

AGENDA

**CITY OF VALLEJO
OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY
TO THE VALLEJO REDEVELOPMENT
AGENCY
REGULAR MEETING**

BOARDMEMBERS:
Erin Hannigan, Chair
Annette Taylor, Vice-Chair
Pippin Dew-Costa
Dr. Ramona Bishop
LaGuan Lea
Shane McAfee
Gary Truelsen



**THURSDAY, DECEMBER 17, 2015
8:30 A.M.**

**CITY COUNCIL CHAMBERS, 2ND FLOOR
555 SANTA CLARA STREET, VALLEJO**

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the Board without prior notice and are not listed on the AGENDA, no specific answers or response should be expected at this meeting per State law.

Notice of Availability of Public Records: All public records relating to an open session item, which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to a majority of the Board will be available for public inspection at the City Clerk's Office, 555 Santa Clara Street, Vallejo, CA at the same time that the public records are distributed or made available to the Board. Such documents may also be available on the City of Vallejo website at <http://www.cityofvallejo.net> subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (707) 648-4527, TDD (707) 649-3562.

Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990) and the federal rules and regulations adopted in implementation thereof

NOTICE: Members of the public shall have the opportunity to address the Board concerning any item listed on the agenda *before or during consideration of that item. No other items may be discussed at this special meeting.*

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF THE MINUTES**
 - A. Approval of the Minutes from the September 24, 2015 special meeting
4. **OLD BUSINESS – None.**
5. **NEW BUSINESS**
 - A. **Approving the Revised Vallejo Successor Agency's Long Range Property Management Plan and Authorizing the Transfer of Parcels After the Plan Has Been Approved**

Recommendation: Adopt a Resolution approving a revised Long Range Property Management Plan, and once the revised Long Range Property Management Plan is approved by the State of California, authorizing the Successor Agency to transfer certain parcels to the City of Vallejo

6. AGENDA ITEMS FOR FUTURE MEETINGS

A. Discussion of Agenda Items for Future Meetings and Future Meeting Dates

7. ADJOURNMENT

CERTIFICATION:

I, Dawn Abrahamson, Secretary, do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the Oversight Board for the Successor Agency of the Vallejo Redevelopment Agency, at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 5:15 p.m., Friday, December 11, 2015.

Dated: December 11, 2015


Dawn Abrahamson, Secretary

**CITY OF VALLEJO OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY TO THE VALLEJO REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES
SEPTEMBER 24, 2015**

1. CALL TO ORDER

The meeting was called to order by Chair Hannigan at 8:30 a.m.

2. ROLL CALL

Board members Present: Chair Hannigan (Solano County Board of Supervisors' Appointee), Vice Chair Taylor (member representing Employees of Former Redevelopment Agency Appointee), Boardmembers Lea (Chancellor of California Community College Appointee), McAfee (GVRD, largest Special District Appointee), and Truelsen (Solano County Board of Supervisors' Public Member Appointee)

Boardmembers Absent: Boardmembers Bishop (County Superintendent of Education Appointee) and Dew-Costa (Mayor of Vallejo Appointee) (arrived at 8:41 a.m.)

Staff Present: Kathleen Diohep, Economic Development Manager; Dawn Abrahamson, Secretary; and Michael Roush, Legal Counsel

3. APPROVAL OF THE MINUTES

A. Approval of the Minutes from the June 25, 2015 Special Meeting

Action: Moved by Vice Chair Taylor, seconded by Boardmember McAfee and carried by unanimous vote of members present, approval of the minutes from the June 25, 2015 special meeting (Absent: Bishop and Dew-Costa).

4. OLD BUSINESS – None

A. Adopt a Resolution Approving the First Amendment to Grant Agreement Between the Oversight Board of the City of Vallejo and the Greater Vallejo Recreation District for Development of the North Vallejo Community Center

Recommendation: Adopt a Resolution approving the First Amendment to Grant Agreement between the Oversight Board of the City of Vallejo and the Greater Vallejo Recreation District (GVRD) for renovation of the North Vallejo Community Center in the amount of \$1,250,000

Boardmember McAfee recused himself from the matter as he has a conflict of interest related to his employment as the Executive Director of the Greater Vallejo Recreation District and left the Council Chamber.

Economic Development Manager Diohep provided an overview of the staff report.

Economic Development Manager Diohep, GVRD Facilities Superintendent McNair and Legal Counsel Roush responded to questions from Boardmembers.

Boardmembers expressed concern related to the delay of the renovation project, undefined scope of work and outreach efforts to the North Vallejo Community as requested at the June 25, 2015 Oversight Board meeting.

Speakers: Wendell Quigley (Chair of the GVRD Board of Directors) and Liat Meitzeinheimer (GVRD Boardmember).

Another question and answer period followed. Boardmembers provided comment.

Action: Moved by Vice Chair Taylor, seconded by Boardmember Lea, and carried unanimously by members present, to adopt Resolution No.15-005 (Abstain Due to Conflict of Interest: McAfee; Absent: Bishop).

Boardmember McAfee resumed his seat at the dais.

5. NEW BUSINESS

B. Adopt a Resolution Finding that 2003 COPS City/Redevelopment Agency Pre-Dissolution Loan Was For Legitimate Redevelopment Purposes Pursuant to Health & Safety Code Section 34191.4(b) and Approving the Loan Agreement as an Enforceable Obligation

Recommendation: Adopt the attached Oversight Board Resolution finding that the 2003 COPS City/Redevelopment Agency pre-dissolution loan was for legitimate redevelopment purposes pursuant to Health and Safety Code Section 34191.4(b) and approving the Loan Agreement as an enforceable obligation

Ms. Mayer (Consultant) reviewed the staff report and outlined the proposed recommendation.

Ms. Mayer responded to questions from Boardmembers. Boardmembers provided comment.

Speakers: None.

Action: Moved by Vice Chair Taylor, seconded by Boardmember Dew-Costa, and carried unanimously by members present, to adopt Resolution No. 15-006 (Absent: Bishop)

C. Adopt a Resolution Approving the Recognized Obligation Payment Schedule for January 1, 2016 Through June 30, 2016 (“ROPS 15-16B”)

Recommendation: Adopt a resolution approving the Recognized Obligation Payment Schedule for January 1, 2016 through June 30, 2016 (“ROPS 15-16B”)

Action: Moved by Vice Chair Taylor, seconded by Boardmember Dew-Costa and carried unanimously by members present, to adopt Resolution No. 15-007 (Absent: Bishop).

6. AGENDA ITEMS FOR FUTURE MEETINGS

A. Discussion of Agenda Items for Future Meetings and Future Meeting Dates

Economic Development Manager Diohep and Ms. Mayer reviewed a proposal schedule for future Oversight Board meetings. Potential upcoming items will include an update on SB 107 and implications on repayment of City Loans and the approval of the ROPS for

July 1, 2016 through December 30, 2016, which is due to the Department of Finance by February 2016.

7. ADJOURNMENT

The meeting adjourned at 9:35 a.m.

ERIN HANNIGAN, Chair

DAWN G. ABRAHAMSON, Secretary



DATE: December 17, 2015
TO: Chairman and Members of the Oversight Board to the Successor Agency Board
FROM: Andrea Ouse, Community and Economic Development Director
Kathleen Diohep, Economic Development Manager
SUBJECT: APPROVING THE REVISED VALLEJO SUCCESSOR AGENCY'S LONG RANGE PROPERTY MANAGEMENT PLAN AND AUTHORIZING THE TRANSFER OF PARCELS AFTER THE PLAN HAS BEEN APPROVED

RECOMMENDATION

Adopt a Resolution approving a revised Long Range Property Management Plan and, once the revised Long Range Property Management Plan is approved by the State of California, authorizing the Successor Agency to transfer certain parcels to the City of Vallejo.

REASONS FOR RECOMMENDATION

California Health & Safety Code Section 34191.5 directs successor agencies that receive a finding of completion from the State Department of Finance ("DOF") to prepare a Long Range Property Management Plan ("LRPMP") addressing the disposition and use of the real properties of the former redevelopment agency. In June 2015, both the Successor Agency and Oversight Board approved the LRPMP but subsequent DOF review now require changes to the LRPMP. Attachment 1 is the revised LRPMP reflecting DOF direction. Adoption of the resolutions would approve the revised LRPMP and the transfer of properties to the City pursuant to the LRPMP. DOF is required to approved all LRPMPs by January 1, 2016.

BACKGROUND AND DISCUSSION

The LRPMP must include a detailed inventory of all former Redevelopment Agency owned properties, and each property must be placed into one of four categories:

1. Use of property to fulfill an enforceable obligation
2. Available for sale
3. Retention for future development
4. Retention for government use

The Successor Agency, following the Oversight Board's approval, submitted a LRPMP to the DOF for review in May 2014. Following DOF comments received in February 2015, the Successor Agency and Oversight Board approved a revised LRPMP in June 2015 and forwarded the document to the DOF for approval. On November 25, 2015, DOF provided further direction to revise the LRPMP that now requires Oversight Board to consider such revisions and, if the Board approves, to resubmit the revised LRPMP immediately to secure DOF approval no later than January 1, 2016, as now required by law. The Successor Agency's approval of the revised LRPMP on June 23, 2015 included delegating to staff the authority to revise the LRPMP to address any comments by the DOF without further Successor Agency review. Thus, only the Oversight Board needs to review and approve this revised Long Range Property Management Plan prior to its submittal to the DOF.

On September 22, 2015, the State enacted SB107 changing certain legislative requirements for LRPMPs including allowing public parking lots to be considered as a "government use". The new law requires that LRPMPs must be approved by the Department of Finance by January 1, 2016 in order for a Successor Agency to utilize an LRPMP to control its property disposition.

Fourteen properties along the Mare Island Strait waterfront are held by the Successor Agency and are subject to "Public Trust" land use restrictions that both limit the uses and prohibit sale. The prior submittals of the LRPMP proposed transferring these Public Trust properties to the City to hold in trust using the "enforceable obligation" category of dissolution law. On November 25, 2015, the DOF denied the recognition of the Public Trust as an enforceable obligation. Instead it indicated that seven of the fourteen properties could be transferred to the City for government use and seven could be transferred to the City to hold for future development. The revised LRPMP makes those changes.

