective 3 of the in the Five Year Redevelopment Agency Implementation Plan for Years FY 2010-11 through FY 2014-15. In the Implementation Plan, properties within this area are identified for the expansion and enhancement of the Town Center and Cherry Corridor. The development of the site for auto center expansion is consistent with Object 1 of the Implementation Plan.
• Permissible Use:	Transfer to the City and retain for future development pursuant to HSC §34191.5 (c)(2). It is the City's intent to enter into a compensation agreement with the affecting taxing entities.

Exhibit "A"

Cherry Avenue & 27th Street

Completed Acquisitions:	Address:	Old APN:	New APN:	Sq. Ft.	Acres
Palmer	2690 Cherry Ave.	7212-014-50 thru 56, 77-80	7212-014-900 to 911	63,162	1.45
Alma Kathy Walker	2700-2730 Cherry Ave.	7212-013-035	7212-013-900	16,438	0.38
Philicia and Mary Lund	2065-2099 St. Louis Ave., 2701 St. Louis Ave.	7212-013-022	7212-013-902	6,500	0.15

7212	14 SHEET	P. A. 7213 - 10 & 11	TRA 5674	REVISED 91022805010001-27 2011060304004011-26	2012050805018001-26				SEARCH NO S		OFFICE OF THE ASSESSOR COUNTY OF LOS ANGELES COPYRIGHT © 2002



7212	13 SHEET	P. A. 7213 - 8 & 9	TRA 5674	REVISED 1998112404003001-27 2010030410012001-26	2010092902014001-26 2011020207008001-26 2011022210014001-26				SEARCH NO		OFFICE OF THE ASSESSOR COUNTY OF LOS ANGELES COPYRIGHT © 2002

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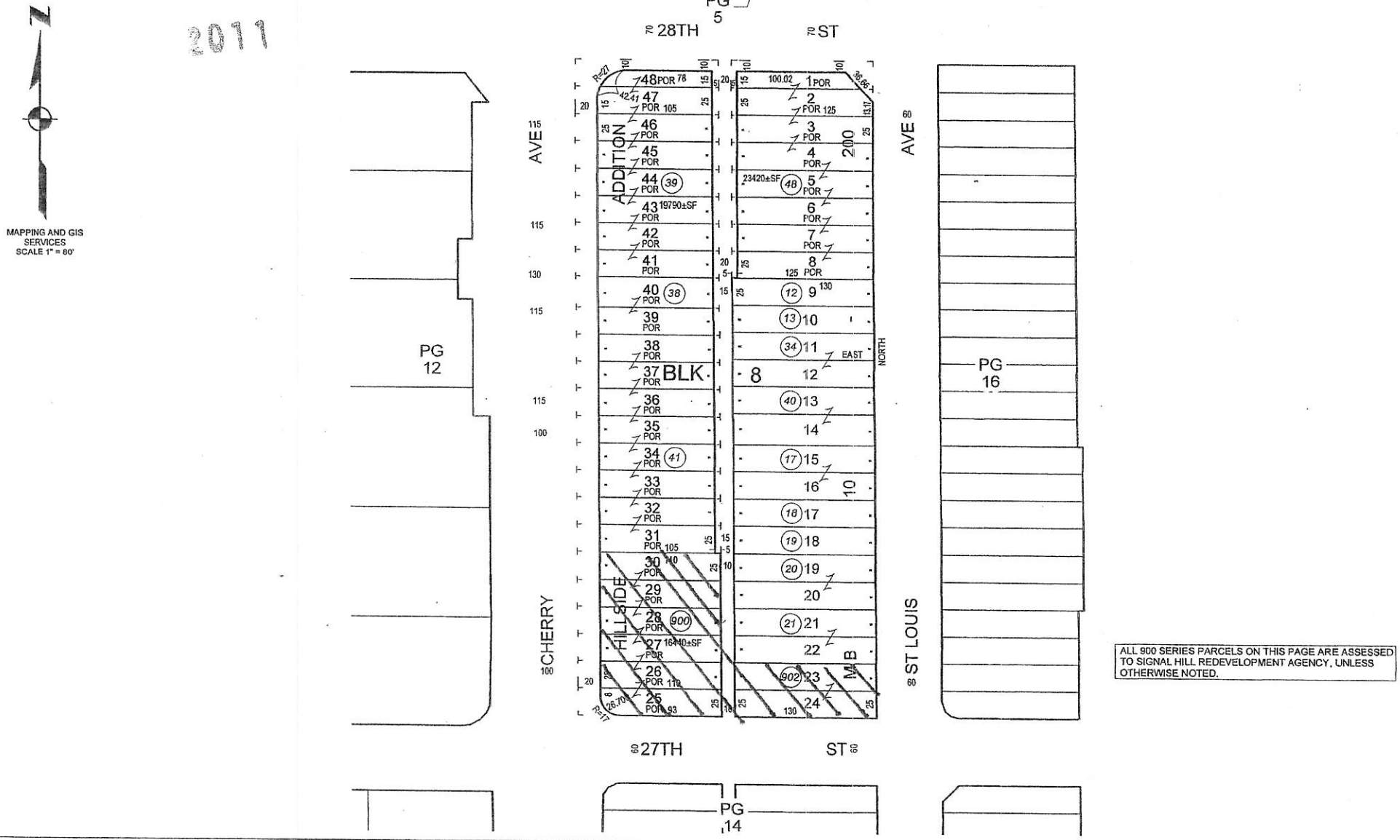
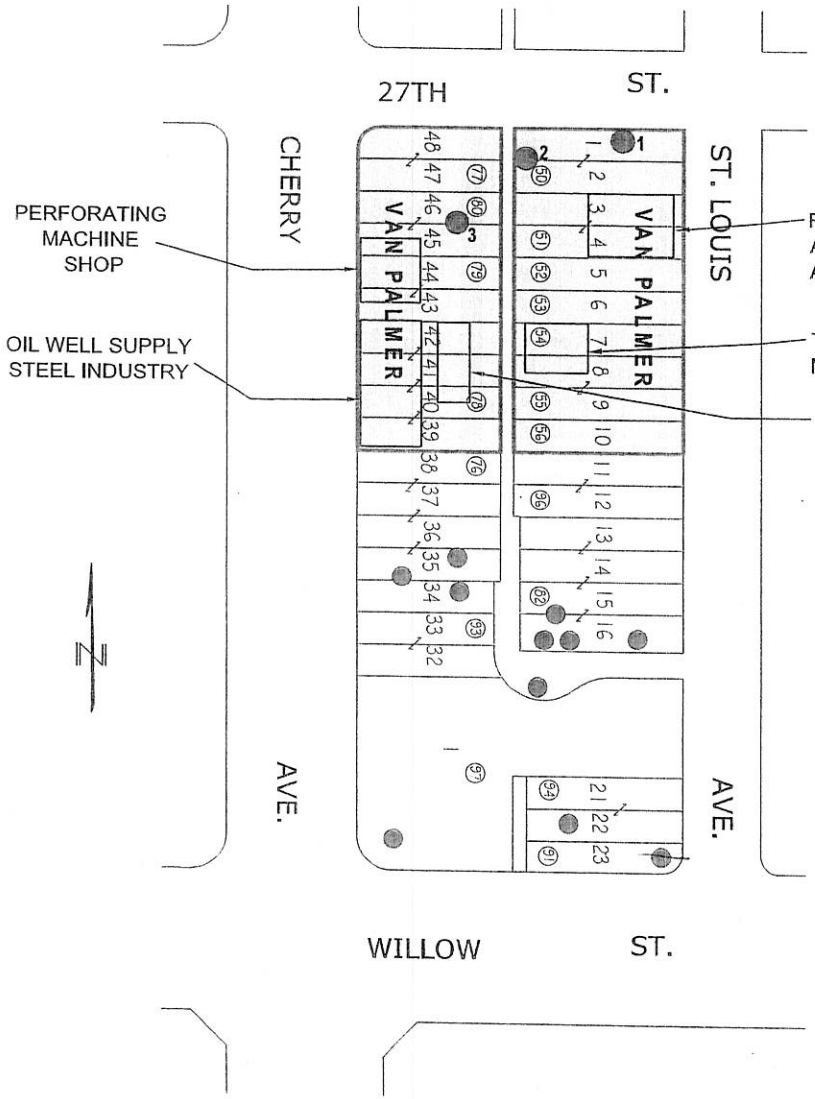


ALL 900 SERIES PARCELS ON THIS PAGE ARE ASSESSED TO SIGNAL HILL REDEVELOPMENT AGENCY, UNLESS OTHERWISE NOTED.



