

RESOLUTION NO 2015-27

**Oversight Board for the Successor
Agency to the Sonoma County
Community Redevelopment Agency,
Santa Rosa CA 95403**

Date: November 13, 2015

**Resolution Of The Oversight Board For Successor Agency To The Sonoma County
Community Redevelopment Agency, Approving The Long Range Property
Management Plan of the Successor Agency to the Sonoma County Community
Redevelopment Agency; And Making Related Findings And Declarations And Taking
Related Actions In Connection Therewith.**

Whereas, California Health and Safety Code (HSC) §34191.5 and related sections require the Successor Agency to create and submit to the California Department of Finance (DOF) a Long Range Property Management Plan (LRPMP) within six months of issuance by DOF of a Finding of Completion; and

Whereas, the Successor Agency received a Finding of Completion from DOF on June 25th, 2015; and

Whereas, on November 10, 2015, the Board of the Successor Agency approved the submission of the Long Range Property Management Plan to the Oversight Board for the Successor Agency; and

Whereas, pursuant to HSC §34181.5 and §34191.5, the Successor Agency may propose a transfer of properties held by the Successor Agency and used for governmental purposes to a governmental agency for continuation of said uses; and

Whereas, the Oversight Board finds that a transfer of the two properties addressed in the LRPMP were constructed and used for governmental purposes, and continue to be used for those purposes, and desires that they continue to serve the purposes for which they were acquired.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board for the Successor Agency, hereby finds, resolves, and determines as follows:

1. The foregoing recitals are true and correct.

2. The Oversight Board hereby approves the Long Range Property Management Plan and related attachments in the form presented to the Oversight Board and attached hereto as Exhibit A.

3. The Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under California Health and Safety Code to post the LRPMP on the Successor Agency website, transmit the LRPMP to the State Department of Finance, and to take any other actions necessary to ensure the validity of and carry out the provisions of the LRPMP.

The above and foregoing Resolution was duly and regularly passed and adopted at a meeting by the Oversight Board for the Successor Agency to the Sonoma County Community Redevelopment Agency on the 13th day of November, 2015 by the following vote:

Carrillo: ABSENT Gorin: AYE Gouin: ABSENT Herrington: AYE

Riley: AYE Roberts: AYE Woodside: ABSENT

AYES: 4 NOES: 0 ABSENT: 3 ABSTAIN: 0

WHEREUPON, the Chair declared the above and foregoing Resolution duly adopted and

SO ORDERED.


Supervisor Susan Gorin
Vice-Chair, Oversight Board



Sonoma County Community Development Commission
Sonoma County Housing Authority
1440 Guerneville Road, Santa Rosa, CA 95403-4107

Long Range Property Management Plan of the Successor Agency to the Sonoma County Community Redevelopment Agency

November 1, 2015

INTRODUCTION

Assembly Bill (“AB”) 1484, enacted in June of 2012, requires all successor agencies for former redevelopment agencies that owned property as of the time of redevelopment dissolution in 2011 to prepare a Long Range Property Management Plan (“LRPMP”). The LRPMP governs the disposition and use of property held by the former redevelopment agency pursuant to legal requirements, as detailed in the next section.

This is the Long Range Property Management Plan for the Successor Agency to the Sonoma County Community Redevelopment Agency (“Successor Agency”).

EXECUTIVE SUMMARY

The Long Range Property Management Plan for the Successor Agency to the Sonoma County Community Redevelopment Agency covers two assets, a parcel of land containing a parking lot on Sonoma Highway in Boyes Hot Springs, and a restroom building placed on a County of Sonoma-owned parking lot at 16255 First Street, Guerneville. The former Sonoma County Community Redevelopment Agency (“Agency”) was the owner of record on the title for one property in the Boyes Hot Springs area of unincorporated Sonoma County, and the owner of a public restroom fabricated and installed on property owned by the County of Sonoma in Guerneville, another unincorporated part of Sonoma County, which also is the location of the Guerneville Veterans Memorial Building. The Redevelopment Agency and the Successor Agency have no interest in the real property located at 16255 First Street.