DOF also requested revised language concerning the requirement that the City would enter into compensation agreements with the taxing entities that would govern the distribution of any proceeds from a subsequent sale of the properties transferred for future development. Such agreements must be entered into prior to the disposition of the properties from the City to a private party. Properties subject to the Public Trust could not be sold to a third party, however, unless there is a future trust termination agreement approved by the State of California State Lands Commission.

FISCAL IMPACT

The revised LRPMP will result in title to 14 Public Trust land parcels being transferred from the Successor Agency to the City, including both the rights to any revenue generated from those lands as well as the responsibility and financial obligations of ownership and maintenance of those properties. The revenue from the current leases on the Public Trust Land is placed in a restricted funds account - Fund No. 134. These revenues are required to be used for the operation and maintenance of Public Trust lands. Each year an accounting of these funds is provided to the State Lands Commission. On-going maintenance costs on the properties are not significant as they are either leased, used for parking lots, or are open space

Six parcels with an aggregate value of up to \$211,700 will likely be sold in the near term by the Successor Agency. Four of these parcels are railroad spurs and are not likely to generate significant revenue. Net proceeds from these sales would be distributed to taxing entities based on their property tax shares. Eleven parcels, not subject to the Public Trust, are proposed for retention by the City for future development. The City will enter into "compensation agreements" as required by law with the other taxing entities prior to any sales to a third party.

ENVIRONMENTAL REVIEW

Approval of the revised LRPMP does not require analysis under the California Environmental Quality Act (CEQA) because the simple transfer of properties, in itself, will not have a foreseeable significant effect on the environment per Public Resources Code section 15061(b)(3). Any development project(s) that may be proposed in the future on one or more of the parcels which are the subject of the LRPMP will go through City's normal development application process at which point City will undertake review and analysis of such project(s) in accordance with CEQA.

ATTACHMENTS

1. Redlined LRPMP showing changes from June 2015 version
2. Resolution of the Oversight Board
3. Resolution of the City Council
4. Resolution of the Successor Agency

CONTACT

Kathleen Diohep, Economic Development Manager, 707-553-7283, Kathleen.Diohep@cityofvallejo.net

**FINAL REVISED LONG RANGE PROPERTY MANAGEMENT PLAN (LRPMP):
FORMER REDEVELOPMENT AGENCY-OWNED PROPERTIES
CITY OF VALLEJO, CALIFORNIA
December 17, 2015**



Approved by Successor Agency to the former Vallejo Redevelopment Agency on June 23, 2015, Resolution No. 15-005 and Oversight Board of the Successor Agency on June 25, 2015, Resolution No. 15-003

Submitted to California State Department of Finance for review on July 1, 2015.

Revised in December 2015 to address comment from the State Department of Finance received on November 25, 2015

Revised plan approved by the Oversight Board of the Successor Agency on December 17, 2015, Resolution No. 15-

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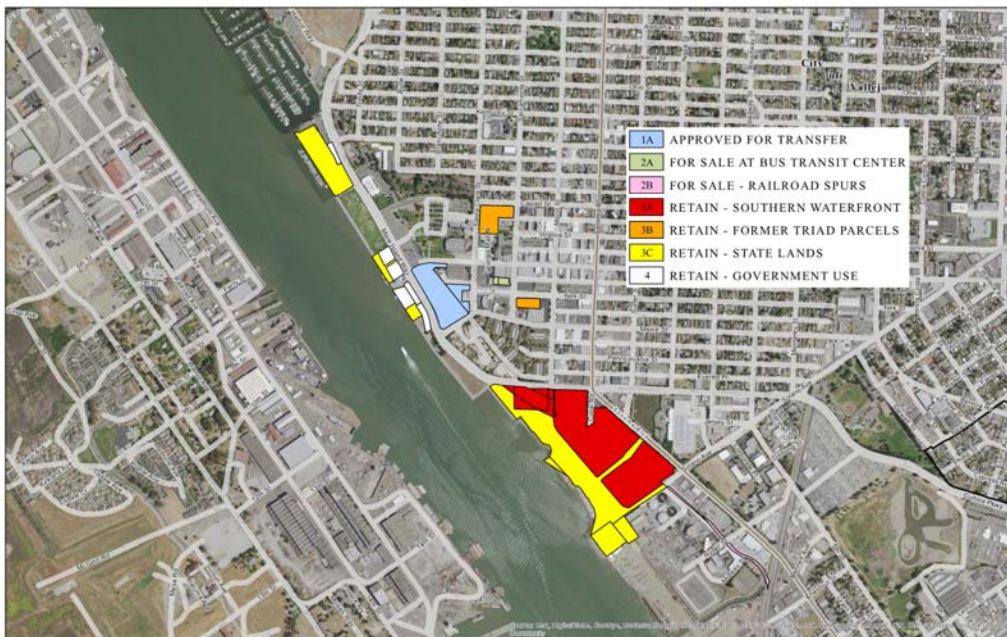
**Executive Summary of the
City of Vallejo Long Range Property Management Plan for
Former Redevelopment Agency Properties
~~June 23, 2015~~ December 17, 2015**

California Health & Safety Code Section 34191.5 directs successor agencies that receive a finding of completion from the State Department of Finance (“DOF”) to prepare a Long Range Property Management Plan (“LRPMP”) addressing the disposition and use of the real properties of the former redevelopment agency. The LRPMP (Attachment 1) is the result of significant research and compilation of data in order to meet the specific requirements of the legislation and to provide a specific recommendation on the disposition of a variety of properties.

State law requires that the LRPMP include a detailed inventory of all former Redevelopment Agency owned property, and that each property be placed into one of four categories:

1. Use of property to fulfill an enforceable obligation
2. Available for sale
3. Retention for future development
4. Retention for government use

The thirty-seven (37) parcels were placed into the four disposition categories and are summarized below. The map below presents the overview of the plan for these properties. The full LRPMP provides the background on each parcel.



Fourteen (14) properties have been determined to be Public Trust lands that must be retained by the City. Public Trust lands are properties that are or were at one time tidelands, submerged lands or lands lying under inland navigable waters. Land that can be documented at one time to have been one of these types of property (and subsequently filled) may also be considered Public

Trust lands. Public Trust lands are subject to certain use limitations and cannot be sold to private parties. Such properties can be leased to private parties for public trust purposes, but for no longer than 66 years. The Successor Agency proposed that the Public Trust lands be viewed as an enforceable obligation and proposed in the LRPMP to transfer to the City in support of that obligation. DOF has not recognized the Public Trust lands as an enforceable obligation in the context of redevelopment dissolution law. The primary change in the December 2015 revision of the LRPMP is to assign certain of the public trust lands to the category of Retain for Future Development or Retain for Government Use as directed by the DOF.

Category 1 - Properties Used to Fulfill Enforceable Obligations

There are ~~sixteen (16)~~two properties to be used by the City to fulfill enforceable obligations. The existing Vallejo Station Garage occupies two (2) properties that were initially denied transfer by DOF but approved for transfer by the State Controller’s Office in November 2014. They have been retained in the LRPMP to allow DOF to now approve the transfer.

~~Fourteen (14) properties have been determined to be Public Trust lands that must be retained by the City. Public Trust lands are properties that are or were at one time tidelands, submerged lands or lands lying under inland navigable waters. Land that can be documented at one time to have been one of these types of property (and subsequently filled) may also be considered Public Trust lands. Public Trust lands are subject to certain use limitations and cannot be sold to private parties. Such properties can be leased to private parties for public trust purposes, but for no longer than 66 years.~~

1. Properties Used to Fulfill Enforceable Obligations (Vallejo Station and Public Trust Parcels)				
Property	APN	Acres	Location	Current Use
1	0055 170 360	.77	Vallejo Station, Mare Island Way	Ferry Parking
2	0055 170 520	5.14	Vallejo Station, Mare Island Way	Ferry Parking
3	0055 160 360	.26	Mare Island Way @ Capitol	Yacht Club
4	0055 160 410	5.23	Mare Island Way @ Capitol	Yacht Club
5	0055 160 420	.28	Mare Island Way @ Capitol	Yacht Club
6	0055 170 010	.61	Mare Island Way @ Georgia	Short Term Parking
7	0055 170 020	.70	Mare Island Way @ Georgia	Short Term Parking & Restaurant
8	0055 170 030	.60	Mare Island Way @ Georgia	Short Term Parking
9	0055 170 050	.80	Ferry Landing, Mare Island Way	Ferry Basin and Dock
10	0055 170 060	.39	Ferry Landing, Mare Island Way	Public Sidewalk & Ferry Plaza
11	0055 170 400	.49	Mare Island Way, south of Ferry Landing	Marina Dental office
12	0055 170 080	.53	Mare Island Way, south of Ferry Landing	Marina Dental parking
13	0058 090 370	1.25	Solano Ave at Mare Island Strait	Leased to Kiewit

31	0055-090-350	14.05	Waterfront from Mare Island Way to Solano Ave	Parking, open space, public access boat launch
32	0058-090-360	0.37	So. Waterfront shoreline	Submerged lands
New #33	0058-090-380	2.22	Solano Ave at Mare Island Strait	Leased to Kiewit

Category 2 - Properties Available for Sale

A total of six (6) properties will be available for sale pursuant to the Disposition Plan section of the LRPMP. The properties available for sale include:

- Two (2) properties adjacent to the Vallejo Bus Transit Center and behind privately-owned Georgia Street buildings near Sacramento and York Streets.
- Four (4) properties that were rights-of-way for existing railroad spurs near the water treatment plant in South Vallejo. The railroad spur properties have little or no development value and one possible disposition strategy will be to offer them to the adjoining property owners.