2690 Cherry Avenue

Site	E
Location	Van Palmer
Lot Size	1.45 Acres
Potential Use	Auto Center
Tax Assessors Parcel #	7212-014-050 to 080

Composite of multiple lots

NOTES:

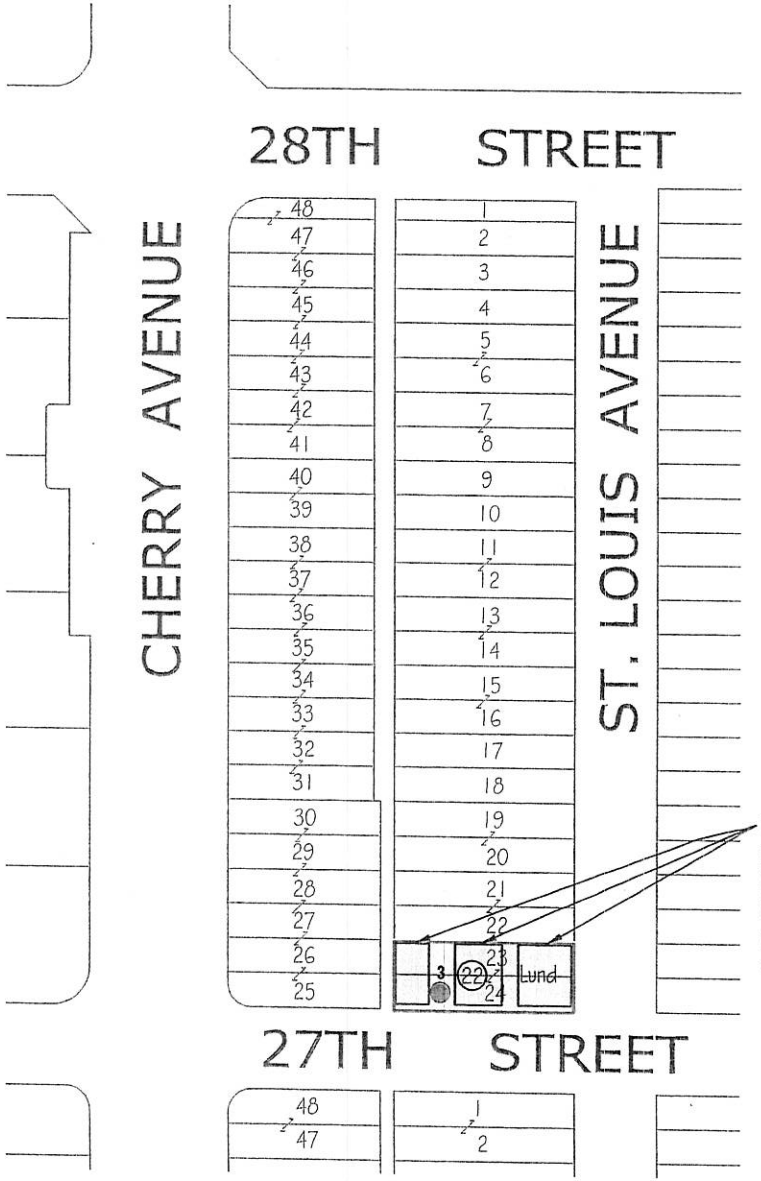
1) **The locations of wells illustrated on this map are approximate and based on historic information supplied by the State Division of Oil & Gas. The actual locations for buried wells would be determined during excavation and grading operations.**

2) **The historic locations of oil well sumps and above ground storage tanks are approximate and based on historic aerial photographs, fire insurance maps and city records. Actual locations would be determined during Phase II environmental testing and grading operations.**

● OIL WELLS

HUD Heads up digitized (from scanned. georeferenced mylar map)
GPS Collected via Global Positioning System

No.	OPERATOR	WELL DESIGNATION	API NO.		WELL STATUS	DATE ABDN.	LOCATION SOURCE.
1	ARCO Western Energy	"Dodge"2	037-	08434	Abandoned	10/10/28	HUD
2	CalResources	2-1	037-	12136	Abandoned	05/08/73	HUD
3	ARCO Western Energy	"South Coast" 4	037-	09190	Abandoned	02/17/28	HUD



HISTORIC LOCATIONS:
ENGINE REPAIR, MACHINE MANUFACTURING REPAIR, ELECTRIC GENERATOR REPAIR, AUTO REPAIR, OIL WELL EQUIPMENT REPAIR

Project Area

Location	**St. Louis Ave. between 27th St. & 28th St.**
Lot Size	**0.15 Acres**
Tax Assessors Parcel #	**7212-013-022 (Lund)**

Composite of multiple lots

NOTES:

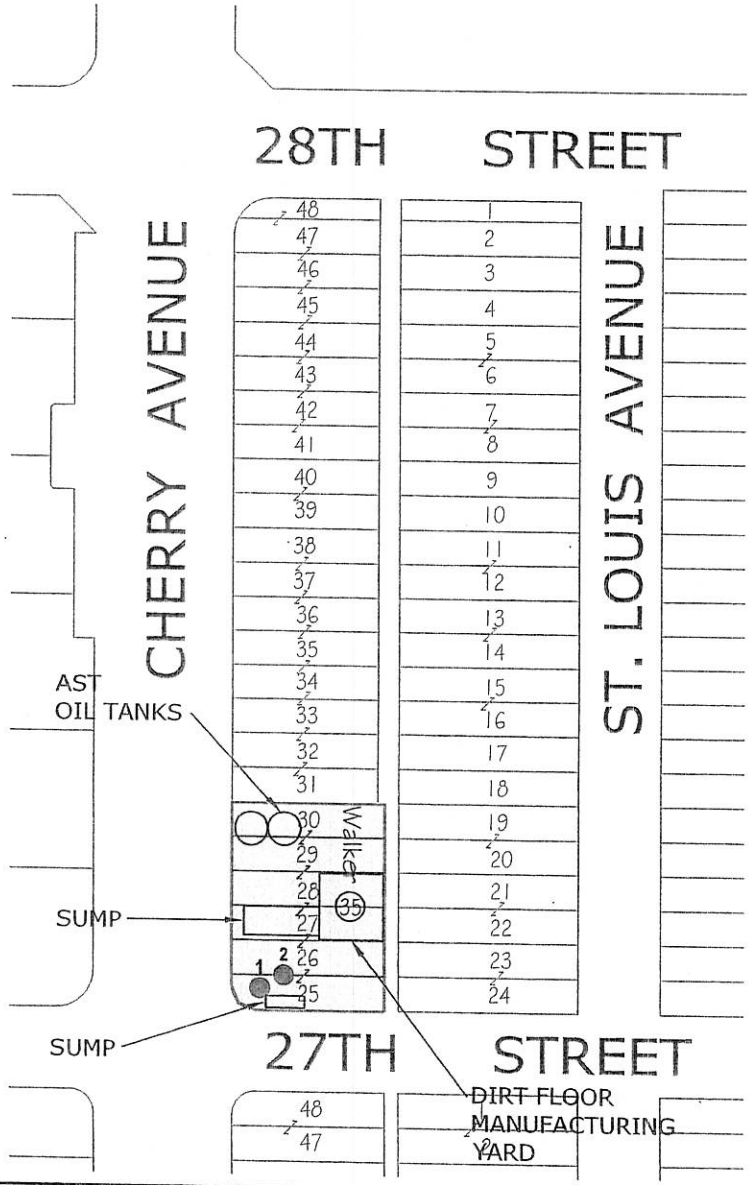
1) The locations of wells illustrated on this map are approximate and based on historic information supplied by the State Division of Oil & Gas. The actual locations for buried wells would be determined during excavation and grading operations.

2) The historic locations of oil well sumps and above ground storage tanks are approximate and based on historic aerial photographs, fire insurance maps and city records. Actual locations would be determined during Phase II environmental testing and grading operations.

● **OIL WELLS**

HUD **HEADS UP DIGITIZED (FROM SCANNED, GEOREFERENCED MYLAR MAP)**

No.	OPERATOR	WELL DESIGNATION	API NO.		WELL STATUS	DATE ABDN.	LOCATION SOURCE.
3	Silver Bullion Co.	"Dodge" 1	037	11095	Abandoned	11/13/36	HUD



Project Area

Location	**St. Louis Ave. between 27th St. & 28th St.**
Lot Size	**0.38 Acres**
Tax Assessors Parcel #	**7212-013-035 (Walker)**

Composite of multiple lots

NOTES:

1) The locations of wells illustrated on this map are approximate and based on historic information supplied by the State Division of Oil & Gas. The actual locations for buried wells would be determined during excavation and grading operations.

2) The historic locations of oil well sumps and above ground storage tanks are approximate and based on historic aerial photographs, fire insurance maps and city records. Actual locations would be determined during Phase II environmental testing and grading operations.

● **OIL WELLS**

HUD **HEADS UP DIGITIZED (FROM SCANNED, GEOREFERENCED MYLAR MAP)**

No.	OPERATOR	WELL DESIGNATION	API NO.		WELL STATUS	DATE ABDN.	LOCATION SOURCE.
1	Arco Western Energy	"Barry" 1	037	8906	Abandoned	10/01/22	HUD
2	Arco Western Energy	"Barry" 1-A	037	8907	Abandoned	11/29/37	HUD

Exhibit "B"

Contract Provisions of Leases

2690 Cherry Avenue

As part of the relocation settlement for The Giant Grinder Deli, the tenant was given free rent for a period of 5 years. The effective date of the lease was May 2, 2011. Since then, The Giant Grinder Deli closed its restaurant on March 31, 2013 because business had declined and it was not producing a positive cash flow. As part of the lease, the tenant has 180 days to remove items from the restaurant. The items have been removed from the restaurant and the security deposit has been returned.

