



OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER SAN MARCOS REDEVELOPMENT AGENCY

STAFF REPORT

MEETING DATE: November 1, 2013

SUBJECT: Long Range Property Management Plan

Recommendation

Adopt the attached resolution approving the Long Range Property Management Plan.

Background

On December 29, 2011, the California Supreme Court issued its direction in the California Redevelopment Association v. Matosantos case. The Supreme Court found that ABX1 26, the Dissolution Act was constitutional. Consistent with AB X1 26, on January 10, 2012, the City Council adopted a resolution electing to become the Successor Agency for San Marcos Redevelopment Agency (SA). Under the Dissolution Act, the San Marcos Redevelopment Agency was dissolved on February 1, 2012.

In late June of 2012, the state legislature passed AB 1484, redevelopment dissolution clean up legislation which implemented new and accelerated deadlines among other provisions. One of these provisions was the creation of a Long Range Property Management Plan (LRPMP) to address the disposition and use of all the real property from the former redevelopment agency.

Discussion

Pursuant to Health and Safety Code (HSC) Section 34191.5 (b) the Successor Agency (SA) is required to submit, for review and approval, to the Oversight Board a Long Range Property Management Plan.

The LRPMP, attached, consists of an inventory of all properties held by the SA and the plan for the ultimate disposition or use of these properties in accordance with state law. These permissible uses are:

- retention of property for governmental use
- retention of the property for future development
- sale of the property
- use of the property to fulfill an enforceable obligation

The LRPMP consists of eight (8) individual or combined properties. Of these properties, one (1) is recommended for sale; 7 (seven) are to be retained for governmental use. All the properties, except for 684 Barham, were purchased with RDA bond proceeds or housing bond proceeds in accordance with the bond covenants.

Proceeds from the sale of property that is sold are to be remitted to the County Auditor- Controller for distribution to taxing entities.

Staff recommends that the Oversight Board approve the attached resolution approving the LRPMP.

Fiscal Impact

There is no direct fiscal impact to the Successor Agency. Any proceeds from the sale of the 1 (one) property will be remitted to the County Auditor-Controller for distribution to the various taxing entities.

Attachment(s)

Resolution
LRPMP

Prepared by:

A handwritten signature in black ink, appearing to be 'Lydia Romero', is written over a horizontal line. The signature is stylized and somewhat cursive.

Lydia Romero, Deputy City Manager

OVERSIGHT BOARD RESOLUTION NO. 2013-

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE FORMER SAN MARCOS REDEVELOPMENT AGENCY APPROVING THE LONG RANGE PROPERTY MANAGEMENT PLAN FOR THE REAL PROERTY ASSESTS OF THE FORMER REDEVELOPMENT AGENCY

WHEREAS, the City Council of the City of San Marcos ("City") adopted the Redevelopment Plan for Project Area No. 1 of the San Marcos Redevelopment Agency ("Agency") on or about July 12, 1983, the Redevelopment Plan for Project Area No. 2 on or about July 19, 1985, and the Redevelopment Plan for Project Area No. 3 on or about July 11, 1989, for the purpose of considering and pursuing redevelopment activities in the community pursuant to the Community Redevelopment Law, California Health & Safety Code Sections 33000, et. seq. ("CRL"); and

WHEREAS, pursuant to Assembly Bill X1 26 ("AB X1 26"), as supplemented in the decision of the California Supreme Court entitled *California Redevelopment Association, et al. v. Ana Matosantos, et al*, Supreme Court matter S194861, which decision was issued on December 29, 2011, redevelopment agencies have been dissolved by the State as of February 1, 2012 and no longer exist as public bodies, corporate or politic, Successor Agencies were designated to provide for the payment of enforceable obligations of each redevelopment agency and the administration of the wind-down of each such redevelopment agency; and

WHEREAS, pursuant to Resolution No. 2012-7607, approved and adopted by the City on January 10, 2012, the City elected to serve as the Successor Agency to the Agency following its dissolution; and

WHEREAS, pursuant to Assembly Bill 1484, which further amended the Dissolution Act (AB X1 26) requiring additional dissolution actions by the Successor Agency; and

WHEREAS, pursuant to Health and Safety Code section 34191.4(c), the San Marcos Successor Agency received "Finding of Completion" from the Department of Finance (DOF) on May 1, 2013; and

WHEREAS, under HSC section 34191.5(b), when a "Finding of Completion" is issued to a successor agency, the agency has six months to complete and remit to Department of Finance a long range property management plan for the disposition of real property; and

WHEREAS, the Oversight Board has received the Long Range Property Management Plan, as prepared by the SA, which addresses the requirements as HSC 34191.5(c).

NOW, THEREFORE, the Oversight Board of the Successor Agency to the former San Marcos Redevelopment Agency does hereby resolve as follows:

- A. The Long Range Property Management Plan is hereby approved, and
- B. The use of bond proceeds for the purchase of certain of the properties described in the Long Range Property Management Plan; to wit, those to be used for government purposes, the use of bond proceeds gives rise to the requirement to meet bond and indenture covenants; further, given that said properties were acquired by the former RDA with such bond funds for the governmental purpose of road and infrastructure improvements, said properties are to be retained by the Successor Agency to achieve such governmental purpose and ensure compliance with the applicable bond and indenture covenants.
- C. The lease revenue from the 939 Grand Avenue shall be retained by the Successor Agency, as the Successor Agency has maintained such property prior to and

following the dissolution of redevelopment and has incurred utility, maintenance and administrative oversight costs associated with the same, and as the lease revenue is de minimis in comparison with the expense and effort that would be required to allocate remaining income, if any, to taxing entities.

PASSED, APPROVED AND ADOPTED by the Oversight Board of the Successor Agency to the former San Marcos Redevelopment Agency at a meeting held on the 1st day of November, 2013, by the following roll call vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

GARY HAMELS
OVERSIGHT BOARD CHAIR

ATTEST:

Phillip Scollick, Clerk of the Board