2. Properties Available for Sale				
Property	APN	Acres	Location	Current Use
14	0055 170 220	.12	South of Georgia St and West of Sacramento	Pedestrian Plaza next to Vallejo Bus Transit
15	0055 170 530	.25	South of Georgia St and West of Sacramento	Parking Lot next to Vallejo Bus Transit
18	0058 100 300	.23	Between Solano Ave and Ryder St by Water Treatment Facility	Railroad Spur
19	0058 100 320	.07	Between Solano Ave and Ryder St by Water Treatment Facility	Railroad Spur
20	0058 100 450	.30	Between Solano Ave and Ryder St by Water Treatment Facility	Railroad Spur
21	0058 100 130	.45	Between Ryder St and Southern Pacific RR	Railroad Spur

Category 3 - Properties to be Retained by the City for Future Development

A total of eighteen (18) ~~Two (2)~~ properties are recommended to be retained by the City to facilitate development consistent with the City’s and former Redevelopment Agency’s plans and redevelopment objectives.

Two (2) of These properties are positioned in the heart of the downtown and one is identified in the Downtown Plan as a “catalyst site” for Downtown revitalization. With their close proximity to the Vallejo Transit and Ferry Terminals, these sites are prime opportunities for transit-oriented development. The City would need to retain the properties until it can enter into a new disposition and development agreement with a qualified developer.

Nine (9) properties located in the Southern Waterfront area planned for moderate density residential development on much of the property, and commercial/light industrial development on the remainder. Through an agreement with the City, PG&E has assumed remediation of many of the properties, and staff is evaluating options for funding additional remediation on other parcels.

Seven (7) of the Public Trust properties along the Mare Island Strait are to be transferred to the City for future development. Development of these sites is constrained by the requirements of the Public Trust and the sites cannot be sold unless there is a future action by the State Lands Commission to terminate the Public Trust on the sites. Several are subject to long term existing leases which further constrain the use.

3. Properties Retained by the City for Future Development				
Property	APN	Acres	Location	Current Use
4	0055 160 410	5.23	Mare Island Way @ Capitol	Yacht Club
7	0055 170 020	.70	Mare Island Way @ Georgia	Short-Term Parking & Restaurant
11	0055 170 400	.49	Mare Island Way, south of Ferry Landing	Marina Dental office
13	0058 090 370	1.25	Solano Ave at Mare Island Strait	Leased to Kiewit
16	0055 160 170	2.31	Santa Clara and Capitol, adjacent to Marina Tower	Parking
17	0055 170 280	.74	Corner of York and Sacramento	Parking
22	0058 090 260	.17	So. Waterfront -Mare Island Way by former Brinkman's	Public sidewalk and right of way
23	0058 090 270	.59	So. Waterfront - Mare Island Way near boat launch	Parking
24	0058 090 280	1.78	So. Waterfront - Mare Island Way near boat launch	Parking
25	0058 090 290	.23	So. Waterfront - Mare Island Way near boat launch	Parking
26	0058 090 300	.15	So. Waterfront - Mare Island Way near boat launch	Parking/Storage lockers
27	0058 090 310	.36	So. Waterfront - Mare Island Way near boat launch	Parking/Storage lockers
28	0058 090 320	.09	So. Waterfront - Off Curtola Parkway @ Maine St	Vacant
29	0058 090 330	13.88	So. Waterfront - Curtola and Sonoma Blvd (Big Bay Storage)	Vacant
30	0058 090 340	8.70	So. Waterfront – Sonoma Blvd and Solano Ave	Leased to First Capitol Auction & Humane Society
31	0055 090 350	14.05	Waterfront from Mare Island Way to Solano Ave	Parking, open space, public access boat launch
32	0058 090 360	0.37	So. Waterfront shoreline	Submerged lands
New #33	0058 090 380	2.22	Solano Ave at Mare Island Strait	Leased to Kiewit

Category 4 - Properties to be Retained for Government Use

A total of eleven (11) parcels are proposed to be transferred to City to be retained for governmental use. Dissolution law was changed in September 2015 to allow public parking lots to be transferred to the City for governmental use. Six (6) of the Public Trust properties have been identified as public parking and are to be transferred to the City for Government Use. The last is used for public access to the waterfront and the WETA ferry landing, which are also government uses.

In February 2015, DOF directed that the four housing parcels be placed on the LRPMP and transferred to the City under government use as affordable housing. These properties were previously approved for transfer to the Housing Authority by the Successor Agency and Oversight Board in May 2014. DOF recommend they be put on the LRPMP and transferred to the City first. These four properties will likely be further conveyed by City to the Vallejo Housing Authority.

4. Properties Retained for Government Use				
Property	APN	Acres	Location	Current Use
3	0055 160 360	.26	Mare Island Way @ Capitol	Yacht Club parking
5	0055 160 420	.28	Mare Island Way @ Capitol	Yacht Club parking
6	0055 170 010	.61	Mare Island Way @ Georgia	Short-Term Parking
8	0055 170 030	.60	Mare Island Way @ Georgia	Short-Term Parking
9	0055 170 050	.80	Ferry Landing, Mare Island Way	Ferry Basin and Dock
10	0055 170 060	.39	Ferry Landing, Mare Island Way	Public Sidewalk & Ferry Plaza
12	0055 170 080	.53	Mare Island Way, south of Ferry Landing	Marina Dental parking
34	0072 044 100	NA	Held Confidential	Leased to Safequest – Shelter
35	0055 072 100	NA	Held Confidential	Leased to Bi Bett – Recovery Program
36	0055 074 040	NA	Held Confidential	Leased to Bi Bett – Recovery Program
37	0058 022 040	NA	Held Confidential	Leased to Bi Bett – Recovery Program

Disposition Plan Section

The LRPMP includes a section that outlines the disposition process for each Successor Agency property. Activities under the Disposition Plan include pre-development work to position for-sale properties to realize their full market potential; marketing and outreach; and negotiation of sale contract terms and price, subject to final approval by the Successor Agency and Oversight Board.

Once sold, the properties could potentially be privately developed for uses consistent with the City of Vallejo General Plan, zoning ordinance, Downtown Specific Plan development guidelines and Vallejo Waterfront Planned Development Master Plan. The LRPMP designates properties to be retained by the City for future development in accordance with redevelopment plan objectives. Prior to sale to a third party developer, the City ~~may will have to~~ enter into “compensation agreements” with each of the taxing entities that share in property tax increment revenue of the Successor Agency. The LRPMP commits the City to doing so, if and to the extent required by applicable law.

**City of Vallejo Long Range Property Management Plan for
Former Redevelopment Agency Properties
~~June 23~~December 17, 2015**

A. BACKGROUND

This Long Range Property Management Plan (“LRPMP”) of the Successor Agency to the City of Vallejo’s Redevelopment Agency (“Successor Agency”), has been prepared pursuant to California Health and Safety Code 34191.4(a) and 34191.5 (a). It sets forth the Successor Agency’s strategy for the disposition of its real property assets as required by ABx1-26 which dissolved all California Redevelopment Agencies, and AB 1484 which made technical adjustments to ABx1-26 (collectively, the “Dissolution Act”).

The City of Vallejo’s Redevelopment Agency (“Redevelopment Agency”), along with all other redevelopment agencies in the State of California, was dissolved on February 1, 2012 by ABx1-26 enacted by the legislature in late June 2011. The legislation established a Successor Agency to administer the wind-down of the former Redevelopment Agency’s assets. The Successor Agency Board is composed of the members of the City Council. Also pursuant to the legislation, an Oversight Board was established to monitor and approve the Successor’s Agency’s efforts. The Oversight Board includes representatives of the taxing entities that share in property tax increment revenue generated in the former Project Areas of the Redevelopment Agency. Lastly, the legislation provides the State Department of Finance (“DOF”) with the ultimate authority to approve most of the actions of the Successor Agency and Oversight Board.

AB 1484 (enacted June 27, 2012) made technical and substantive amendments to the Dissolution Act. Among those changes was a modification in how a successor agency could address the real property assets of the former redevelopment agency. Whereas under ABx1-26, successor agencies were expected to expeditiously dispose of former redevelopment agency property and make the proceeds available to taxing agencies, under AB 1484, as codified in Health and Safety Code section 34191.4(a) and 34191.5 (a), the Successor Agency must prepare a Long Range Property Management plan that sets forth a strategy for the appropriate retention and disposition of real property assets. A LRPMP is to be completed within six months of the successor agency receiving a “Finding of Completion” indicating that it has complied with the requirement for addressing non-real property assets and other procedural requirements. On October 16, 2013 (Attachment B-1), the Department of Finance provided a Finding of Completion notice to the Successor Agency triggering the six-month preparation time frame for this LRPMP.

On September 22, 2015, SB107 was enacted by the State changing aspects of dissolution law. Three changes are relevant to this LRPMP:

1. LRPMPs must be approved by the DOF before January 1, 2016. DOF approval of an LRPMP constitutes the DOF approval of actions necessary to implement the LRPMP by the Successor Agency as approved by its Oversight Board.
2. Public Parking lots can be transferred as a governmental use from the Successor Agency to the City
3. Certain costs related to preparing properties for development are no longer allowed to be paid from tax increment revenue flowing through the Successor Agency.

In May 2014, the Successor Agency, City Council and Oversight Board approved an initial proposed LRPMP and forwarded it to DOF for its review. DOF provided direction on revisions to the initial LRPMP that have been incorporated into this LRPMP. The revisions included the addition of one new Public Trust

Lands parcel, acknowledgment that the two Vallejo Station Parking Garage structures have been approved for transfer by the State Controller's Office, incorporation of the book value into the LRPMP Matrix, and other minor technical changes. At the same time these changes were made, the category of the Southern Waterfront was changed from "available for sale" to "retention for future development" to ensure the completion of the remediation work and implementation of a high quality development plan for the 43 acre site. The LRPMP addressing these changes was approved by Successor Agency to the former Vallejo Redevelopment Agency on June 23, 2015, Resolution No. 15-005 and Oversight Board of the Successor Agency on June 25, 2015, Resolution No. 15-003. Note that the Successor Agency approval also authorized the staff to make any changes required by the DOF to secure an approved LRPMP. On November 25, 2015, DOF denied the City's designation that the fourteen (14) Public Trust properties be used by the City to fulfill an enforceable obligation and directed the Successor Agency to revise the LRPMP to change the disposition recommendation.