2700 Cherry Avenue

There are three (3) leases on the site; two (2) with Shoreline Funding and one (1) with Long Beach Compressor. The Shoreline Funding, Inc. lease for 2700 Cherry Avenue (downstairs) expired January 31, 2012. The second Shoreline Funding Inc. lease for 2728 Cherry Avenue (upstairs) expired March 31, 2007. The lease with Long Beach Compressor for 2730 Cherry Avenue expires on August 31, 2014. CORE Property Management Inc. is the property manager for the property.

See: Leases (Attachment 1)

2065 East 27th Street

The former property owner of this property leased the property to 10 tenants and managed the building. As part of the relocation settlement, the former property owner leases the site from the former Signal Hill Redevelopment Agency (SHRA) for free and then subleases the spaces. The Lease Agreement By and Between The Signal Hill Redevelopment Agency and Philicia G. Lund and Mary K. Lund was entered into on January 1, 2011 and runs for five (5) years until December 31, 2015.

The terms of the lease provides that for the first 36 months, the SHRDA is required to pay liquidated damages if it terminates the lease. After the initial period, the SHRDA may terminate the lease if it can show that the property is needed for the Cherry Avenue Project. The Lessor is required to notice the Lessee 180-days prior to termination. The SHRA and the Lessee split the net rental income collected 50-50 beginning with the first anniversary. The Lessee makes a payment to the SA quarterly.

See: Lease Agreement By and Between The Signal Hill Redevelopment Agency and Philicia G. Lund and Mary K. Lund. (Attachment 2)

Exhibit "C"

Environmental Condition of Site

2690 Cherry Avenue

Both Phase I (3-7-2008) and Phase II (2-20-2009) Environmental Site Assessments (ESA) have been completed at 2690 Cherry Avenue. There are three abandoned wells, although one well abandonment was not completed. Mearns Consulting conducted a limited soil sampling onsite. Soil samples were collected from 12 locations from 1-foot below ground surface (bgs); 5-feet bgs; and 10-feet bgs. The 49 samples were analyzed for volatile organic compounds (VOCs); semi-volatile organic compounds (SVOCs); Total Petroleum Hydrocarbons (TPH) in the gasoline range (TPH-g), diesel range (TPH-d); and speciated carbon chains.

The analysis shows that there is TPH-g and TPH-d, speciated carbon chains and Total Threshold Limit Concentration Metals (TTLC) metals. These constituents are indicative of the site's historic use of an automobile shop and appliance repair shop. The detected constituents of TPH-d and C25-40 (speciated carbon chains) found adjacent to previously abandoned oil wells are indicative of the historic use of the site as oil fields. Volatile organic compounds (VOCs) were detected in one soil sample (1,1-dichloroethene).

Next steps that need to be taken prior to development include a soil vapor survey since VOCs were detected and a human health risk assessment (HHRA) to evaluate the potential health impacts based upon concentrations of the constituents detected at least one time in site soils. The three (3) previously abandoned oil wells should be leak tested and re-abandoned if necessary. The oil well also needs to be vented to the surface.

Once construction starts on the site, a soil management plan should be prepared and a methane assessment should be conducted onsite within 30 days of completion of rough grading. The estimated cost of completing these tasks is $373,000 to $1,553,000

2700 Cherry Avenue

There are two previously abandoned oil wells on the site. Based upon the Phase I ESA (8-2010) and the site's historical use for oil operations, the City's consultant recommended conducting a limited subsurface soils investigation at the site, 1-foot below ground surface (bgs), 5-fee bgs and 10 ft. bgs to test for TPH-gasoline range, TPH diesel range, speciated carbon chains, organic compounds, semi-volatile organic compounds (VOCS) and total threshold limit concentration metals.

Depending upon the results of the VOC soil matrix analysis, a soil gas survey may need to be conducted. In addition, the building should be tested for lead based paint and asbestos materials. The mechanical records for the two previously abandoned oil wells from DOGGR should also be reviewed. The wells should be daylighted to determine if they are leaking and need to be reabandoned. In addition, it is recommended that a human health risk be completed using the data collected to determine if any of the substances pose a risk or adverse reaction to human health or the environment. A methane assessment should be completed as well as a soil management plan prior to any grading activities. The estimated cost to address the environmental concerns ranges from $404,010 to $1,204,010.

2099 East 27th Street

There is one previously abandoned oil well onsite. A Phase I ESA was completed in August, 2010. Based upon the sites prior uses, the Environmental Consultant recommended a Phase II ESA. The Phase II ESA tasks listed for 2700 Cherry Avenue are advised to be completed on this site too. The estimated cost to address the environmental concerns ranges from $250,060 to $650,060.

Attachment 1 – To be attached. 2700-2730 Cherry Ave. Leases

Attachment 2 – To be attached. Lund Lease

Cherry Ave. / 27th St.

Cherry Ave. / 27th St.

Cherry Ave. / 27th St.

City of Signal Hill-8
Long Range Property Management Plan
Address: 3100 California Avenue

Background Information	
• Map Reference	8
• Address	3100 California Avenue
• Assessor Parcel Numbers(s)	7212-001-933-Exhibit "A"
• Current Zoning	SP4-Auto Center Specific Plan
• Current Use	Signal Hill Auto Center electronic reader board Sign & Oil Operations
• Original Seller	Thomas L. Eyestone, Karen Kennard, Glenn M. Eyestone, Successor Co-Trustees of the Eyestone Revocable Trust dated 5-29-96.
• Original Appraised Value	$1,200,000
• Purchase Price	$836,706 + $31,439 (Out of Escrow) = $868,145
• Primary and Supplemental Funding Sources	Tax Increment

- Property History

The property located at 3100 California Avenue is approximately 822 feet long and 115.34 feet wide. It is a long and narrow property adjacent to the I-405 property. Since the 1920's, the site has been used for oil operations. The property is encumbered by the Signal Hill West Unit Agreement (SHWUA) which allows Signal Hill Petroleum Inc. (SHP) to use the entire property for oil operations (e.g. mining and excavation of oil). There are three (3) active wells used for oil drilling on the site as well as above and below ground utilities. SHP drives oil drilling rigs on the site for its operation and maintenance of the wells.

The property is no longer encumbered by a Lease that the former Signal Hill Redevelopment Agency (SHRA) acquired with the acquisition. It expired July 21, 2014. The Lessee was Regency Outdoor Adverting ("Regency"). Regency subleased the property to the Signal Hill Auto Center for its electronic reader board sign that is adjacent to the I-405 freeway. The electronic reader board sign stands 24 feet high and is 37.6 feet wide. The sign is permitted by the California State Department of Transportation. The permit is for 20 years and expired in October 2013. Pursuant to approval by the Department of Transportation, the Successor Agency gave permission to allow for the continued display of the Auto Center electronic freeway sign until the expiration period of the permit.

Parcel Information	
• Land Description	
Lot Size	1.55 acres / 67,518
Topography	The site is level and at grade with California Ave. and above the grade of the I-405 freeway.
Known Drainage Issues	Drainage flows southerly.
Known Ground Stability Issues	Unknown
• Building Description	
No. of Buildings	Auto Center Electronic Reader Board sign.
Building Area	Sign is 56' between the panel and ground. The panel is 24' high and the length is 37.6'
Construction Type	N/A

Year Built	1994
Improvement Data	Metal construction with electronic reader board.
Vehicle Parking	None.
Agency Revenue	
• Is Agency receiving lease or rental income for the private use of the property?	Yes __ No X
• If Yes, indicate the amount of Agency's annual rent/lease income	
• If Yes, describe essential contract provisions (i.e., renter/lessee, term, rent calculations, restrictions/obligations, etc.)	
Environmental	
• Have any environmental tests or assessments been performed on the property?	Yes X No____
• If yes, describe the work performed and dates (i.e. Phase 1, Phase 2, borings, etc.)	Phase I Environmental Site Assessment (ESA) completed.
• If Yes, describe the current environmental condition of the site	Based upon the Phase I ESA and the site's historical use for oil operations, the City's consultant recommended conducting a limited subsurface soils investigation at the site, 1-foot below ground surface (bgs), 5-feet bgs and 10 ft. bgs to test for TPH-gasoline range, TPH diesel range, speciated carbon chains, organic compounds, semi-volatile organic compounds and total threshold limit concentration metals. In addition, it is recommended that a human health risk assessment be completed using the data collected to determine if any of the substances pose a risk or adverse action to human health or the environment. A methane assessment should be completed as well as a soil management plan prior to any grading activities.
• Has the property been designated as a "Brownfield" site as defined by the US EPA?	Yes____ No X
• If No, would the property qualify for such a brownfield designation?	Yes____ No____ Unknown X
• Describe any remediation work performed on the property.	None.
Previous Development Proposals	
• Describe any previously proposed or solicited development plans for the property, including any short-term and/or long-term lease/rental arrangements.	The City is working with the Signal Hill Auto Center, (maintains sign and installed it originally) to get the freeway sign refurbished.