The real property in Boyes Hot Springs consists of a single lot totaling approximately 7,400 square feet that has been converted to a public parking lot. The Sonoma County Assessor Record for the property identifies the site address as 18475 Sonoma Highway, Boyes Hot Springs, CA (Assessor Parcel Number 056-461-015). This property is proposed to be transferred to the County of Sonoma in order to continue the existing governmental use serving the County. The restroom building is permanently installed on a lot owned by the County of Sonoma, and is not in fact real property by definition, but is included in the Long Range Property Management Plan to ensure the asset is transferred in a cost-effective way to continue serving the governmental purpose for which it was acquired. It is similarly proposed to be transferred to the County of Sonoma to allow continued governmental purposes use.



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STATEMENT OF LEGAL REQUIREMENTS

The LRPMP addresses the disposition and use of the real properties of the former redevelopment agency. AB 1484 requires that the LRPMP include all of the following components:

1. Inventory of all properties in the Community Redevelopment Property Trust Fund (“Trust Fund”), established to serve as the repository of the former redevelopment agency’s real properties.

This inventory shall consist of all of the following information:

- a. Date of acquisition of the property and the value of the property at that time, and an estimate of the current value of the property.
 - b. Purpose for which the property was acquired.
 - c. Parcel data, including address, lot size, and current zoning in the former redevelopment agency redevelopment plan or specific, community, or general plan.
 - d. Estimate of the current value of the parcel including, if available, any appraisal information.
 - e. Estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.
 - f. History of environmental contamination, including designation as a brownfield site, and related environmental studies, and history of any remediation efforts.
 - g. Description of the property’s potential for transit-oriented development and the advancement of the planning objectives of the successor agency.
 - h. Brief history of previous development proposals and activity, including the rental or lease of property.
2. Address the use or disposition of all the properties in the Trust Fund. Permissible uses include:
 - a. Retention for governmental use pursuant to subdivision (a) of Section 34181;
 - b. Retention for future development;
 - c. Sale of the property; or
 - d. Use of property to fulfill an enforceable obligation.
 3. Separately identify and list properties in the Trust Fund dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties, all the following shall apply:
 - a. If the plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the city, county, or city and county.



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- b. If the plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or other than that specified in subsection 3(a) above, the proceeds from the sale shall be distributed as property tax to the taxing entities.
- c. Property shall not be transferred to a successor agency, city, county, or city and county, unless the PMP has been approved by the oversight board and DOF.

RETENTION OF PROPERTY FOR GOVERNMENTAL USE/PURPOSE

The properties listed below are proposed to be transferred to the County of Sonoma pursuant to Health and Safety Code Section 34181 (a) that allows properties of a former redevelopment agency to be transferred to a public jurisdiction (in this case, the County of Sonoma) for a governmental use. A description of the property, including the legally required information, aerial maps, and photographs, are presented in this section. Both properties were acquired for governmental use purpose: a restroom and a parking lot available for public use. The analysis required under Health and Safety Code section 34181 is straightforward for the parking lot, and is presented in that fashion. The other asset, the public restroom, is a unique situation.

The Public Restroom Building acquired by the Redevelopment Agency in November of 2011 is not a real property, per se, but is a “building asset” sited on County Government property by lease agreement with the County of Sonoma. Specifically, the restroom was located on the parking lot of the Guerneville Veteran’s Building, plumbed and connected to utilities there by agreement with the County, and is operated and maintained by the Successor Agency. Installation of the building required removal of a portion of the asphalt parking lot, trenching and connection to the Veteran’s Building utilities, and required significant alterations to the County’s property improvements at the location. The agreement under which the Redevelopment Agency installed the restroom requires that the site be returned to its previous condition if the restroom were to ever be removed.

In 2012, Successor Agency staff investigated the value of the restroom if sold on the open market as a surplus government asset. Similar resources were found to be offered for sale for a fraction of the value of the purchase price, and a sale would require de-installation, removal, and a repair of the site infrastructure and parking lot. Estimates for restoration of the site were substantially in excess of the market value of the used restroom. As a result, the net market value of the asset has been, and remains today, zero. The Successor Agency has chosen to propose to transfer the asset to the County of Sonoma, the governmental entity responsible for the Guerneville area, for continued governmental purposes use.

18475 Sonoma Highway, Boyes Hot Springs (Highway 12 and E. Thomson Avenue)

Pursuant to the requirements of 34191.5(c) of the Health and Safety Code, the following characteristics apply to the parking lot property listed under “Retention of Properties for Governmental Use:”

Date of Estimated Current Value: July 26, 2013.



