

OVERSIGHT BOARD RESOLUTION NO. 15-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE TUSTIN COMMUNITY REDEVELOPMENT AGENCY APPROVING THE LONG RANGE PROPERTY MANAGEMENT PLAN

The Oversight Board of the Successor Agency to the Tustin Community Redevelopment Agency finds, determines and declares as follows:

- A. The City of Tustin ("City") is a municipal corporation organized and operating under the laws of the State of California; and
- B. The Successor Agency is a public body corporate and politic, organized and operating under Parts 1.8 and 1.85 of Division 24 of the California Health and Safety Code, and the successor the former Tustin Community Redevelopment Agency ("former Agency") that was previously a community redevelopment agency organized and existing pursuant to the Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.* ("CRL"); and
- C. Assembly Bill x1 26 ("AB x1 26") added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code ("HSC") and which laws were modified, in part, and determined constitutional by the California Supreme Court in the petition *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861, which laws and court opinion caused the dissolution of all redevelopment agencies and winding down of the affairs of former redevelopment agencies; thereafter, such laws were amended further by Assembly Bill 1484 and subsequent legislation (together AB x126, the *Matosantos* Decision, and subsequent legislation are referred to as the "Dissolution Law"). All statutory references herein are to the Health and Safety Code of the Dissolution Laws unless otherwise stated; and
- D. As of February 1, 2012 the former Agency was dissolved pursuant to the Dissolution Law and as a separate public entity, corporate and politic the Successor Agency administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and
- E. Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the affected taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Laws; and
- F. On May 10, 2013, the Successor Agency remitted what it believed to be its last remaining unencumbered funds to the Orange County Auditor-Controller and on May 13, 2013, requested a Finding of Completion ("Finding") from DoF; and

- G. On July 3, 2013, DoF informed the Successor Agency that a Finding would not be issued until after the Successor Agency remitted the principal and interest due on December 1, 2013 for the December 31, 2008 Promissory Note between the City and Successor Agency; and
- H. In response, the City, the Successor Agency and the Tustin Housing Authority filed a "Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief" from the Superior Court of the State of California; and
- I. On April 24, 2014, the Superior Court, County of Sacramento issued its ruling in the Petition Case No. 34-2013-80001623 under which a Writ mandated DoF issue the Successor Agency its Finding of Completion, nunc pro tunc as of May 15, 2013; and
- J. On May 1, 2014, pursuant to the Writ issued by the Court, DoF issued the Finding of Completion, effective May 15, 2013; and
- K. On June 19, 2014, the City, the Successor Agency and the Tustin Housing Authority filed a notice of appeal in response to other findings in the Petition; and
- L. On July 8, 2014, DoF filed a notice of cross-appeal to challenge the judgment that DoF had abused its discretion in refusing to issue a Finding until the amount due under the Promissory Note had been remitted; and
- M. On December 9, 2014, the City and DoF executed a Promissory Note Settlement Agreement outlining the City's payoff schedule for the Note and DoF's promise to abandon or dismiss the cross-appeal; and
- N. On December 12, 2014, DoF filed an abandonment of the cross-appeal and on December 15, 2014 the abandonment became official; and
- O. With all matters regarding the Finding completely resolved and in accordance with HSC Section 34191.5, the Successor Agency prepared a Long Range Property Management Plan ("LRPMP") addressing the disposition and use of the real properties of the former Tustin Community Redevelopment Agency; and
- P. Pursuant to HSC Section 34181(f), the Successor Agency published a "Notice of Public Meeting" in the Tustin News on January 15th and January 22nd, notifying the public that the Oversight Board will be considering the LRPMP prepared by the Successor Agency at the Board's January 27th meeting; and
- Q. Pursuant to HSC Section 34181(a) and 34191.5(b), the Oversight Board has duly considered and approved the LRPMP; and
- R. The Oversight Board has determined approval of the LRPMP and submission to DoF is in the best interest of the City and Agency and in the health, safety, and

welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, BE IT RESOLVED BY A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE TUSTIN COMMUNITY REDEVELOPMENT AGENCY:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

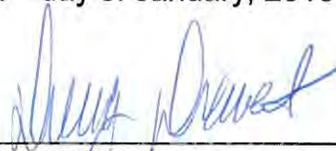
Section 2. Pursuant to Section 34191.5 of the Dissolution Law, the Oversight Board approves the Long Range Property Management Plan and Long Range Property Management Plan Tracking Worksheet attached hereto as Attachments No. 1 and No. 2 and incorporated herein, and further authorizes the Successor Agency to transmit this Resolution to the DoF.