Estimate of Current Property Value

Background:

The Signal Hill Redevelopment Agency purchased the property 2008-2009. The property is long and narrow and adjacent to the I-405 freeway. There is access on California Avenue. There is an electronic sign which is owned and operated by the Signal Hill Auto Center. Approximately 54,293 square feet of the property is subject to the SHWUA. The SHWUA provides for Signal Hill Petroleum to conduct its oil operations anywhere on the property. There are three active oil wells on the site and a sump as well as underground utilities.

The property is also encumbered by a Lease that the SHRDA acquired with Regency Outdoor Adverting ("Regency"). Regency subleases the property to the Signal Hill Auto Center for its electronic reader board sign that is adjacent to the I-405 freeway. The electronic reader board sign stands 24 feet high and is 37.6 feet wide. The sign is permitted by the California State Department of Transportation. The permit is for 20 years and expires in October 2013. The lease with Regency Outdoor Advertising expires July 21, 2014. Pursuant to a request by the Department of Transportation, the Successor Agency approved the continued display of the Auto Center electronic freeway sign until the expiration period of the permit.

The SHRDA's, now Successor Agency's (SA) proposed intention after acquiring the site is to work with the Signal Hill Auto Center, which consists of 7 dealerships, Regency Outdoor Advertising, and EMI to facilitate the upgrade and rehabilitate the freeway sign. The main goal of upgrading the sign is to change out the electronic reader board and install an LED screen which is the industry standard for freeway signs.

Sales Comparison Approach:

A Sales Comparison Approach was used to evaluate the property and determine its value. The most recent appraisal is dated March 5, 2008. The appraisal was completed by Flavell, Tennebaum & Edwards.

Encumbrances on Property:

The City of Signal Hill has a rich oil history which began in the 1920's. Today, the oil operators continue to extract oil and produce up to 1 million barrels per year. A large part of the property is encumbered with the the SHWUA which allows the Unit Operator (Signal Hill Petroleum) to explore, develop and conduct oil operations. The Signal Hill West Unit Agreement was recorded on March 1, 1972, as Document No. 3250. The subject property represents the Unit Tract Nos. 115 and 125, "Rothschild Oil Company Jonah Jones Jr. Community Lease."

The intent of the Unit Agreement is "to provide for the cooperative development of operation of the tracts and for the sharing of Unitized Substances." The Unit Agreement grants, from the Working Interest owners, to the Unit Operator, the exclusive right to conduct unit operations. The unit operator has the right to use as much of the surface of the land within the unit area as deemed necessary for reasonable unit operations together with the right to use all of the subsurface of the land within the unit area, subject to underlying oil and gas leases. The term of the Unit Agreement is based on the number of barrels of oil derived from the entire unit.
The site consists of three active oil wells and one sump as well as aboveground storage tanks, pipelines, and materials. Based upon its continued use for oil operations, the recommended environmental actions (Based upon Phase I ESA) for the site include a limited subsurface soils investigation. Soil should be collected from 1-foot below ground surface (bgs), 5-feet bgs and 10-feet bgs. The soil should be tested for Total Petroleum Hydrocarbons ("TPH")-gasoline range, TPH-diesel range, speciated carbon chains, volatile organic compounds (VOCs), semi-volatile organic compounds (SVOCS), and total threshold limit concentration ("TTLC") metals.

In addition to the soil sampling, a Human Health Risk Assessment ("HHRA") should be completed based upon the historical use of the site to determine if any onsite soilds pose a risk or adverse impact to human health or the environment. In addition, a methane assessment should be completed and a soil management plan. The estimated cost for these environmental actions totals $475,000.

It was difficult to appraise this site since it is so unique and the property was not directly comparable to any of the comparable sales since part of it is encumbered by the Unit Agreement. The appraiser reviewed property values of 13,225 square feet of the site that was not subject to the SHWUA and values for the 54,293 square feet that is encumbered by the SHWUA as well as the value of the current lease for the properties. Based upon these considerations, the property was valued at $17.77 per square feet. The property was appraised for $1,200,000 in 2008.

Current Value:

Real estate values have stablized in the commercial and industrial markets. In 2012, the City completed an appraisal for a property close to the site at 859 Patterson Avenue. This property is 6,250 square foot and was valued at $14 per square foot using a sales comparison approach. Using this value as a guide, the value of 3100 California Avenue is:

67,518 SF @ $14.00 = $945,252

The site is constrained by surface rights and environmental contamination. The deductions to the value of the site are as follows:

Surface Uses @ $2.00 SF for 54,293 SF = -$108,586
Enviromental Remediation = -475,000
Value = $361,666

Reuse Assessment and Recommended Action	
• Describe the property's potential for transit-oriented development.	Electronic sign may have potential to notify drivers on the I-405 freeway of traffic safety issues.
• Describe the reuse potential of the property in terms of advancing the Successor Agency's planning objectives.	The property will be redeveloped providing open space and a location to stock materials and equipment needed for emergency preparedness.
• Permissible Use:	Transfer to the City of Signal Hill for governmental purpose pursuant to HSC §34181(a).

Justification:

The proposed use of the site is for a governmental purpose according to Health and Safety Code §34181(a). The Successor Agency is proposing that the site be used for a dog park and for storing emergency public works supplies in the warehouse at the south end of the site. The site will continue to be used for SHP's oil operation pursuant to its surface use rights and as the location of the Signal Hill Auto Center freeway sign.

In September 2010, the City Council requested that Staff research the concept of developing a dog park in Signal Hill. At this time, one potential site was reviewed for a dog park, but, the property owner was opposed to discussing this use with the City. In 2011, Staff requested that the Parks and Recreation Committee form a subcommittee to evaluate potential sites for a dog park. The subcommittee reviewed 18 sites for a dog park and listed the strengths and weaknesses / constraints of each site.

In 2011, Staff members from various departments met to evaluate the possibility of using "Spud Field," (adjacent to Signal Hill Park) which is a baseball field on an intermittent basis. Ultimately, in 2013, the Commission voted to put the idea of establishing a dog park on hold to further review the option of an interim/experimental park and the possibility of holding special pet events at parks already existing in the city.

The site at 3100 California Avenue is suitable for a dog park serving both small and large size dogs. The existing layout of the site allows for the dog park to be incorporated within the existing uses and provides for two dog runs; one for small dogs and one for larger dogs. Staff is working with a landscape architect to design the park. Additionally, the site can be separated easily with a fence between the dog park / freeway sign and the oil drilling operation / proposed City Yard for storage of emergency supplies.

The City of Signal Hill has one public works yard located at 2175 28th Street. Currently, Public Works does not have a location to store emergency supplies on the north end of the City. Using the warehouse at the south side of 3100 California Avenue as a City Yard for supplies and equipment for emergency preparedness allows for the City to be better prepared in the event of a natural disaster. Supplies would be accessible and nearby the infrastructure that may need to be repaired or replaced.