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Purpose of Acquisition: The property was acquired on January 12, 1988 to provide a parking resource/commuter parking lot in the Springs Redevelopment Project Area.

Estimate of Income Revenue: The property is a free public parking lot. There is no income revenue.

Contractual Requirements for Use of Income/Revenue: Not applicable due to no income revenue.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: None/not applicable.

Description of Property's Potential for Transit Oriented Development: None/not applicable.

History of Previous Development Proposals: None/not applicable.

Address: 18475 Sonoma Highway, Boyes Hot Springs CA 95476

APN: 056-461-044

Lot Size: 0.24 acres, 10,454 square feet

Acquisition Date: 01/12/1988

Value at Time of Purchase: \$94,000

Property Type (DOF Category): Public Parking Lot

Property Type - Transfer to County for Public Purposes (Parking Lot) Current Zoning: CO-TS-SR, stipulated use as a park-and-ride lot.

Estimated Current Value: \$100,000

Advancement of Planning Objectives:

The Springs Redevelopment Plan recommends modification of the existing Highway 12 roadway to include curbs, gutters, lighting, and sidewalks and turns lanes, and additional parking, as well as improved housing, blight removal, and commercial revitalization of the area. The vision for the Project Area included an economic revitalization by creating a commercial district that was walkable, and had amenities to support commercial/retail businesses along the two-mile corridor.

The Sonoma Valley (Springs) Project Redevelopment Area Strategic Plan, in its first of three primary strategies, calls for the creation of pedestrian, bicycle and vehicle circulation along Highway 12, provision of “**adequate parking that meets the needs of visitors and residents,**” and improved public transportation. The following goals and objectives guided the acquisition and development of a parking lot at 18475 Sonoma Highway.



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Redevelopment Goals

Revitalize the Springs commercial district so that it may once again be an efficient and attractive center for commercial, residential, tourist, and office activity to serve the Springs community.

Redevelopment Objectives

Pursuant to meeting these Plan goals, the specific objectives are as follows:

- Enhance the efficiency, safety, and appearance of Highway 12 in the Boyes Hot Springs area, so that it may serve as the main street and focal point of a revitalized commercial district.
- Improve vehicular and pedestrian accessibility to the commercial district from both within and outside the Project Area.
- **Create additional parking in the Redevelopment Project area between E. Thomson Avenue and Lichtenburg Avenue.**

The property located at 18475 Sonoma Highway was acquired by the former Sonoma County Community Redevelopment Agency in 1987 from Bess Knutson. Subsequent to acquisition of the property, the construction of an asphalt parking lot (referred to as the E. Thomson Avenue Parking Lot) was constructed on the site, including driveway, sidewalk, lighting and landscape improvements.

The Successor Agency proposes to transfer the title of this property to the County of Sonoma in order to ensure that the property will continue to be utilized to serve the Springs community as a parking resource.