Section 3. The Executive Director of the Successor Agency or his authorized designee is directed to post this Resolution on the City/Successor Agency website.

Section 4. This Resolution shall be effective after transmittal of this Resolution to DoF and the expiration of five (5) business days pending a request for review by DoF within the time periods set forth in the Dissolution Law. Pursuant to HSC Section 34181(f), if DoF requests review hereof, it will have 60 days from the date of its request to approve this Oversight Board property disposition action or return it to the Oversight Board for reconsideration and the action, if subject to review by DoF, will not be effective until approved by DoF.

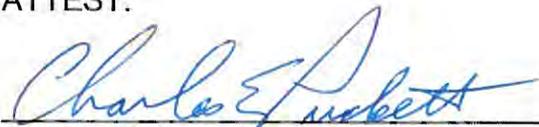
Section 5. The Secretary of the Oversight Board shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this 27th day of January, 2015.



Doug Dayert, Chairman
Oversight Board of the Successor Agency to
the Tustin Community Redevelopment Agency

ATTEST:



Charles E. "Chuck" Puckett, Secretary
Oversight Board of the Successor Agency to
the Tustin Community Redevelopment Agency

STATE OF CALIFORNIA)
COUNTY OF ORANGE)SS
CITY OF TUSTIN)

I, CHARLES E. "CHUCK" PUCKETT, Secretary of the Oversight Board of the Successor Agency to the Tustin Community Redevelopment Agency, do hereby certify that the whole number of the members of the Agency Board is seven; that the above and foregoing Resolution No. 15-02 was duly passed and adopted at a special meeting of the Oversight Board, held on the 27th day of January, 2015, by the following vote:

BOARD MEMBER AYES:	<u>Davert, Puckett, Nielsen, Soria</u>	(4)
BOARD MEMBER NOES:	<u>None</u>	(0)
BOARD MEMBER ABSTAINED:	<u>None</u>	(0)
BOARD MEMBER ABSENT:	<u>Fitzsimons, Bernstein, West</u>	(3)

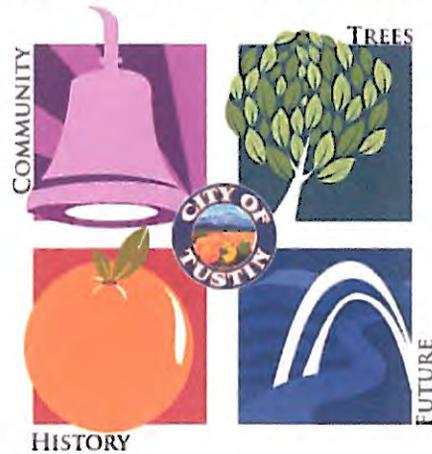


Charles E. "Chuck" Puckett, Secretary
Oversight Board of the Successor Agency to the
Tustin Community Redevelopment Agency

Attachment 1 – Long Range Property Management Plan
Attachment 2 – Long Range Property Management Plan Tracking Worksheet

ATTACHMENT #1
LONG RANGE PROPERTY MANAGEMENT PLAN

TUSTIN



BUILDING OUR FUTURE
HONORING OUR PAST

Long-Range Property Management Plan

Successor Agency to the Tustin Community
Redevelopment Agency

Introduction

Part 1.85, Division 24 of the California Health and Safety Code (“Dissolution Law”) as amended by Assembly Bill 1484 (AB 1484), enacted and effective June 27, 2012, requires all Successor Agencies to develop a Long-Range Property Management Plan (LRPMP) that governs the disposition and use of the former redevelopment agency property held by the Successor Agency. The LRPMP must include an inventory and site history of each of the former redevelopment agency-owned properties as well as a plan for the future use or disposition of each site.

The LRPMP, when approved, will serve to determine and direct that each property is either:

1. Retained for governmental use, or
2. Retained for future development, or
3. Retained to fulfill an enforceable obligation, or
4. Sold.

This document serves as the LRPMP for the Successor Agency to the Tustin Community Redevelopment Agency (Successor Agency).

Summary of Successor Agency Properties

The Successor Agency owns and controls three (3) properties (comprised of four (4) parcels) within the City of Tustin (City). Each property will be discussed in greater detail in the “Property Inventory” section. The properties are shown on the following table and map:

Address	APN	Lot Size
450 El Camino Real	401-622-10	7,500 sq.ft.
445 C Street	401-322-40	74,500 sq. ft. (2 floors)
1021 Edinger Avenue	430-252-05	95,832 sq. ft.
15012 Newport Avenue	430-252-06	87,120 sq.ft.