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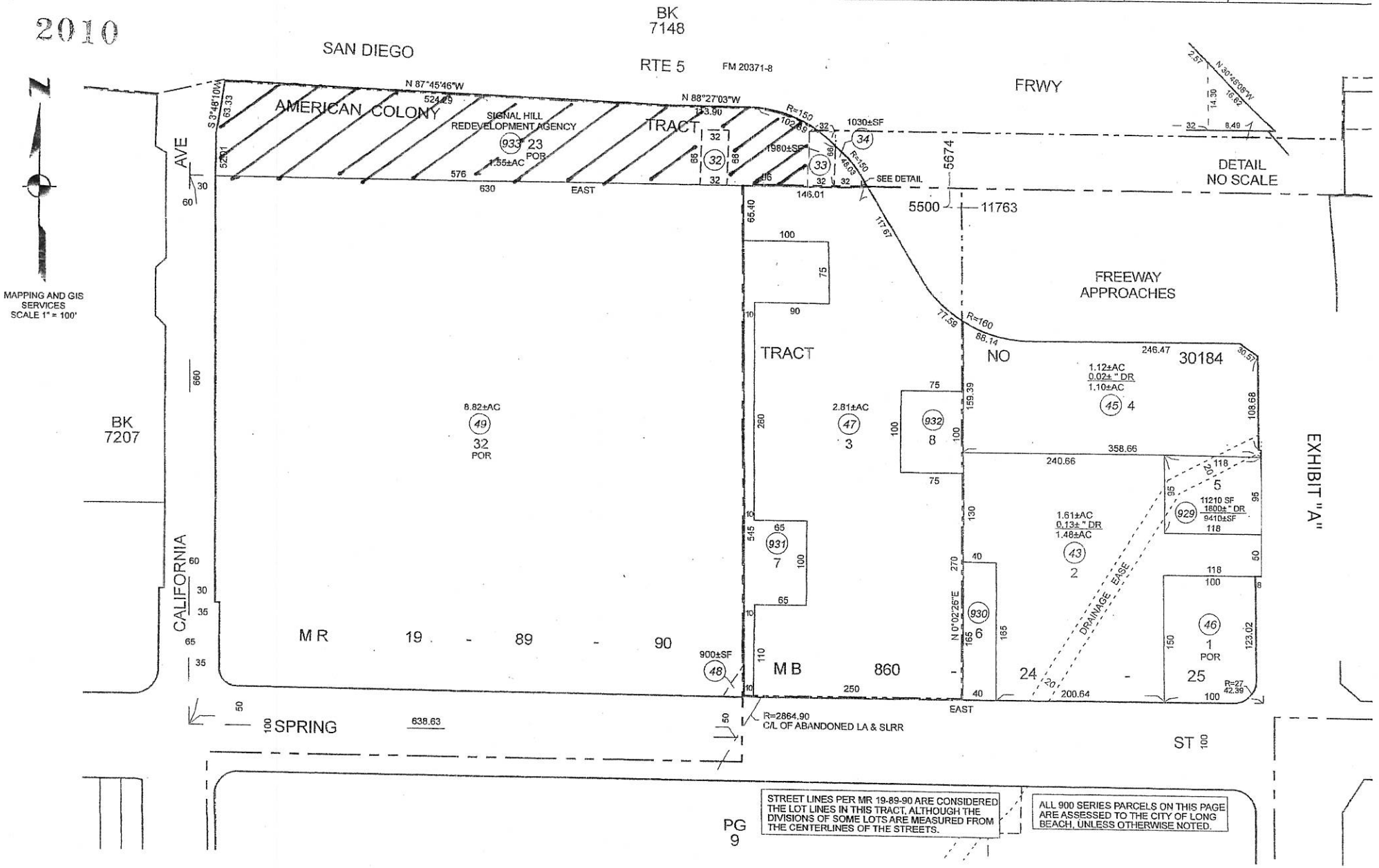
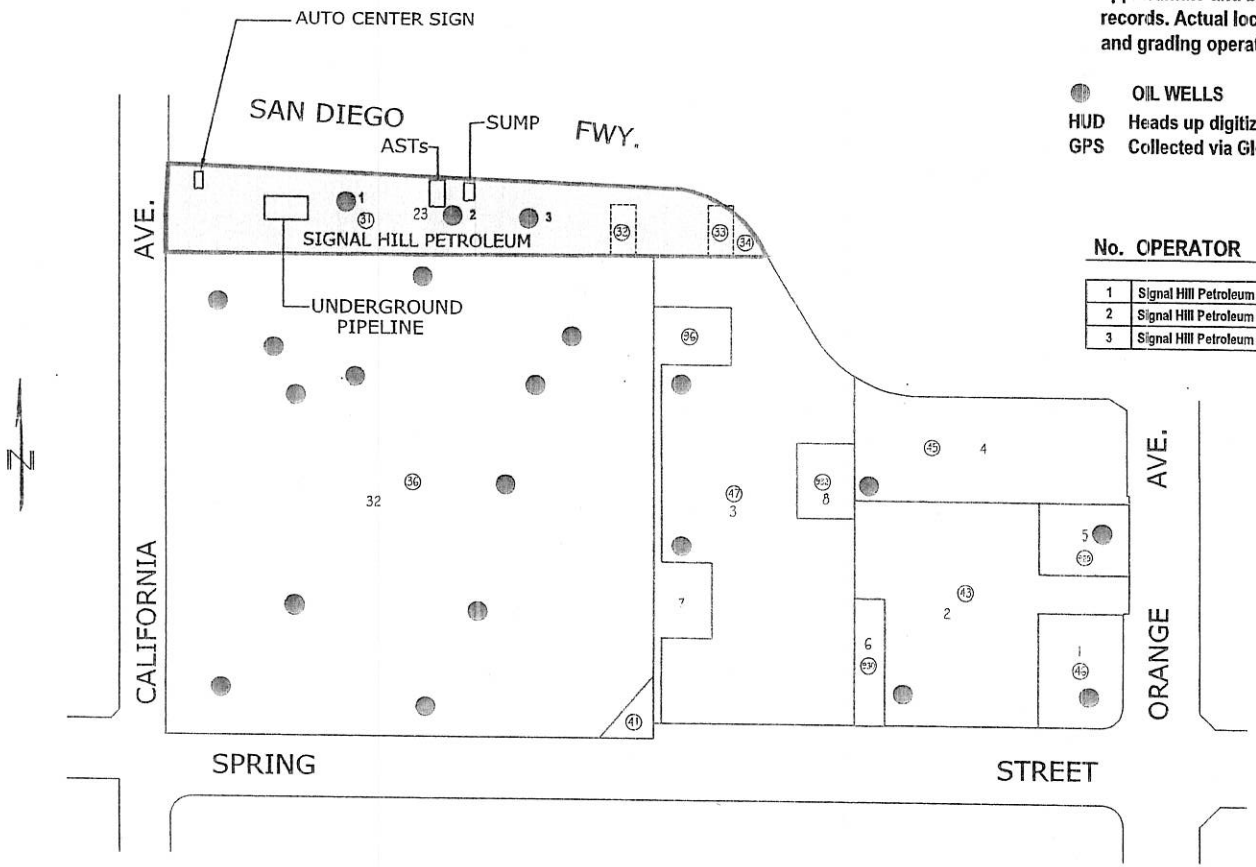


STREET LINES PER MR 19-89-90 ARE CONSIDERED THE LOT LINES IN THIS TRACT, ALTHOUGH THE DIVISIONS OF SOME LOTS ARE MEASURED FROM THE CENTERLINES OF THE STREETS.

ALL 900 SERIES PARCELS ON THIS PAGE ARE ASSESSED TO THE CITY OF LONG BEACH, UNLESS OTHERWISE NOTED.



NOTES:

1) The locations of wells illustrated on this map are approximate and based on historic information supplied by the State Division of Oil & Gas. The actual locations for buried wells would be determined during excavation and grading operations.

2) The historic locations of oil well sumps and above ground storage tanks are approximate and based on historic aerial photographs, fire insurance maps and city records. Actual locations would be determined during Phase II environmental testing and grading operations.

● OIL WELLS
HUD Heads up digitized (from scanned, georeferenced mylar map)
GPS Collected via Global Positioning System

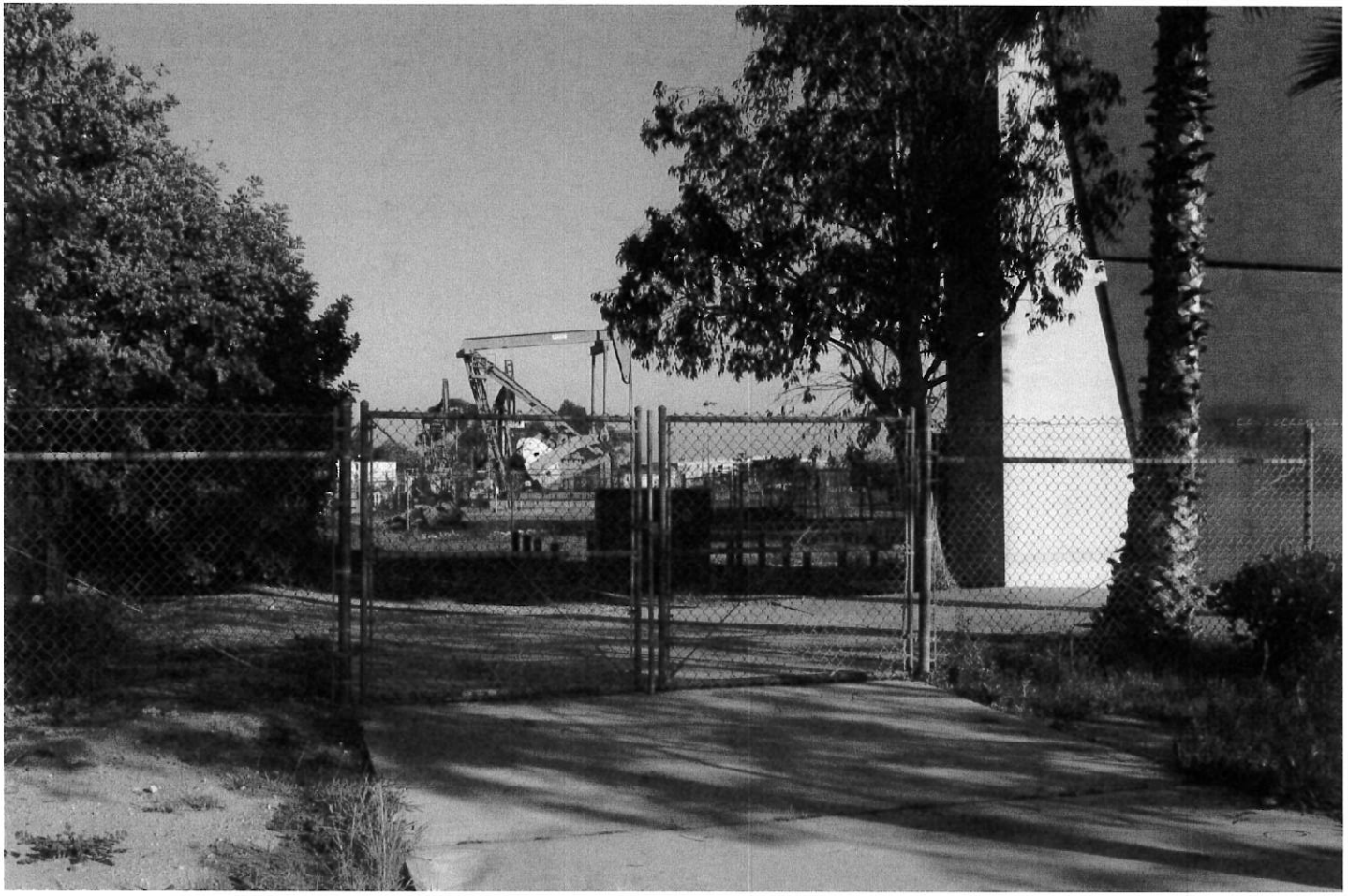
No.	OPERATOR	WELL DESIGNATION	API NO.		WELL STATUS	DATE ABDN.	LOCATION SOURCE.
1	Signal Hill Petroleum	A30	037-	10736	Active		GPS
2	Signal Hill Petroleum	A33	037-	10737	Active		GPS
3	Signal Hill Petroleum	A39	037-	10738	Active		GPS