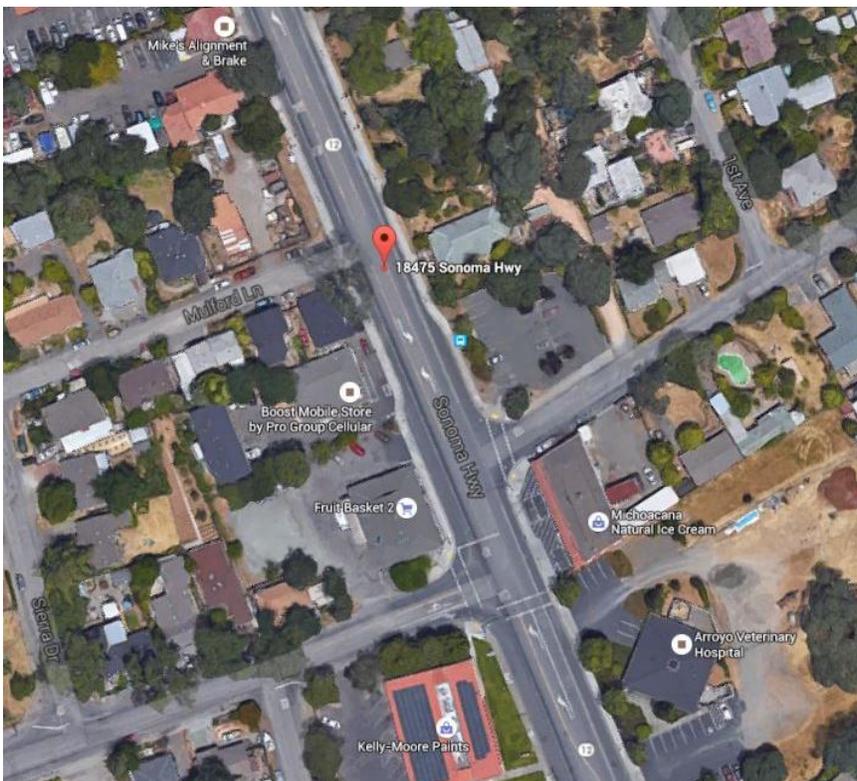


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Photo 1 – Parking Lot – Highway 12 and E. Thomson Avenue (18475 Sonoma Highway)



Photo 2 – 18475 Sonoma Highway Vicinity Map





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Valuation Methodology

Background

Health and Safety Code Section 34191.5 (c) requires that the LRPMP contain an estimate of current value for each property.

Estimate of Current Value of 18475 Sonoma Highway

The Successor Agency commissioned an appraisal of the parking lot property through a Licensed California Appraiser, Raymond B. Mattison, ASA, MAI of Santa Rosa, CA. The appraisal gave a fair market value of \$100,000 for the parcel.

Public Restroom Located on the Premises at 16255 First Street, Guerneville

Pursuant to the requirements of 34191.5(c) of the Health and Safety Code, the following characteristics apply to the public restroom asset listed under “Retention of Properties for Governmental Use:”

Date of Estimated Current Value: June 12, 2012

Purpose of Acquisition: The restroom was purchased on November 2, 2011 to provide a public restroom for the tourist and local residential community in the Russian River Redevelopment Project Area to use.

Estimate of Income Revenue: The asset is a free public restroom. There is no income revenue.

Contractual Requirements for Use of Income/Revenue: Not applicable due to no income revenue.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: None/not applicable; this is a prefabricated building, and not real property.

Description of Property’s Potential for Transit Oriented Development: None/not applicable.

History of Previous Development Proposals: None/not applicable.

Address: 16255 First Street, Guerneville, CA 95446

APN: Not applicable, no real property involved

Lot Size: Not applicable

Acquisition Date: 11/2/2011

Value at Time of Purchase: \$66,467

Property Type (DOF Category): Public Building – Prefabricated Restroom



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Property Type - Transfer to County for Public Purposes (Public Restroom) Current Zoning:

No applicable, no real property involved.

Estimated Current Value: No net market value – cost of site restoration far exceeds potential net proceeds from sale of the building.

Advancement of Planning Objectives

The Russian River Redevelopment Plan recommends numerous blight reduction and affordable housing measures, and calls for public infrastructure improvements to increase tourism income and the viability of the downtown retail areas of the Project Area. Additionally, the Redevelopment Plan calls for utility improvements and infrastructure for residences and businesses, and increased public amenities.

Redevelopment Goals

Revitalize the Russian River Project Area commercial districts so that they may be efficient and attractive centers for commercial, residential, tourist, and office activity serving the Russian River communities.

Redevelopment Objectives

Pursuant to meeting these Plan goals, one specific objective identified was the establishment of at least one public restroom in the Guerneville downtown area, to be used by tourists and local residents frequenting the downtown area.

The restroom was purchased with Redevelopment funds, and installed for public use on the parking lot of the County's Guerneville Veterans Memorial Building, under an arrangement negotiated between the County and the Redevelopment Agency. The agreement allowed use of the land for the restroom, and connection to existing utilities, for a de minimus rent, in exchange for the promise of the Redevelopment Agency to restore the premises to their original condition if the restroom should be removed.

The Successor Agency proposes to transfer ownership of the restroom to the County in order to ensure that the property will continue to be utilized to serve the Guerneville community as a public restroom amenity.



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Photo 1 – Public Restroom – Church Street & First Street



Photo 2 – Church Street & First Street Vicinity Map





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Valuation Methodology

Background

Health and Safety Code Section 34191.5 (c) requires that the LRPMP contain an estimate of current value for each property.