1021 Edinger Avenue/15012 Newport Avenue



445 C Street

450 El Camino Real

Property Inventory

1. **450 El Camino Real**

- **APN:** 401-622-10
- **Acquisition Date:** 12/30/1982
- **Value at Purchase:** \$119,000
- **Purpose of Acquisition:** Initially purchased for public purpose of redevelopment related to private development; however, the public use and purpose changed years ago due to the need in the Old Town area for park space, which led to the development of a Respite Park on this parcel. Use as a public park for respite was the use prior to dissolution and remains the current use.
- **Lot Size:** 7,400 sq. ft.
- **Current Zoning:** Public and Institutional
- **Property Type (DOF Category):** Park/Open Space
- **Permissible Uses:** Governmental Use - Public Respite Park
- **Estimated Current Value:** \$0 – Based on market value estimate as an existing public park.
- **Estimate of Income/Revenue:** There is no income generated from the property.
- **Contractual Requirements for Use of Income/Revenue:** Not applicable
- **Historic Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield site:** Not applicable
- **Transit Oriented Development Potential:** Not applicable

- **Advancement of Planning Objectives**
The Old Town Respite Park provides a rest area and public open space for visitors to the City of Tustin's Old Town area. There are very few areas zoned for this purpose the Old Town area, making this Old Town Respite Park a wonderful, accessible public amenity for Old Town Tustin.

- **History of Development Proposals and Activities**
None received to date.

- **Use/Disposition of Property**
The Successor Agency intends to transfer the property to the City of Tustin for continued governmental use pursuant to Section 34181(a) of the Dissolution Law that allows properties of a former redevelopment agency to be transferred to a public jurisdiction in order for this property to continue to exist as a public park, the Old Town Respite Park.

2. **445 C Street**

- **APN:** 401-622-40
- **Acquisition Date:** 10/4/1982
- **Value at Purchase:** \$500,000
- **Purpose of Acquisition:** Purchase a partial fee interest in and control of 81 parking spaces on the second floor of the Parking Structure to provide public parking for Old Town Tustin.
- **Lot Size:** 1st floor: 36,500 sq. ft.; 2nd floor: 38,000 sq. ft.; Total: 74,500 sq. ft.
- **Current Zoning:** Central Commercial
- **Property Type (DOF Category):** Parking Structure/parking spaces

- **Permissible Uses:** Governmental Use - Public Parking in Old Town Tustin.
- **Estimated Current Value:** \$0 – Based on market value estimate as an existing public use.
- **Estimate of Income/Revenue:** There is no income generated from the property.
- **Contractual Requirements for Use of Income/Revenue:** Not applicable
- **Historic Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield site:** Not applicable
- **Transit Oriented Development Potential:** Not applicable

- **Advancement of Planning Objectives**
The parking structure provides public parking for the Old Town Tustin area.

- **History of Development Proposals and Activities**
None received to date.

- **Use/Disposition of Property**
The Successor Agency does not own the parking structure in its entirety. The Successor Agency has a 38.03% interest in the parking structure, with the balance held by private owners; the Parking Structure is subject to reciprocal easement and CCRs of record. The Successor Agency intends to transfer the property to the City of Tustin for governmental use pursuant to Section 34181(a) of the Dissolution Law that allows properties of a former redevelopment agency to be transferred to a public jurisdiction in order for the property to continue the public use and purpose, here as a public parking structure. The Successor Agency is of the opinion that the open market will not yield a buyer for the 38.03% interest in the parking structure. Noted too there are delayed maintenance and repair issues not undertaken by the majority owners of the parking structure that too impact value and marketability. Transferring the property to the City of Tustin will allow the public to continue to have the benefit of access to and use of the parking structure for public parking for Old Town Tustin.

3. 1021 Edinger Avenue/15012 Newport Avenue

- **APN:** 430-252-05 and 430-252-06
- **Acquisition Date:** 1/13/1995
- **Value at Purchase:** \$3,029,561.82
- **Purpose of Acquisition:** Right of Way for the Newport Avenue extension public right of way
- **Lot Size:** 430-252-05 = 95,832 sq. ft.; 430-252-06 = 87,120 sq. ft.; Total= 182,952 sq. ft.
- **Current Zoning:** Planned Community Commercial
- **Property Type (DOF Category):** Vacant Lot/Land
- **Permissible Uses:** Governmental Use – Newport Avenue Extension
- **Estimated Current Value:** \$0 based on market value estimate as a future public use
- **Estimate of Income/Revenue:** There is a billboard located on a portion of 430-252-05 that generates \$1,250 per month.
- **Contractual Requirements for Use of Income/Revenue:** Not applicable
- **Historic Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield site:** Not applicable
- **Transit Oriented Development Potential:** Not applicable

- **Advancement of Planning Objectives**

The Newport Avenue extension project will ultimately provide greater throughput to Tustin Legacy and State Route 55, which capital project is included in the City's General Plan, Master Plan Circulation/Streets and CIP list. The public improvement/road project will relieve traffic congestion and provide more travel alternatives for north-south trips.