B. OVERVIEW OF PROPOSED REAL PROPERTY RETENTION AND DISPOSITION

Health & Safety Code Section 31419.5 provides that successor agencies receiving a Finding of Completion shall prepare a LRPMP. The LRPMP shall include an inventory of the successor agency's real property, including information as to its current use, permitted use (zoning), intended use, encumbrances, environmental constraints, and estimated value. The property information matrix attached as Attachment A includes all available information with respect to each property which information is further discussed in Section IV of this plan. Per the Dissolution Act, the LRPMP shall place each of the successor agency-owned real property assets into one of the following categories:

1. Use of property to fulfill an enforceable obligation
2. Available for sale
3. Retention for future development
4. Retention for government use

The Successor Agency through this LRPMP identifies thirty-seven (37) properties in as follows:

1. Sixteen (16) properties to be used by the City to fulfill enforceable obligations.
2. Six (6) properties to be made available for sale by the Successor Agency.
3. Eleven (11) properties to be retained by the City for future development consistent with the redevelopment plan.
4. Four (4) properties to be retained by the City for government use as public assets allowing the continued operations of shelter and recovery programs.

1. Properties Used to Fulfill Enforceable Obligations: In November 2014, the State Controller's Office (SCO) approved the transfer of two (2) properties that are the Vallejo Station Parking Garage that were originally transferred to the City of Vallejo in 2011 pursuant to the Waterfront DDA. The SCO's report is provided as Attachment B-2 and the recorded grant deeds transferring the parcels are provided as Attachment B-3. These two properties are subject to the City of Vallejo – WETA Transfer Agreement for the construction and operation of a 1,200 space garage for ferry and transit public parking.

2. Properties For Sale: Two (2) properties adjacent to the Vallejo Transit Terminal and Vallejo Station Parking Garage would be available for sale. An additional four (4) properties that were former rail spurs would be available for sale.

2.3. Properties Retained by the City for Future Development: This LRPMP identifies ~~eighteen~~^{eleven} (~~11~~¹⁸) properties to be transferred to the City for future development in accordance with the redevelopment plan of the former Redevelopment Agency. Nine (9) properties in the Southern Waterfront are designated “retention for future development”. The Southern Waterfront properties were originally subject to a Waterfront DDA and a Vallejo Planned Waterfront Master Plan (“PDMP”) which outlines a mixed used development program for this key property along the Vallejo waterfront including residential, commercial/industrial, and public infrastructure, park and open space. A detailed “scope of development” for the Southern Waterfront was included as Attachment No. 4 to the 3rd Amendment to the Waterfront DDA in 2007. Additionally, the Waterfront DDA had an adopted master plan for these properties to guide future development that would maximize their future value and a coordinated development plan. On December 16, 2013, the Oversight Board approved an amendment to the Waterfront DDA that removed these properties from the DDA (Attachment B-5). The DOF approved the Amended Waterfront DDA on January 29, 2014 (Attachments B-6 and B-7), thereby making them available for disposition to the City. These properties are subject to a PG&E Remediation Agreement that will delay the immediate sale of the properties. The intent is for these properties to be transferred by the Successor Agency to the City and, upon completion of remediation, for City to subsequently enter into disposition and development agreement(s) with one or more qualified developers to ensure a high quality development plan for the entire site.

Two properties were subject to the former Triad Disposition and Development Agreement (DDA) which was terminated by the Agency and became the subject of litigation with Triad. At its meeting of January 31, 2014, the Oversight Board approved a Settlement Agreement which released these properties from the Triad DDA obligation (Attachment B-8). DOF approved this action by letter dated March 28, 2014 (Attachment B-11). One of these properties proposed for retention by the City has a lease that is an enforceable obligation (Attachment B-9), as described further in Section C.3 below. 1.

Seven (7) properties that are Public Trust Lands would be transferred to the City as their designated trustee. Several Public Trust properties proposed for transfer to the City also have leases or agreements (Attachment B-4) that would be considered enforceable obligations as described further below.

3.4. Properties Retained by the City for Government Use: The Department of Finance directed the Successor Agency to add four (4) affordable housing properties to the LRPMP. In May 2014 both the Successor Agency and Oversight Board approved the transfer of four properties used as a homeless shelter and recovery program affordable housing to the Housing Authority. These properties were originally purchased using low and moderate income housing funds. DOF directed that these properties should be added to the LRPMP. These properties will be transferred to the City of Vallejo for government use for affordable housing. It is anticipated that City would transfer these properties to the Housing Authority which is better positioned to ensure their long term use for affordable housing. Seven (7) of Public Trust properties have been identified as public parking and are to be transferred to the City for Government Use.

** Properties Previously Approved for Transfer by DOF: Various properties have been previously approved by DOF for transfer to the City. Those previously approved transfers include the following:*

- a. Transfer of twelve (12) governmental use properties by the Successor Agency to the City pursuant to Successor Agency Resolution No. 13-003 and Oversight Board Resolution No. 13-2 to which DOF consented in a letter dated July 15, 2013. Copies of the Successor Agency and Oversight Board resolutions, and the DOF letter, are attached hereto as Attachment B-10. (Although the Oversight Board resolution refers to thirteen properties, upon further investigation staff determined the Redevelopment Agency never held title to one of those properties. The Successor*

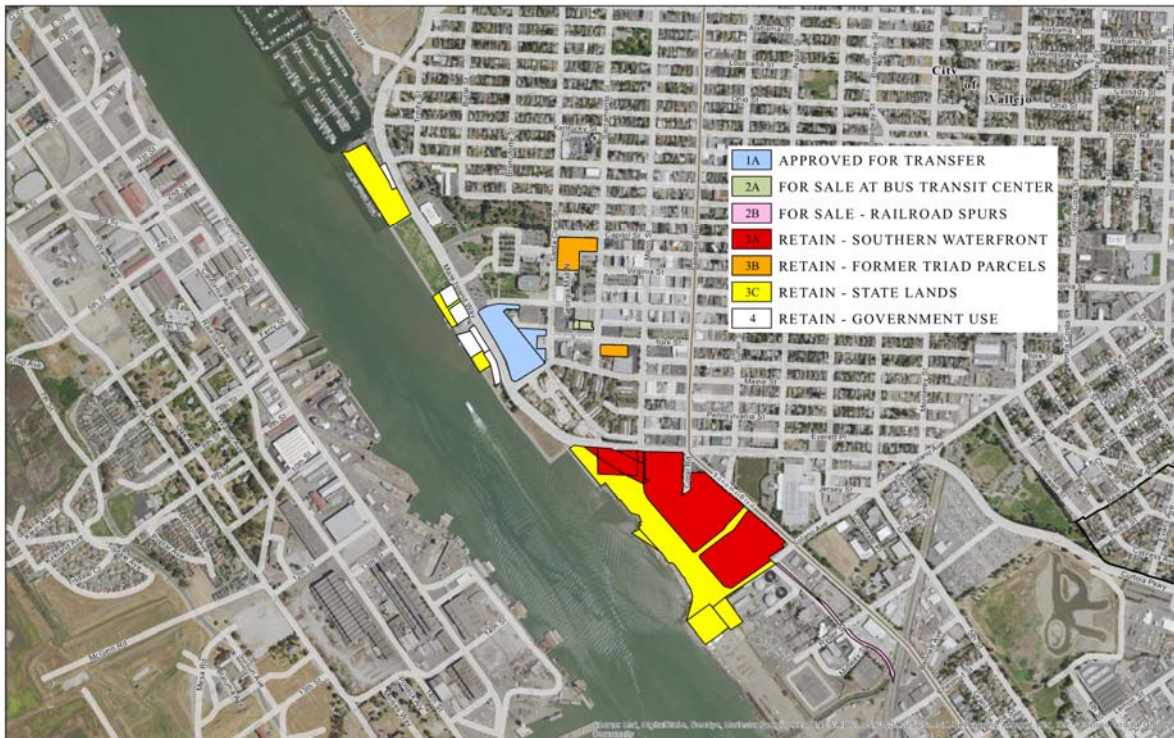
Agency resolution correctly refers only to twelve properties.)

- b. Transfer of two (2) parcels comprising the central waterfront properties (APN 0055 160 600 and APN 0055 160 610; also known as “Parcel J”) that are the subject of the Fourth Amended Waterfront DDA discussed on page 9 below, which parcels were approved for transfer by the Successor Agency to the City by Successor Agency Resolution No. 13-005 and Oversight Board Resolution No. 13-9, and which DOF approved by letter dated January 29, 2014. Documentation can be found in Attachments B-6, B-7 and B-12. These parcels have now been transferred to the City of Vallejo and the grant deeds recorded with Solano County on March 6, 2015.

C. DESCRIPTION OF INTENDED PROPERTY RETENTION AND DISPOSITION

Exhibit A, on the next page, shows the location of all properties subject to the LRPMP except for the four housing asset properties. More detailed site maps for the properties are found in the Exhibits Section under Attachment C to the LRPMP and the description below will refer to those specific Exhibits.

EXHIBIT A: PROPERTIES OVERVIEW MAP



1. Properties Used to Fulfill Enforceable Obligations

As noted above, several parcels of former Redevelopment Agency land have already been approved by DOF for transfer to the City and have been transferred, including parks and open space, and the parcels comprising the Central Waterfront - Parcel J site. This LRPMP addresses two other types of parcels subject to enforceable obligations: parcels used for regional ferry parking; and parcels subject to public trust limitations that prevent the properties from being sold. In 2013, DOF directed that the transfer of Property #1 and #2 to the City of Vallejo in 2011 be reversed and such properties returned to the Successor Agency because they had been transferred after the dissolution of Redevelopment. However, in November 2014, after the drafting and review of the LRPMP, the SCO issued a Finding and Order approving the transfer of

these properties to the City of Vallejo. We have retained these two properties in the LRPMP to allow DOF to confirm the SCO's approval of the transfer of these two parcels to the City to fulfill enforceable obligations.