3100 California Avenue

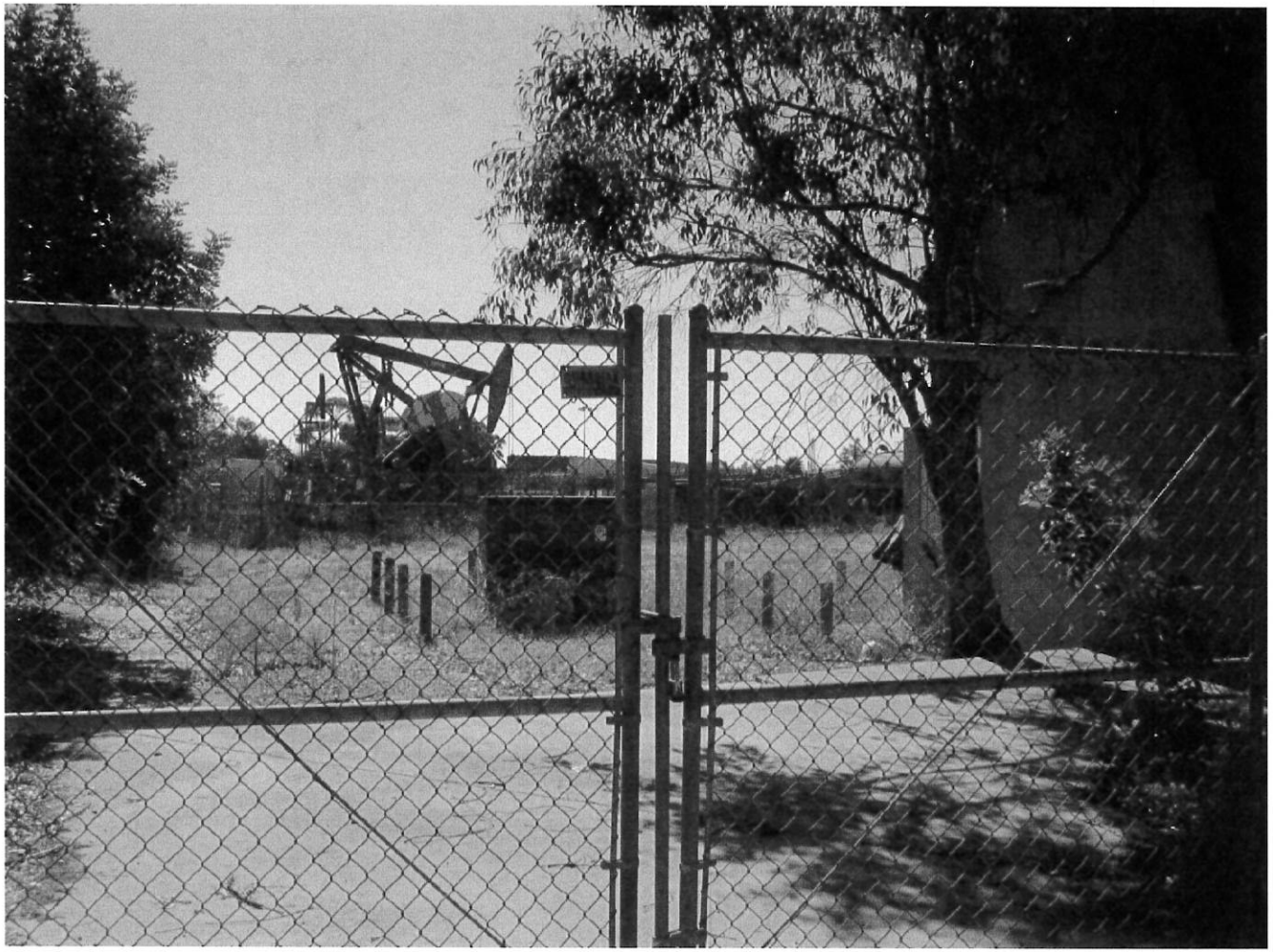
Site	A
Location	Eyestone
Lot Size	1.66 Acres
Potential Use	Auto Center /Sign
Tax Assessors Parcel #	7212-001-031 to 034
Composite of multiple lots	

3100 California Avenue

3100 California Avenue



3100 California Avenue



City of Signal Hill
Long Range Property Management Plan
Address: 2745 Walnut Avenue

Background Information	
• Map Reference	9
• Address	2745 Walnut Avenue
• Assessor Parcel Numbers(s)	7212-008-913 to 915 – Exhibit A
• Current Zoning	Public/Institutional (PI-3 ac.); General Industrial (GI-1acre
• Current Use	City of Signal Hill Police Station
• Original Seller	Multiple Owners – Exhibit B
• Original Appraised Value	$7,000
• Purchase Price	$321,001.11
• Primary and Supplemental Funding Sources	2009 Tax Allocation Parity Bonds

• Property History

Between 1922 and 1931, the Property was divided into 1/7000 interest shares and sold to individuals. It is estimated that over 5,500 shares were sold to approximately 1,500 individuals. The disposition of the remaining +/- 1,500 shares is unknown and the Agency has not been able to find recorded documents pertaining to the sale of these shares. Subsequent to 1931, there were a number of conveyances from the original purchasers of the shares to other individuals, as well as several probate estates wherein the shares were passed to relatives.

In the 1960's. Texaco Inc., as the Unit Operator of the Signal Hill West Unit, attempted to contact the numerous vested owners in an attempt to purchase the fee interest in the property. Texaco terminated their efforts when after several years' effort they were only able to acquire an estimated 6.25% interest. Signal Hill Petroleum (SHP), now the Unit Operator, hired a specialist to revive the efforts undertaken by Texaco, Inc. The specialist was only able to trace approximately 30 shares from the original purchasers to current living owners. It was rumored that other efforts were made on part of other private interests to assemble the site, but these efforts were unsuccessful and SHP's 6% interest remains the largest ownership interest.

Parcel Information	
• Land Description	
Lot Size	174,201 SF or approximately 4 acres
Topography	The site is level.
Known Drainage Issues	N/A
Known Ground Stability Issues	Unknown
• Building Description	
No. of Buildings	1
Building Area	21,500 SF (Total Facility)
Construction Type	Concrete Block and Structural Steel
Year Built	2012-2013
Improvement Data	Fully operational police station.
Vehicle Parking	Asphalt parking lot, enclosed parking lot and bays.

Agency Revenue	
• Is Agency receiving lease or rental income for the private use of the property?	Yes____ No X
• If Yes, indicate the amount of Agency's annual rent/lease income	N/A

• If Yes, describe essential contract provisions (i.e., renter/lessee, term, rent calculations, restrictions/obligations, etc.)	
Environmental	
• Have any environmental tests or assessments been performed on the property?	Yes X No____
• If yes, describe the work performed and dates (i.e. Phase 1, Phase 2, borings, etc.)	Phase I environmental site assessment – 2/19/07 Phase II study – 8/17/07
• If Yes, describe the current environmental condition of the site	The site had arsenic concentrations exceeding the regulatory agency screening thresholds. The site was remediated and soils were removed. A Human Health Risk Assessment was completed, showing that the site was safe for construction and occupancy.
• Has the property been designated as a "Brownfield" site as defined by the US EPA?	Yes____ No X
• If No, would the property qualify for such a brownfield designation?	Yes____ No X Unknown ___
• Describe any remediation work performed on the property.	Impacted soils were removed. A Methane Assessment was completed as well as a Human Health Risk Assessment and soil management plan.
Previous Development Proposals	
• Describe any previously proposed or solicited development plans for the property, including any short-term and/or long-term lease/rental arrangements.	None.

Estimate of Current Property Value

Background:

The Signal Hill Redevelopment Agency (SHRDA) filed an eminent domain case to acquire the police station site in August 2008. The Agency reached an agreement on settlements with the owners of fee simple interests on the police station site who responded to the Agency's offer letter or answered the complaint. The Agency paid owners approximately $65.71 per 1/7000 share if the owner retained the mineral rights or $82.14 per 1/7000 share if the owner sold the mineral rights to the Agency. The significant exception is the settlement with a group claiming adverse possession of the entire site, which resulted in a court case and a lump sum payment of $270,000. In total, 523 shares were acquired. The total acquisition cost was $313,900.75.