Estimate of Current Value of the Public Restroom Building

As a part of the Dissolution of the Redevelopment Agency, the Successor Agency explored a potential sale of the restroom. Estimates by purchasing professionals and auction resources provided the opinion that the restroom would likely generate a gross sales amount of approximately \$15,000, which would be reduced by a significant sales commission. Construction estimates to restore the site ranged between \$45,000 and \$65,000, depending on the required extent of restoration. It is clear that the sale, removal, and transportation of the restroom building wouldn't yield sufficient funds to restore the site, and any sale and removal of the restroom building and site restoration would cost the taxing entities more than the sales proceeds would generate. This would require an additional reduction in RPTTF funding to the taxing entities to fund the shortfall of the restoration costs. Therefore, the public restroom building has a negative net fair market value, and therefore is worth nothing as an asset of the Successor Agency.



LONG-RANGE PROPERTY MANAGEMENT PLAN CHECKLIST

Instructions: Please use this checklist as a guide to ensure you have completed all the required components of your Long-Range Property Management Plan. Upon completion of your Long-Range Property Management Plan, email a PDF version of this document and your plan to:

Redevelopment_Administration@dof.ca.gov

The subject line should state “[Agency Name] Long-Range Property Management Plan”. The Department of Finance (Finance) will contact the requesting agency for any additional information that may be necessary during our review of your Long-Range Property Management Plan. Questions related to the Long-Range Property Management Plan process should be directed to (916) 445-1546 or by email to Redevelopment_Administration@dof.ca.gov.

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

GENERAL INFORMATION:

Agency Name: **Successor Agency for the Sonoma County Community Redevelopment Agency**

Date Finding of Completion Received: 6/25/2015

Date Oversight Board Approved LRPMP: 11/13/15

Long-Range Property Management Plan Requirements

For each property the plan includes the date of acquisition, value of property at time of acquisition, and an estimate of the current value.

Yes No

For each property the plan includes the purpose for which the property was acquired.

Yes No

For each property the plan includes the parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.

Yes No

For each property the plan includes an estimate of the current value of the parcel including, if available, any appraisal information.

Yes No

For each property the plan includes an estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.

Yes No

For each property the plan includes the history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts.

Yes No

For each property the plan includes a description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

Yes No

For each property the plan includes a brief history of previous development proposals and activity, including the rental or lease of the property.

Yes No

For each property the plan identifies the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforceable obligation.

Yes No

The plan separately identifies and list properties dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation.

Yes No

ADDITIONAL INFORMATION

- If applicable, please provide any additional pertinent information that we should be aware of during our review of your Long-Range Property Management Plan.

The Public Restroom Building acquired by the Redevelopment Agency in November of 2011 is not a real property, per se, but is a "building asset" sited on County Government property by lease agreement with the County of Sonoma. Specifically, the restroom was located on the parking lot of the Guerneville Veteran's Building, plumbed and connected to utilities there by agreement with the County, and is operated and maintained by the Successor Agency. Installation of the building required removal of a portion of the asphalt parking lot, trenching and connection to the Veteran's Building utilities, and required significant alterations to the County's property improvements at the location. The agreement under which the Redevelopment Agency installed the restroom requires that the site be returned to its previous condition if the restroom were to ever be removed.

In 2012, Successor Agency staff investigated the value of the restroom if sold on the open market as a surplus government asset. Similar resources were found to be offered for sale for a fraction of the value of the purchase price, and a sale would require de-installation, removal, and a repair of the site infrastructure and parking lot. Estimates for restoration of the site were substantially in excess of the market value of the used restroom. As a result, the market value of the asset has been, and remains today to be zero. The Successor Agency has chosen to propose to transfer the asset to the County of Sonoma, the governmental entity responsible for the Guerneville area, for continued governmental purposes use.

Agency Contact Information

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Title:	Executive Director, SCCDC	Title:	Deputy Director, SCCDC
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Date:	11/13/15	Date:	11/13/15

Department of Finance Local Government Unit Use Only

DETERMINATION ON LRPMP: APPROVED DENIED

APPROVED/DENIED BY: _____ DATE: _____

APPROVAL OR DENIAL LETTER PROVIDED: YES DATE AGENCY NOTIFIED: _____

Form DF-LRPMP (11/15/12)