Table 1A – Two (2) Properties Obligated for Regional Transit Agency Parking

Property #	APN	Location/Description	Current Use	Lot Acres
1	0055 170 360	Vallejo Station, Mare Island Way	Regional Ferry Parking Garage	.77
2	0055 170 520	Vallejo Station, Mare Island Way	Regional Ferry Parking Garage	5.14

A site map depicting the above properties is provided in Attachment C – Exhibit B. Under the terms of the Waterfront DDA, the Redevelopment Agency was required to transfer the two properties noted in Table 1A (APN 0055-170-520 and APN 0055-170-360) to the City of Vallejo for construction of the Vallejo Station Parking Garage. These parcels were transferred to the City of Vallejo in September 2011.

2. Properties Available for Sale

Table 2A – Two (2) Properties for Sale ~ Adjacent to Bus Transit Center

Property #	APN	Location/Description	Current Use	Acres
14	0055 170 220	South of Georgia St and West of Sacramento	Pedestrian Plaza-adjacent to parking lot and transit terminal	.12
15	0055 170 530	South of Georgia St and West of Sacramento	Parking Lot adjacent to transit terminal	.25

These properties above are depicted in the site map provided in Attachment C - Exhibit I. The LRPMP proposes that the above two properties (#14 and #15) located adjacent to the Vallejo Bus Transit Center currently used as a public plaza and parking lot be prepared for sale. There are no enforceable obligations or other agreements that would delay the sale of these parcels. The proposed Disposition Plan objective is to sell these properties for private development consistent with the existing City of Vallejo General Plan, Downtown Specific Plan, and zoning ordinance land use designations.

Table 2B – Four (4) Properties for Sale – Railroad Spurs

Property #	APN	Location/Description	Current Use	Acres
18	0058 100 300	Between Solano Ave and Ryder Street by Water Treatment Facility	Railroad Spur	.23
19	0058 100 320	Between Solano Ave and Ryder Street by Water Treatment Facility	Railroad Spur	.07
20	0058 100 450	Between Solano Ave and Ryder Street by Water Treatment Facility	Railroad Spur	.30
21	0048 100 130	Between Ryder St and Southern Pacific RR	Railroad Spur	.45

These properties above are depicted in the site maps provided in Attachment C - Exhibits L and M.

These four properties (#18, #19, #20 and #21) were acquired in 1988 when the former Redevelopment Agency purchased properties from Kaiser Steel as part of a bankruptcy settlement. The Corporation Grant Deed outlining the transfer of these properties is provided as Attachment B-5. The former Redevelopment Agency acquired a fee interest in 11 properties along with leasehold interests in 2 properties that Kaiser Steel had leased from the City of Vallejo.

The four railroad spur properties have suspected hazardous materials contamination and limited development potential because of their size and configuration. These parcels may have a negative value until such time as their hazardous materials contamination is known and a determination is made regarding the interest of adjacent property owners in acquiring the properties. Further investigation of these properties and their market potential is needed before these properties can be readied for sale, and the Disposition Plan envisions such further investigations. The only likely sale is to the adjacent property owner for incorporation into its properties.

3. Properties to be Retained by the City for Future Development

~~Two-Three~~ sets of properties are proposed to be transferred to the City and held for development. The first are nine Southern Waterfront properties and the second are two downtown properties. Both the Waterfront and Downtown were the subject of prior redevelopment plans. The third set of properties are Public Trust properties that are not currently used for parking and several of which are subject to long-term leases

Table 3A – Nine (9) Properties to be Retained ~ Southern Waterfront

Property #	APN	Location/Description	Current Use	Acres
22	0058 090 260	So. Waterfront – Mare Island Way by former Brinkman’s	Public Sidewalk and Right of Way	.17
23	0058 090 270	So. Waterfront – Mare Island Way near boat launch	Parking lot for Vallejo Launching Facility	.59
24	0058 090 280	So. Waterfront – Mare Island Way near boat launch	Parking lot for Vallejo Launching Facility	1.78
25	0058 090 290	So. Waterfront – Mare Island Way near boat launch	Public Sidewalk and Right of Way	.23
26	0058 090 300	So. Waterfront – Mare Island Way near boat launch	Parking Lot for Vallejo Launching Facility	.15
27	0058 090 310	So. Waterfront – Mare Island Way near boat launch	Parking lot for Vallejo Launching Facility	.36
28	0058 090 320	So. Waterfront – Off Curtola Parkway @ Maine St.	Vacant	.09
29	0058 090 330	So. Waterfront – Curtola and Sonoma Blvd	Includes vacant site of former manufactured gas plant	13.88
30	0058 090 340	So. Waterfront – Sonoma Blvd and Solano Ave	Leased to First Capitol Auction and Benicia-Vallejo Humane Society	8.70

Site maps depicting the above properties are provided in Attachment C - Exhibits N, O and P. The nine properties above encompass a great portion of an area referred to as the “Southern Waterfront Area”. They were acquired by the Redevelopment Agency in the same Kaiser Steel bankruptcy purchase mentioned earlier regarding the four rail spur properties. These nine properties have had several lot splits

and lot mergers over the years to position them for future development.

Many of these properties have toxic contamination issues that prevent them from being placed on the market for sale immediately. A portion of the Southern Waterfront properties (Property #30 and a portion of Public Trust property #31), comprising 17 acres has undergone a toxics remediation program. A March 25, 2010 Target Site Investigation Study prepared for the Environmental Protection Agency determined that there was no contamination across the site above screening level but that remaining “hot spots of arsenic” require further investigation and possible remediation before development can occur. The Department of Toxic Substances Control (“DTSC”) approved this report. ~~The non-Public Trust portion of the 17-acre site could be ready for sale once certain pre-development activities are completed to determine market potential and value.~~

The remaining 26 acres of the Southern Waterfront property (Properties #22 - #29 and that portion of Public Trust Property #31 not included within the 17-acre site discussed above) are currently the subject of an environmental investigation. From 1872 to 1930, a manufactured gas plant was operated on the site. The history of site uses also includes landfilling, boat storage and maintenance, boat fueling and launching, ammunition depot barracks, auto junkyard, marine fabrication yard and creosote wood treatment area. Significant hazardous materials are located on this 26-acre site once owned by PG&E which has taken responsibility for cleanup of the site and as of April 2013, an environmental investigation and cleanup analysis was being conducted. DTSC will provide oversight of this work and will approve a future remediation plan. In January 2015, DTSC approved the Vallejo MGP Site Characterization Report that defines the extent of historic residues in soil, soil gas, and groundwater. It is anticipated that DTSC will approve the Remedial Action Plan in 2016 and that site cleanup will begin in 2017 and be completed in 2019. The 26-acre site will not be available for sale or development until the remediation program has been implemented.

The LRPMP disposition plan for this 43-acre site is for it to be transferred to the City of Vallejo for future development at such time as it is remediated and can be sold for development consistent with applicable zoning and land use plans for the site. The original Waterfront DDA and the Vallejo Planned Waterfront Master Plan (“PDMP”) contemplate a mixed used development program for this key property along the Vallejo waterfront including residential, commercial/industrial, and public infrastructure, park and open space. A detailed “scope of development” for the Southern Waterfront was included as Attachment No. 4 to the 3rd Amendment to the Waterfront DDA in 2007. The intent would be for the City to enter into a Disposition and Development Agreement with a qualified developer to ensure the quality of the ultimate development plan for the entire site.

Table 3B – Two (2) Properties to be Retained ~ Former Triad DDA

Property #	APN	Location/Description	Current Use	Acres
16	0055 160 170	Santa Clara and Capitol, adjacent to Marina Tower	Tower Parking Lot, 99 spaces	2.31
17	0055 170 280	Corner of York and Sacramento	Parking Lot, 81 spaces	.74

These two properties are depicted on the site maps provided in Attachment C - Exhibits J and K.

The LRPMP proposes that these two properties be retained by the City for future development consistent with the Redevelopment Plan of the former Redevelopment Agency. These two properties are critical to

the City and former Redevelopment Agency's long established plans to revitalize the City's downtown area with transit oriented development. To further this objective, the City adopted a Downtown Specific Plan that encourages urban scale residential and mixed-use developments within a pedestrian and transit-oriented walkable downtown. The Downtown Specific Plan originally envisioned a fifteen to twenty year build out which included up to 2,283 residential units, and 591,700 square feet of commercial development and significant infrastructure investment. A series of Catalyst and Opportunity sites were identified as the most likely sites for redevelopment. The Downtown Specific Plan was complemented in 2007 by the Vallejo Waterfront Planned Development Master Plan ("PDMP"). It too called for mixed-use development and redevelopment of the waterfront and a portion of historic downtown. The Waterfront Master Plan included residential, commercial and open space and public improvements related to circulation and access along the waterfront and the City of Vallejo ferry service to San Francisco.

The latest Redevelopment Agency Implementation Plan, 2009-2014 was largely oriented toward implementing the Waterfront and Downtown Plans. Its objectives included:

1. Re-planning and redesigning, and development of areas that are stagnant or improperly utilized. Strengthening of retail and other commercial functions.
2. Strengthening of the economic base and the community by the installation of needed site improvements to attract and stimulate private investment, including expansion of residential, commercial, and light industrial uses, and social and economic growth, and consequently increase the tax yields to the community.
3. Providing adequate land for parking and open spaces.
4. Promoting increased cultural, social and recreational opportunities for the citizens of the community.
5. Establishing performance criteria to assure high site design standards and environmental quality and other design elements that provide unity and integrity to all the Merged Projects.