Sales Comparison Approach:

The property was appraised in 2008 by R.P. Laurain & Associates using a sales comparison approach.

Encumbrances on Property:

The City of Signal Hill has a rich oil history which began in the 1920's. Today, the oil operators continue to extract oil and produce up to 1 million barrels per year. The property is encumbered with the the Signal Hill West Unit Agreement (also known as a Surface Use Agreement) which allows the Unit Operator (Signal Hill Petroleum) to explore, develop and conduct oil operations. The Signal Hill West Unit Agreement was recorded on March 1, 1972, as Document No. 3250. The subject property represents the Unit Tract Nos. 115 and 125, "Texaco Inc. Davidson 50-50 Lease."

The intent of the Unit Agreement is "to provide for the cooperative development of operation of the tracts and for the sharing of Unitized Substances." The Unit Agreement grants, from the Working Interest owners, to the Unit Operator, the exclusive right to conduct unit operations. The unit operator has the right to use as much of the surface of the land within the unit area as deemed necessary for reasonable unit operations together with the right to use all of the subsurface of the land within the unit area, subject to underlying oil and gas leases. The term of the Unit Agreement is based on the number of barrels of oil derived from the entire unit.

Current Value:

The property has been developed for the Signal Hill Police Station and includes a jail, a work area for dispatch, a lobby, and offices and work stations for employees. The cost of construction was approximately $9,727,871. The project was completed in 2013. Real estate values have stablized in the commercial and industrial markets. In 2012, the City completed an appraisal for a property close to the site at 859 Patterson Avenue. This property is 6,250 square foot and was valued at $14 per square foot using a sales comparison approach. Using this value as a guide, the land value of the Police Station is $2,438,814. The approximate value of land and improvements of the Police Station is $12.1 million based upon the construction cost and a land value rate of $14 per square foot. In order to get a more accurate value, a full appraisal would need to be completed and all of the improvements would need to be fully valued.

Reuse Assessment and Recommended Action	
• Describe the property's potential for transit-oriented development.	N/A.
• Describe the reuse potential of the property in terms of advancing the Successor Agency's planning objectives.	N/A.
• Permissible Use:	Transfer to the City of Signal Hill for Government Purpose, HSC §34181(a). Property is home to the City of Signal Hill Police Department.

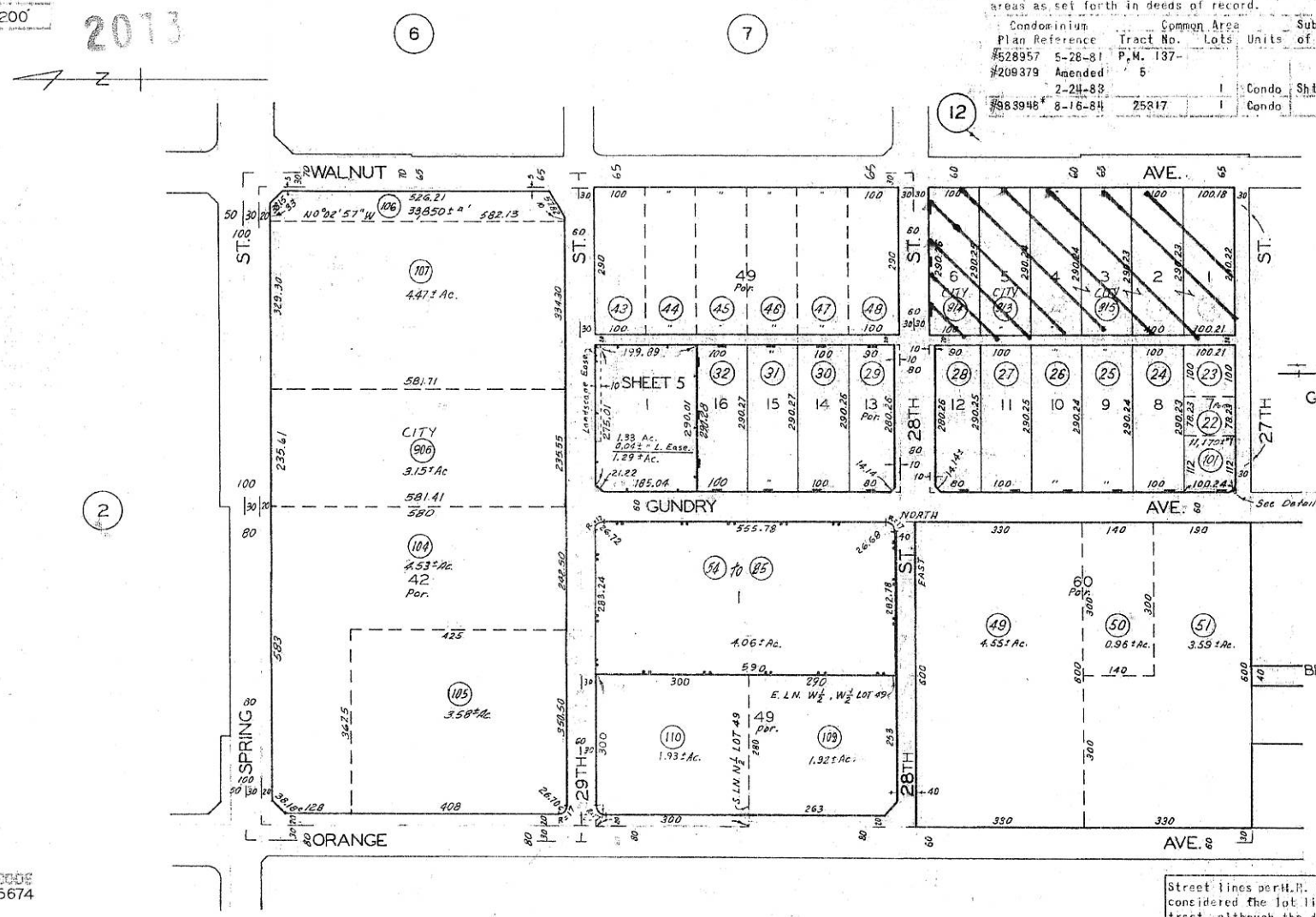
7212 8
SHEET 1
200

2013

*Diagrammatic depicts approximate dimensions.

The assessment of units in the following Condominium Plans, includes all rights and interests in the common areas as set forth in deeds of record.

Condominium Plan Reference		Common Area Tract No.	Lots	Units	Subdivision of Airspace
#528957	5-28-81	P.M. 137-5			
#209379	Amended 2-24-83		1	Condo	Shts. 2 to 4
#983948*	8-16-84	25317	1	Condo	Sheet 5



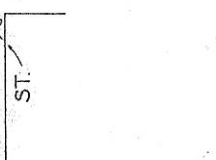


EXHIBIT "A"

Street lines per H.R. 19-89-90 are considered the lot lines in this tract, although the divisions of some lots are measured from the centerlines of the streets.

CODE
5674

FOR PREV. ASSM'T SEE:
7212 - 2 TO 7

AMERICAN COLONY TRACT M.R.19-89-90
TRACT NO. 4092 M.B. 46-88
CONDOMINIUM
TRACT NO. 35317 M.B. 1038-37-38

CONDOMINIUM
PARCEL MAP P.M. 137 - 5

COUNTY OF LOS ANGELES, CALIF.

Exhibit "B"

Property Location:	**Old APN :**	**New APN:**	**Notes:**
4-acre Site	-	-	-
Bethany Baptist Church	7212-008-015, 016, 017, 018, 019, and 020	7212-008-913, 914, 915	5/7000th shares and mineral rights.
St. Michael's Roman Catholic Church	7212-008-015, 016, 017, 018, 019, and 020	7212-008-913, 914, 915	11.875/7000th shares; no mineral rights.
Hugh and Barbara Wells	7212-008-015, 016, 017, 018, 019, and 020	7212-008-913, 914, 915	1/7000th share; no mineral rights.
Elizabeth Bliss Selover	7212-008-015, 016, 017, 018, 019, and 020	7212-008-913, 914, 915	½ of 100/7000th shares; Includes Mineral Rights.
Selover RVOC Trust	7212-008-015, 016, 017, 018, 019, and 020	7212-008-913, 914, 915	½ of 100/7000th shares; Includes Mineral Rights.
Donald Zigrang	7212-008-015, 016, 017, 018, 019, and 020	7212-008-913, 914, 915	2/7000th shares; No Mineral Rights.
International Church of the Foursquare Gospel	7212-008-015, 016, 017, 018, 019, and 020	7212-008-913, 914, 915	3/7000th shares; No mineral rights.
First Congregational Church	7212-008-015, 016, 017, 018, 019, and 020	7212-008-913, 914, 915	16/7000th shares; No mineral rights
National Benevolent Society	7212-008-015, 016, 017, 018, 019, and 020	7212-008-913, 914, 915	2/7000th shares; No mineral rights.
SHP	7212-008-015, 016, 017, 018, 019, and 020	7212-008-913, 914, 915	382/7000th; No Mineral Rights
Blasco, et al.	7212-008-015, 016, 017, 018, 019, and 020	7212-008-913, 914, 915	No mineral rights