- **History of Development Proposals and Activities**

The property was acquired for public purposes, in particular for future public right of way for the Newport Avenue extension project. The City of Tustin General Plan provides for the extension of Newport Avenue approximately 2500 feet southerly to a T-intersection with Valencia Avenue. Newport Avenue is designed as a primary arterial in the General Plan and Master Plan. The City intends that Newport Avenue intersect with Edinger Avenue at grade and the public road project will maintain the driveway access into the Newport Apartments along the northwest side of Newport Avenue.

- **Use/Disposition of Property**

The Successor Agency intends to transfer the property to the City of Tustin for governmental use pursuant to Section 34181(a) of the Dissolution Law that allows properties of a former redevelopment agency to be transferred to a public jurisdiction in order for the property to be used for the public purposes, here for the Newport Avenue right of way/road extension project.

The property was purchased for future public right of way/road use, in particular for the Newport Avenue extension project. The completion of the extension project continues to be a priority for the City of Tustin, and the transfer of the property to the City will facilitate the completion of the public improvement project.

The billboard, located on a portion of 450-252-05, is a currently a revenue source for the Successor Agency. The billboard generates \$1,250 per month (\$15,000 per year) in rent. It is important to note, that under existing zoning, the billboard is a legal non-conforming use. Based on zoning limitations and the contract with billboard company, the Successor Agency believes that the billboard should be included with the transfer of the property to the City of Tustin.

ATTACHMENT #2

LONG RANGE PROPERTY MANAGEMENT PLAN TRACKING WORKSHEET

Successor Agency: City of Tustin
 County: Orange

LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA

HSC 34191.5 (c)(1)(C)			HSC 34191.5 (c)(2)			
No.	Address or Description	APN	Property Type	Permissible Use	If Sale of Property, specify intended use of sale proceeds	Permissible Use Detail
1	450 El Camino Real	401-622-10	Park/Open Space	Governmental Use	N/A	Public Respite Park
2	445 C Street	401-622-40	Parking Lot/Structure	Governmental Use	N/A	Public Parking for Old Town Tustin
3	1021 Edinger Avenue/15012 Newport Avenue	430-252-05 and 430-252-06	Vacant Lot/Land	Governmental Use	N/A	Newport Avenue Extension

HSC 34191.5 (c)(1)(A)					SALE OF PROPERTY		
No.	Acquisition Date	Value at Time of Acquisition	Estimated Current Value	Date of Estimated Current Value	Estimated Current Value Basis	Proposed Sale Value	Proposed Sale Date
1	12/30/1982	\$119,000.00	\$0	N/A	Market	N/A	N/A
2	10/4/1982	\$500,000.00	\$0	N/A	Market	N/A	N/A
3	1/3/1995	\$30,229,561.82	\$0	N/A	Market	N/A	N/A

HSC 34191.5 (c)(1)(B)		HSC 34191.5 (c)(1)(C)		HSC 34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)	HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)		HSC 34191.5 (c)(1)(H)		
No.	Purpose for which property was acquired	Lot Size	Current Zoning	Estimate of Current Parcel Value	Annual Estimate of Income/Revenue	Are there any contractual requirements for use of income/revenue?	Has there been historic environmental contamination, studies, and/or remediation, and designation as a brownfield site for the property?	Does the property have the potential as a transit oriented development?	Were there advancements to the successor agency's planning objectives?	Does the property have a history of previous development proposals and activity?	
1	Initially purchased for public purpose of redevelopment related to private development. The public use and purpose changed years ago due to the need in the Old Town area for park space, which led to the development of a Respite Park on this parcel.	7,400	Square Feet	Public and Institutional	\$0 based on market value estimate as an existing public use	N/A	No	No	No	Yes	No
2	Public parking for Old Town Tustin	74,500	Square Feet	Central Commercial	\$0 based on market value estimate as an existing public use	N/A	No	No	No	Yes	No
3	Right of Way for the Newport Avenue extension	182,952	Square Feet	Planned Community Commercial	\$0 based on market value estimate as an existing public use	\$15,000 per year (\$1,250 per month) from a billboard on a portion of 430-252-05	No	No	No	Yes	No