To implement the former Redevelopment Agency's and City's objectives for the Downtown Specific Plan area, the Redevelopment Agency entered into a Disposition and Development Agreement with Triad Development Company in 2007 ("Triad DDA"). Under the Triad DDA, Triad was given development rights to several parcels in Downtown, including two held by the Agency (Properties #16 and #17). In 2009, as a result of Triad's non-performance of its obligations under the Triad DDA, the Triad DDA was terminated by the Agency. On February 23, 2011, Triad brought an action entitled Triad Downtown Vallejo, LLC v. City of Vallejo, et.al. Case No. FCS037433 filed in the Solano County Superior Court (Action) against the former Redevelopment Agency and the City alleging that the Redevelopment Agency breached the Triad DDA and that the City breached the Development Agreement between City and Triad. Triad, City and the Successor Agency reached a Settlement Agreement related to this action. The Successor Agency and City Council in a joint session on January 14, 2014 approved the Settlement Agreement. The Oversight Board approved the Settlement Agreement on January 16, 2014 by Resolution No. 14 – 1 (Attachment B-8). DOF approved the Settlement Agreement terms in a letter dated March 28, 2014 (Attachment B-11). The settlement freed two critical parcels of land from the potential enforceable obligations associated with the Triad DDA that was the subject of the litigation. It also allowed the City and Successor Agency to explore new opportunities for maximizing the value of these properties for transit-oriented development with another development partner.

The Successor Agency and the City of Vallejo intend to uphold the objectives and redevelopment vision outlined in the original Redevelopment Plan and merged project areas, the Five Year Implementation Plan 2009-2014, the Downtown Specific Plan and the PDPM during the implementation of the LRPMP.

Properties #16 and #17 were identified as catalyst sites for development in the Downtown Specific Plan. These sites are within two blocks of the Vallejo Bus Transit Center, and three blocks of the Vallejo Ferry Terminal, and would be suitable for transit-oriented development. With the recent significant improvements in the housing and commercial development markets in the Bay Area, the underlying assumptions that led Triad and other developers to pursue development in downtown Vallejo are once again applicable. In order to ensure that development occurs consistent with the City and former Redevelopment Agency's long-held plans for the area, the LRPMP calls for the retention of properties #16 and #17 by the City. Future development of these properties with higher intensity residential and commercial uses through a disposition and development agreement will lead to greater property tax increment revenue to the taxing entities over the long term than an immediate sale to a buyer without an agreement in place to develop them.

Property #17 has no known encumbrances and is currently used for public parking. However, it should be noted that property #16 is encumbered by an existing lease agreement with the owners of the Marina Tower apartment complex related to the provision of parking. A lease for 45 parking spaces to serve the 155 unit affordable housing complex was executed (Attachment B-9) in 1995 and runs until August 31, 2060 or as long as the Marina Tower is an affordable housing complex. Property #16 will be sold for development subject to the lease encumbrance requiring provision of these 45 parking spaces unless other arrangements are made. Both properties will continue to be used as public parking to benefit the downtown business district until such time as redevelopment opportunities are in place.

Table 3C– Seven (7) Properties to be Retained -- Public Trust Lands

<u>Property #</u>	<u>APN</u>	<u>Location/Description</u>	<u>Current Use</u>	<u>Acres</u>
<u>4</u>	<u>0055 160 410</u>	<u>Mare Island Way @ Capitol</u>	<u>Vallejo Yacht Club</u>	<u>5.23</u>
<u>7</u>	<u>0055 170 020</u>	<u>Mare Island Way @ Georgia</u>	<u>Restaurant and short-term parking for Waterfront, portion of 108 spaces (lease to 2066)</u>	<u>0.70</u>
<u>11</u>	<u>0055 170 400</u>	<u>Mare Island Way, south of Ferry Landing</u>	<u>Marina Dental next to Ferry Landing Area (lease to 2024)</u>	<u>0.49</u>
<u>13</u>	<u>0058 170 370</u>	<u>Solano Ave at Mare Island Strait</u>	<u>Leased to Kiewit to 2050</u>	<u>1.25</u>
<u>31</u>	<u>0058 090 350</u>	<u>Waterfront From Mare Island Way to Solano</u>	<u>Former Waterfront DDA parcel includes public parking for boat launch and vacant unimproved waterfront</u>	<u>14.05</u>
<u>32</u>	<u>0058 090 360</u>	<u>Southern Waterfront shoreline</u>	<u>Public Sidewalk and Right of Way</u>	<u>0.37</u>
<u>33</u>	<u>0058 090 380</u>	<u>Solano Ave at Mare Island Strait</u>	<u>Leased to Kiewit to 2050</u>	<u>2.22</u>

The various public trust properties above are depicted in the site maps provided in Attachment C - Exhibits C, D, F, G, and P.

The LRPMP provides that the properties listed above be retained by the City because they are Public Trust lands granted to the City for stewardship by the State of California under the supervision of the State Lands Commission. Public Trust lands are properties that are, or were at one time, tidelands, submerged lands or lands lying under inland navigable waters. Land that can be documented at one time to have been one of these types of property (and later filled in) is also subject to being considered Public Trust land. Public

Trust lands are subject to certain use limitations and cannot be sold to private parties. Such properties can be leased to private parties for public trust purposes, but for no longer than 66 years. We have not been able to determine exactly when the former Redevelopment Agency acquired the Public Trust properties, but because these parcels have been and must continue to be used consistent with public trust purposes, the LRPMP provides for them to be transferred to the City to retain for development. . Attachment B-4 includes maps provided by the State Lands Commission of properties granted to the City of Vallejo as Public Trust lands. Some of the properties have been leased to provide for public uses and public conveniences pursuant to Public Trust doctrine that allows leases not to exceed 66 years. Although these properties are being transferred to the City to retain for future development, they cannot be sold unless a future action by the State Lands Commission terminates the Public Trust restrictions on the parcels.

Attachment A, the LRPMP Matrix, provides more information about each public trust property to be retained by the City for future development. A summary of the seven parcels follows:

- Property #4 is subject to a lease with the Vallejo Yacht Club;
- One property (#7) was the subject of a lawsuit and Court-mandated settlement agreement between the Redevelopment Agency and the property owner that outlined the terms of the Redevelopment purchase. Pursuant to the Court-mandated settlement agreement, the Redevelopment Agency paid \$108,000 for the restaurant property in 1966 and the property has an existing lease that extends to 2066, at which time the property will revert to the City;
- One property (#11) is currently leased as a dental office, which use will terminate when the lease expires in 2024;
- Two properties (#13 and #33) – APN 0058 090 370 and APN 0058 090 380 – are located adjacent to the southern waterfront parcels and are leased to Kiewit Infrastructure West. It is not known when or how the Redevelopment Agency acquired title to the properties. However, staff was able to determine that these are Public Trust properties and, therefore, must be held in trust by the City;
- One property (#32) is partially submerged and is also Public Trust land.

4. Properties to be Retained by the City for Government Use – Affordable Housing and Parking

Table 4A) – Four (4) Properties Retained for Government Use as Shelter and Recovery Housing

Property #	APN	Location/Description	Current Use	Leased to
New-34	0072 044 100	Confidential	Residential	Safequest Shelter
New-35	0055 072 100	Confidential	Residential	Bi-Bett Recovery
New-36	0055 073 040	Confidential	Residential	Bi-Bett Recovery
New-37	0058 022 040	Confidential	Residential	Bi-Bett Recovery

The former Redevelopment Agency purchased these properties between 1988 and 1994. They have been leased to Safequest and Bi-Bett as a shelter and as recovery program housing since acquisition. In May 2014, both the Successor Agency and Oversight Board approved the transfer of these four properties to the Housing Authority as housing successor agency. These properties were original purchased using low and moderate income housing funds. After reviewing this transfer request the DOF determined that these

properties should be put on the LRPMP and initially transferred to the City of Vallejo as affordable housing properties. Consequently these residential properties were added to the LRPMP and will continue to be used for affordable housing. It is anticipated that City may subsequently transfer these affordable housing properties to the Housing Authority.

Table 4B – Seven (7) Public Trust Properties Retained for Government Use

Property #	APN	Location/Description	Current Use	Acres
3	0055 160 360	Mare Island Way @ Capitol	Vallejo Yacht Club <u>Parking</u>	0.26
5	0055 160 420	Mare Island Way @ Capitol	Vallejo Yacht Club <u>Parking</u>	0.28
6	0055 170 010	Mare Island Way @ Georgia	Short-Term Parking for Waterfront, portion of 108 spaces	0.61
8	0055 170 030	Mare Island Way @ Georgia	Short term parking for Waterfront, portion of 108 spaces	0.60
9	0055 170 050	Ferry Landing, Mare Island Way	Ferry Basin and Dock	0.80
10	0055 170 060	Ferry Landing Mare, Island Way	Public Sidewalk & Plaza Ferry Landing Area	0.39
12	0055 170 080	Mare Island Way, south of Ferry Landing	Parking for Marina Dental 47 spaces	0.53

These Public Trust properties were determined by DOF to be appropriate for the category of transfer for government use. They provide parking and access ways for the waterfront for public use. The various public trust properties above are depicted in the site maps provided in Attachment C - Exhibits C, D, E, and F, G, H and N. Attachment A, the LRPMP Matrix, provides more information about each public trust property. A summary of the ~~fourteen~~ seven parcels follows:

- Five properties (#3, #5, #6, #8, and #12) are used for parking;
- Two properties (#9 and #10) provide pedestrian access and docks for the Baylink Ferry and are subject to the WETA Transfer Agreement documented earlier in this report;

D. SUMMARY OF PROPERTIES OWNED BY THE SUCCESSOR AGENCY

An LRPMP Matrix is provided in **Attachment A** as a property data table describing the real property assets of the Successor Agency and any pertinent information that was available based on extensive records research. Over the years the City has had several different filing and records retention programs. Additionally, there have been extensive staff changes and office relocations. City Staff made every effort to find and research files to determine property history. Where available, the following information is provided:

1. Date of purchase, value of property (estimated) at time of purchase;
2. Purpose of the property acquisition;
3. Parcel data including address, size, zoning, General Plan and, if applicable, specific plan designations;

4. Estimate of the current value or appraised value;
5. Estimate of revenue generated from use of property and contractual requirements for disposition of those funds (e.g. lease, etc.);
6. Any history of environmental contamination and / or remediation;
7. Description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency; and
8. Any previous development proposals, rental or lease agreements, other contracts.