SIGNAL HILL POLICE DEPARTMENT
THIS FACILITY CLOSED
For Police Service Please Go To:
1800 E. Hill St. (562)989-7200

RESOLUTION NO. 2016-05-24

A RESOLUTION OF THE OVERSIGHT BOARD OF THE CITY OF SIGNAL HILL, CALIFORNIA, APPROVING THE AMENDMENT TO THE CITY OF SIGNAL HILL SUCCESSOR AGENCY'S LONG RANGE PROPERTY MANAGEMENT PLAN TO RETAIN THE PUBLIC PARKING LOT AT 2621 ST. LOUIS AVENUE FOR GOVERNMENTAL PURPOSE AND TRANSMITTING THE AMENDMENT TO THE CALIFORNIA STATE DEPARTMENT OF FINANCE

WHEREAS, the City of Signal Hill is a municipal corporation and a charter city organized and existing under the Constitution of the State of California ("City"); and

WHEREAS, the Signal Hill Community Redevelopment Agency ("Redevelopment Agency") is a public body, corporate and politic, organized and existing under the California Community Redevelopment Law (Health & Safety Code §33000 *et seq.)*; and

WHEREAS, on December 29, 2011, the California Supreme Court issued its opinion in the case *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of Assembly Bill 1x26 ("AB1x26") and invalidated Assembly Bill 1x27; and

WHEREAS, the Court's decision results in the implementation of AB1x26 which dissolves all the redevelopment agencies in the State of California as of February 1, 2012; and

WHEREAS, the City Council as Successor Agency was established for purposes of assisting with winding-down the RDA under AB1x26; and

WHEREAS, pursuant to Health and Safety Code §34191.5(b), the Successor Agency is required to prepare a long-range property management plan

(PMP) that addresses the disposition and use of the real properties of the former redevelopment agency;

WHEREAS, the PMP was approved by the City Council as Successor Agency of the City of Signal Hill, California on December 16, 2014 and the Oversight Board of the City of Signal Hill, California on January 21, 2015.

WHEREAS, pursuant to SB 107 that was approved in the 2015 legislative cycle, new language was added to Health and Safety Code (HSC) §34191.3(b) allowing for the Successor Agency to amend its long range property management plan solely for retention of real properties that constitute parking facilities dedicated to public parking like the one at 2621 St. Louis Avenue.

WHEREAS, the parking lot at 2621 St. Louis Avenue meets the definition under HSC §34181 for governmental purpose.

WHEREAS, pursuant to HSC §34179, this amendment must be submitted to the oversight board for review and approval prior to July 1, 2016.

NOW, THEREFORE, the Oversight Board of the City of Signal Hill resolves as follows:

Section 1. The foregoing Recitals are true and correct and are incorporated herein.

Section 2. The amendment to the PMP, attached hereto and incorporated herein by reference as Exhibit "A," is hereby adopted.

Section 3. The Chief Administrative Officer of the Successor Agency or his designee is hereby directed to forward this resolution along with the PMP amendment regarding 2621 St. Louis Avenue to the California State Department of Finance.

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)ss.
CITY OF SIGNAL HILL)

I, CHARLIE HONEYCUTT, Secretary of the Oversight Board of the City of Signal Hill, California, hereby certify that Resolution No. 2016-05-24 was adopted by the Oversight Board at a regular meeting held on the 26th day of May 2016 and that the same was adopted by the following vote:

AYES:	MEMBERS ANNE MARIE GABEL, ALBERT WAROT, TED WILLIAMSON, PEARL YU
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

CHARLIE HONEYCUTT
SECRETARY

City of Signal Hill-1
Long Range Property Management Plan
Address: 2621 St. Louis Avenue- *Updated – 2/23/16*

Exhibit "A"

• Map Reference	1
• Address	2621 St. Louis Ave.
• Assessor Parcel Numbers(s)	7212-014-911 – Exhibit A
• Current Zoning	CTC – Commercial Town Center
• Current Use	Parking lot
• Original Seller	Thomas Daniel Hennesy
• Original Appraised Value	$155,000 (8-2-10)
• Purchase Price	$205,000
• Primary and Supplemental Funding Sources	Tax Increment

• Property History

The historic use of the site is oil fields. There are two previously abandoned oil wells and sumps on site. The site is paved and was previously barricaded so that it could not be used for parking. Its current use is a public parking lot to service the Commercial Town Center. There are approximately 12 spaces. There is no charge for parking at this lot or any other parking lot in the City.

Parcel Information	
• Land Description	
Lot Size	6,750 SF
Topography	The site is level and at grade
Known Drainage Issues	Drainage flows to St. Louis Avenue and the adjacent properties.
Known Ground Stability Issues	Unknown
• Building Description	
No. of Buildings	0
Building Area	N/A
Construction Type	N/A
Year Built	N/A
Improvement Data	N/A
Vehicle Parking	Asphalt parking lot.

Agency Revenue	
• Is Agency receiving lease or rental income for the private use of the property?	Yes____ No X
• If Yes, indicate the amount of Agency's annual rent/lease income	N/A
• If Yes, describe essential contract provisions (i.e., renter/lessee, term, rent calculations, restrictions/obligations, etc.)	

Environmental	
• Have any environmental tests or assessments been performed on the property?	Yes X No____
• If yes, describe the work performed and dates (i.e. Phase 1, Phase 2, borings, etc.)	Phase I environmental site assessment – 8/08/10.

Exhibit "A"

• If Yes, describe the current environmental condition of the site	There are 2 previously abandoned oil wells and sumps on site.
• Has the property been designated as a "Brownfield" site as defined by the US EPA?	Yes____ No X
• If No, would the property qualify for such a brownfield designation?	Yes____ No____ Unknown X
• Describe any remediation work performed on the property.	N/A
Previous Development Proposals	
• Describe any previously proposed or solicited development plans for the property, including any short-term and/or long-term lease/rental arrangements.	None.

Estimate of Current Property Value

Background:

The Signal Hill Redevelopment Agency (SHRDA) purchased the property as part of its second phase of property acquisitions beginning in 2010. The sale of the property was voluntary. The property is adjacent to retail businesses and a bank in the Commercial Town Center. The property is paved for parking, however, the owner would not allow anyone to park in the lot and barricaded it. The SHRDA purchased the property in order to provide public parking to the area.

Sales Comparison Approach:

The property was appraised in 2010 by Flavell, Tennenbaum & Edwards. The property was valued using a Sales Comparison Approach.

Encumbrances on Property:

Based upon the property's previous use for oil operations, the property is potentially contaminated. There are two previously abandoned oil wells and sumps on the site. The site does not meet the minimum lot size for properties zoned in the Commercial Town Center (CTC). The minimum lot size for properties zone CTC is 20,000 and the site is 6,750 SF. Because of the site's size and environmental issues, development of the property would be impossible without the inclusion of adjacent parcels.

Current Value:

Real estate values have stablized in the commercial and industrial markets. In 2012, the City completed an appraisal for a property close to the site at 859 Patterson Avenue. This property is 6,250 square foot and was valued at $14 per square foot using a sales comparison approach. Using this value as a guide, the value of 2621 St. Louis Avenue site

is:

6,750 SF @ $14.00 = $94,500

The value of this site is $60,500 less than when appraised in 2010, which was when land values were higher. The site is constrained potentially by environmental contamination based upon the Phase I Environmental Site Assessment (ESA). There are two previously abandoned oil wells and sumps on site.

Based upon the Phase I ESA, it is recommended that a limited subsurface soils investigation be completed with soil collected from 1-foot below ground surface (bgs), 5-feet bgs, and 10-feet bgs. The soil should be tested for Total Petroleum Hydrocarbons (TPH) – gasoline range, (TPH-g), TPH-diesel range (TPH-d), speciated carbon chains, volatile organic compounds (VOCs), semi-volatile organic compounds (SVOCs) and total threshold limit concentration (TTLC) metals. In addition, the two previously abandoned oil wells should be daylighted to determine their current status and re-abandoned based upon the Department of Oil, Gas and Geothermal Resource (DOGGR) leak test. A methane assessment should be conducted as well as a Human Health Risk Asessment and a soil management plan. The deduction to the value of the site is as follows:

Enviromental Remediation = -$249,310 to -$649,310
Value = ($154,810) to ($554,810)

Reuse Assessment and Recommended Action	
• Describe the property's potential for transit-oriented development.	N/A.
• Describe the reuse potential of the property in terms of advancing the Successor Agency's planning objectives.	The development of this property with a parking lot is consistent with Objective 3 in the Five Year Redevelopment Agency Implementation Plan for Years FY 2010-11 through FY 2014-15. Objective 3 of the Implementation Plan is to "expand and enhance Town Center."
• Permissible Use:	Pursuant to HSC §34191.3(b), "If the department has approved a successor agency's long-range property management plan prior to January 1, 2016, the successor agency may amend its long-range property management plan once, solely to allow for retention of real properties that constitute "parking facilities and lots dedicated solely to public parking" for governmental use pursuant to §34181. An amendment to Successor Agency's long-range property management plan under this subdivision shall be submitted to its oversight board for review and approval pursuant to §34179, and any such amendment shall be submitted to the department prior to July 1, 2016."