E. DISPOSITION PLAN

The proposed Disposition Plan takes into consideration the variety of property types and circumstances outlined in the LRPMP Matrix and further described above. The intent of the Disposition Plan is to outline the current estimated value of the sites, the predevelopment process to position properties for sale, followed by the Request for Proposal disposition process. The Disposition Plan objective is to expeditiously implement the LRPMP by:

- Transferring to the City ~~sixteen (16)~~two (2) properties which are subject to enforceable obligations so that responsibility for management of those properties resides with the City rather than the Successor Agency, thereby reducing the obligations of the Successor Agency;
- Placing on the market six (6) properties identified for sale; ~~and, in the case of contaminated properties, continuing to pursue remediation plans to make contaminated properties available for sale as soon as possible;~~
- Transferring to the City for future development eleven (11) properties that were identified for implementation of the City's and former Redevelopment Agency's redevelopment objectives, so that the City may solicit private developers to enter into one or more disposition and development agreements. The City will seek developers that can construct catalyst projects for downtown Vallejo that also implement City, regional and State objectives for transit-oriented development.
- Transferring seven (7) Public Trust properties to the City for future development subject to the requirements of the Public Trust recognizing these properties cannot be sold unless there is future legislative action terminating the Public Trust~~Transferring seven (7) Public Trust properties to the City for future development subject to the requirements of the Public Trust recognizing these properties cannot be sold unless there is future legislative action terminating the Public Trust.~~
- Transferring to the City as governmental purpose four (4) properties for continued use as affordable housing. The City may later determine to transfer these housing assets to the Housing Authority for oversight.
- Transferring to the City for government use seven (7) Public Trust properties identified as public parking assets consistent with the change in Dissolution Law allowing public parking lots to be transferred for government use.

1. Estimated Value and Disposition of Proceeds for Identified Real Property Assets

Table 5 on the next page presents an estimated market value of the real property assets based on a preliminary review of real estate market conditions in the City of Vallejo. With the exception of the Southern Waterfront Parcels discussed below, the values in Table 4 have been obtained from reviewing recent sale transactions and preliminary discussions with commercial real estate brokers and appraisers. The information is intended to provide a general estimate of potential values, and is not intended to present appraised market value or broker's opinion of market value. Additionally, these values and the timing of sales could be affected by whether the parcels are bundled for larger property sales or sold individually. A determination as to whether to bundle parcels for development or sell them individually will be made based

Table 5 – Estimated Value of Real Estate Assets

Estimated Value of Real Estate Assets				
Site Number	APN	Parcel Size Acreage	Current (As-If Clean) Value per Sq. Foot.	Est. Value (As-If Clean)
Category #1A – Properties Used to Fulfill Enforceable Obligations – Transferred in 2011				
1	0055 170 360	.77	Public Ownership	NA
2	0055 170 520	5.14	Public Ownership	NA
Categories #2A & 2B - Properties Available for Sale				
14	0055 170 220	.12	\$6.00	\$31,200
15	0055 170 530	.25	\$6.00	\$65,526
18	0058 100 300 – RR Spur	.23	\$2.50	\$25,375
19	0058 100 320 – RR Spur	.07	\$2.50	\$7,898
20	0058 100 450 – RR Spur	.30	\$2.50	\$32,670
21	0058 100 130 – RR Spur	.45	\$2.50	\$49,005
Category #3A – Properties Retained by City for Future Development – Southern Waterfront				
22	0058 090 260 – Parcel S – Open Space	.17	\$0	0
23	0058 090 270 – Parcel S	.59	\$5.00	\$129,390
24	0058 090 280 – Parcel S	1.78	\$5.00	\$387,680
25	0058 090 290 – Parcel S	.23	\$5.00	\$50,750
26	0058 090 300 – Parcel S street improvement	.15	\$0	0
27	0058 090 310 - OS	.36	\$0	0
28	0058 090 320 – Parcel T	.09	\$2.50	\$10,610
29	0058 090 330 – Parcel T	13.88	\$2.50	\$1,511,530
30	0058 090 340 – Parcel T	8.70	\$2.50	\$947,430
Category #3B - Properties Retained by City for Future Development - Triad				
16	0055 160 170	2.31	\$6.00	\$603,738
17	0055 170 280	.74	\$6.00	\$194,700
Category #3C – Properties Retained by City for Future Development – Public Trust Lands				
4	0055 160 410	5.23	Public Trust Lands	NA
7	0055 170 020	.70	Public Trust Lands	NA
11	0055 170 400	.49	Public Trust Lands	NA
13	0058 090 370	1.25	Public Trust Lands	NA
31	0055 090 350	14.05	Public Trust Lands	NA
32	0058 090 360	0.37	Public Trust Lands	NA
33	0058 090 380	2.22	Public Trust Lands	NA
Category #4A – Properties Retained by City for Government Use – Public Trust Lands				
3	0055 160 360	.26	Public Trust Lands	NA
5	0055 160 420	.28	Public Trust Lands	NA
6	0055 170 010	.61	Public Trust Lands	NA
8	0055 170 030	.60	Public Trust Lands	NA
9	0055 170 050	.80	Public Trust Lands	NA
10	0055 170 060	.39	Public Trust Lands	NA
12	0055 170 080	.53	Public Trust Lands	NA
Category #4B – Properties Retained by City for Government Use – Housing Assets				
34	0072 044 100	SFD	NA	NA
35	0055 072 100	SFD	NA	NA
36	0055 073 040	SFD	NA	NA
37	0058 022 040	SFD	NA	NA
Total Value				\$4,045,502

on the potential types of buyers in the market at the time of sale. In the case of the Southern Waterfront Parcels, the estimated value is based on information contained in an appraisal dated September 2008 for the Waterfront DDA. The appraisal was a fair market value appraisal completed at the onset of the recent recession. After 2008, property values declined significantly and have not yet recovered although since late 2013 the market has seen some upturn. Based on the 2008 appraisals, the slow market recovery since that time, and the limited number of recent transactions, we believe the values in Table 4 are reasonable. The Downtown Vallejo Specific Plan and Vallejo Waterfront Master Plan provide insight into the intended uses for these properties and, along with the applicable zoning, will govern the future development of these properties. The underlying zoning was also considered during the market value assessment process.

The values in Table 5 assume the properties have no soil, ground water or other hazardous materials contamination, and that all required remediation work has been completed on the properties identified for sale. In fact, remediation work is taking place or being planned on most of the Southern Waterfront properties. While the cost of the future remediation work is not known at this time, this plan assumes that the properties are not marketable until the remediation work is complete and that contaminated land which has not been remediated has no or perhaps even negative value.

All utilities to the sites and all lot line adjustments and legal descriptions have been completed for the properties. Any existing leases are month-to-month, so no value has been assigned to the lease income. It is assumed the properties would be purchased for development and, therefore, their value is not based on the income stream from the existing leases. In addition to the remediation work, the known soil conditions on Parcels S and T (identified below) will require extensive soil stabilization to implement a multi-story development consistent with the land use plan for the site. A deduction of \$2.50 per square foot in the value has been applied in consideration of these development costs.

The properties that have State Lands Commission encumbrances have been identified as Public Trust lands with no value because they cannot be sold. Also, a value has not been assigned to the parking garage parcels because of the requirements for public ownership under existing enforceable obligations. Properties that have been planned as public open space or for public street use have been assigned no value as the continued use will be a condition of future development of the full site area; the estimated reuse value of the full site is reflected in the adjacent parcels in that development area.

2. Distribution of Proceeds from Real Property Asset Disposition

At this time it is not possible to anticipate the net proceeds from the sale of these properties. The above values represent an estimate based on properties with similar uses. Value deductions based on unknown toxic conditions, poor site configuration, access or easement constraints or other conditions of approval have not been taken into consideration. Projects along some of the Southern Waterfront properties are anticipated in the next 3 to 5 years when remediation work is completed. Other properties in the downtown near transit are likely to develop more quickly if the real estate market continues to rebound. Activities such as the Solano Corridor planning efforts, and recent reuse of vacant retail spaces, indicate the real estate market is beginning to rebound in Vallejo. This signals a positive increase in land value in the future that would also allow time to position properties for sale in the most advantageous manner and schedule.

For properties that are to be transferred to the City to fulfill existing enforceable obligations and/or to comply with applicable law upon approval of this plan by DOF, there will be no proceeds generated from the transfer. For properties that are sold by the Successor Agency, the proceeds received (net of the costs of sale) will be distributed to the applicable taxing entities in accordance with the provisions of AB 1484 upon receipt of proceeds by the Successor Agency.

~~For the eleven properties to be retained by the City for future development consistent with the redevelopment plan, the City will enter into Compensation Agreements with the taxing entities prior to the~~

~~sale of these properties, unless (i) the State Legislature further amends the Dissolution Legislation to provide that compensation agreements are not required by law, or (ii) a California State Court, in a case to which DOF is a party, issues a final judgment that is not subject to appeal determining that compensation agreements are not required under the Dissolution Legislation. If either (i) or (ii) in the preceding sentence occurs, the City will not be required to enter into compensation agreements with taxing entities.~~

For the properties to be conveyed to the City for future development, the City will enter into a compensation agreement with affected taxing entities in accordance with this paragraph. The Successor Agency interprets Health and Safety Code Section 34191.5 to mean that agreements with taxing entities are not required in connection with the disposition of Successor Agency property to the sponsoring city for governmental uses or for subsequent disposition for development consistent with redevelopment and community plans. However, according to Department of Finance, HSC section 34180 (f) requires the City to enter into a compensation agreement with the taxing entities for each parcel conveyed to the City for future development consistent with redevelopment and community plans pursuant to this Long Range Property Management Plan. Therefore, the City will enter into a compensation agreement with the other taxing entities for all properties transferred to the City for the purposes of future development. Notwithstanding the foregoing, this paragraph will not be operative if a court order, legislation or Department of Finance policy reverses the Department's directive regarding such agreements.

3. Approach and Process for Disposition of Real Property Available for Sale

Those real property assets identified above as being available for sale would be marketed for sale as soon as possible, based on the pre-development assessment of readiness. The Successor Agency wishes to retain flexibility in the positioning and sale of the assets because of the very different market potential of each property. For example, four parcels are small railroad spurs which may have little or even negative value because of their configuration and existing hazardous materials contamination. ~~Some properties are undergoing remediation which is nearly complete, while others will be subject to future remediation investigation and program development.~~ It is the intent of the City and Successor Agency to complete necessary predevelopment activities to position the properties for eventual sale to realize their market potential. But this process will take time and funds to complete.

Staff still needs to prepare a preliminary budget to initiate the predevelopment activities listed below to better position the properties for successful disposition and development, and to enhance the potential market value of the properties. The budget will also need to include costs for marketing the properties or undertaking an RFP process. The decision of the Successor Agency and Oversight Board to undertake such pre-development and marketing activities would depend in part on the availability of funding and whether these related disposition costs would be allowed by the DOF as enforceable obligations under the ROPS.

a. Predevelopment Activities

There are a number of predevelopment activities that the Successor Agency, with approval of the Oversight Board, may or may not decide to undertake to position property for sale. These potential activities include:

1. Obtaining preliminary title reports to determine existing title conditions relevant for future development, such as easements or other encumbrances; and
2. Commissioning appraisal reports or broker opinions of value to determine potential market value of the properties prior to sale; and
3. ~~Preparing Phase 1 and/or Phase 2 environmental site assessments and other assessments to~~

- ~~determine the extent to which hazardous materials contamination is present on the sites; and~~
- 4.3. Developing information regarding any public infrastructure and utility (water, sewer, drainage, etc.) limitations with respect to the parcels; and
- 5.4. Defining any steps, ~~such as cleanup of hazardous materials,~~ that may be necessary before the parcels can be successfully marketed for sale.

b. Marketing and Outreach

For those parcels identified during the predevelopment process as being available for near term sale, the marketing and outreach program will depend on the characteristics of the specific parcels involved. Based on the size and characteristics of certain properties (e.g., the Railroad Spurs) it may be appropriate to list properties with a Broker or negotiate a purchase directly with an adjacent property owner.

For those sites with significant development potential based on the General Plan and zoning, the marketing effort would focus on attracting buyers who can implement high-quality development projects on those sites consistent with the City’s zoning and plans. Marketing information for those sites may include a basic brochure that describes the characteristics of the site(s), City of Vallejo attributes, land use provisions, and any related information resulting from the predevelopment activities described above. Such a brochure would be distributed to real estate brokers, developers, and other identified companies, and advertised on real estate websites and in appropriate professional publications and local/regional newspapers. The Successor Agency may choose to engage in a more formal RFP process, depending on market interest in a particular site. Purchase offers would be reviewed by the Successor Agency staff with direction from the Successor Agency and Oversight Boards.

For those parcels identified as being transferred to the City for future development, the City would likely engage in an RFP process for selection of developers who can implement development projects consistent with the City and former Redevelopment Agency’s adopted plans for the site. With respect to the seven (7) properties subject to the Public Trust, any further development must be consistent with Public Trust requirements.

c. Sales Process

A general schedule for implementing Successor Agency sales is described below but would vary depending on the specific characteristics of each property.

Activity
1. Pre Development Activities
2. Marketing Outreach Activities
3. Offer Review Process
4. Successor Agency - Oversight Board Direction
5. Negotiation of Purchase and Sale Transaction pursuant to Successor Agency and Oversight Board Direction
6. Drafting of Purchase and Sale Agreement
7. Successor Agency and Oversight Board Approval of Purchase and Sale Agreement and Execution of Agreement
8. Distribution of Net Proceeds of Sale to Taxing Entities

A schedule for disposition of each property cannot be estimated at this time, although it is the intent of the Successor Agency to dispose of properties as expeditiously as possible and in a manner that generates maximum value. The disposition schedule and phasing would be reviewed and approved by the Successor Agency and Oversight Board as additional information is available on these properties, and any legal constraints have been cleared, ~~and the extent of hazardous materials contamination is known and/or remediation has been completed.~~

RESOLUTION NO. ____

**RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR
AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF
VALLEJO APPROVING A LONG-RANGE PROPERTY MANAGEMENT
PLAN FOR THE DISPOSITION AND USE OF FORMER
REDEVELOPMENT AGENCY PROPERTIES**

WHEREAS, in accordance with the Redevelopment Dissolution Law (AB1x 26, enacted June 28, 2013, as amended by AB 1484, the City Council of the City of Vallejo (“City”) elected and determined that the City should become the successor agency (“Successor Agency”) to the former Redevelopment Agency of the City of Vallejo (the “Redevelopment Agency”) commencing upon the dissolution of the Redevelopment Agency on February 1, 2012; and

WHEREAS, the Dissolution Law requires the Successor Agency to expeditiously wind-down the affairs of the former Redevelopment Agency, as directed by the oversight board created pursuant to Section 34179 of the California Health and Safety Code (“Oversight Board”); and

WHEREAS, following the successful completion of certain statutory prerequisites, the Successor Agency received a Finding of Completion from the State of California Department of Finance (“Department of Finance”) by letter dated October 16, 2013; and

WHEREAS, Health and Safety Code Section 34191.5(b) states that the Successor Agency shall prepare a Long-Range Property Management Plan that addresses the disposition and use of the real properties of the former Redevelopment Agency, which shall be submitted to the Oversight Board and the Department of Finance for approval following the issuance to the Successor Agency of the Finding of Completion; and

WHEREAS, Health and Safety Code Section 34191.5, subdivision (c)(1) sets forth the required contents of the Long-Range Property Management Plan and subdivision (c)(2) sets forth the permissible uses of the subject real properties; and

WHEREAS, the permissible uses include retention of properties for governmental use pursuant to Health and Safety Code Section 34181(a), retention of properties for future development, sale of properties and use of properties to fulfill an enforceable obligation; and

WHEREAS, Successor Agency staff in May 2014 prepared a Long-Range Property Management Plan (the “ May 2014 Plan”) in accordance with the requirements of Health and Safety Code Section 34191.5, and the Successor Agency Board and Oversight Board reviewed and considered the May 2014 Plan; and

WHEREAS, the State Department of Finance reviewed the May 2014 Plan and requested changes to it in February 2015, which changes were incorporated into a Revised Long Range Property Management Plan dated June 17, 2015 (the “June 2015 Plan”) which was approved by

the Successor Agency and the Oversight Board on June 23, 2015 and June 25, 2015, respectively and submitted to the Department of Finance for review on July 1, 2015; and

WHEREAS, On November 25, 2015, the Department of Finance (a) denied recognizing Public Trust restrictions as an enforceable obligation and directed the Successor Agency to resubmit the LRPMP with designating Public Trust properties as government use or to retain the parcels for future development and (b) requested other technical changes to the June 2015 Plan; and

WHEREAS, On September 22, 2015, the State enacted SB107 changing certain legislative requirements for LRPMPs including allowing public parking lots to be considered as government use and requiring that LRPMPs must be approved by the Department of Finance by January 1, 2016 in order for a Successor Agency to utilize an LRPMP to control its property disposition; and

WHEREAS, On June 23, 2015, in Resolution 15-005, the Successor Agency approved the June 2015 Plan and authorized its staff to make any changes required by the DOF review; and;

WHEREAS, a revised LRPMP has been prepared in accordance with the requirements of Health and Safety Code, section 34191.5 and the Oversight Board has reviewed and considered the revised LRPMP; and

WHEREAS, once approved, the revised LRPMP will allow the City to receive and retain properties to fulfill existing enforceable obligations pursuant to Health and Safety Code Section 34191.5(c)(2); and

WHEREAS, once approved, the revised LRAPMP will allow the City to receive and retain properties for future development pursuant to Health and Safety Code Section 34191.5(c)(2); and

WHEREAS, once approved, the revised LRPMP will allow the Successor Agency to proceed with the sale of various properties pursuant to Health and Safety Code Section 34191.5(c)(2); and

WHEREAS, the governing board of the Successor Agency has determined it is in the best interest of the Successor Agency to proceed with the disposition and use of former Redevelopment Agency properties pursuant to the revised LRPMP; and

WHEREAS, the Oversight Board has determined it is in the best interest of the taxing entities to proceed with the disposition and use of former Redevelopment Agency properties pursuant to the revised LRPMP.

NOW THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Vallejo hereby resolves as follows:

1. The revised Long-Range Property Management Plan attached to the Staff Report accompanying this Resolution is hereby approved.
2. Successor Agency staff is hereby authorized to make such minor, technical and clarifying revisions to the Long-Range Property Management Plan as are deemed necessary to carry out the purposes and intent of this Resolution and the Dissolution Law.
3. Successor Agency staff is hereby authorized and directed to transmit the approved revised Long-Range Property Management Plan and this Resolution to the State Department of Finance for its final review and approval in accordance with the requirements of Health and Safety Code Section 34191.5.
4. Successor Agency staff is hereby authorized to revise make such any non-substantive minor, technical and clarifying revisions to the revised Long-Range Property Management Plan as necessary to conform to any additional changes required by the Department of Finance in order to secure its approval by the January 1, 2016 deadline..
5. Successor Agency staff is hereby authorized to convey property to the City of Vallejo pursuant to the approved revised Long-Range Property Management Plan and to take all other actions as provided for and authorized by the approved revised Long-Range Property Management Plan.
6. Successor Agency staff is hereby further authorized to take all actions necessary with respect to the implementation of the approved revised Long-Range Property Management Plan consistent with this Resolution and its basic purposes.

PASSED AND ADOPTED AT A REGULAR MEETING OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO ON DECEMBER 17. 2015 BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

Erin Hannigan, Chair

ATTEST: _____
Dawn G. Abrahamson, Secretary

RESOLUTION NO. 15-069 N.C.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALLEJO
ACCEPTING PROPERTIES FROM THE SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO PURSUANT TO ITS
REVISED LONG-RANGE PROPERTY MANAGEMENT PLAN AND
AUTHORIZING NEGOTIATION OF COMPENSATION AGREEMENTS WITH
TAXING ENTITIES ADDRESSING THE DISTRIBUTIONS OF SALE
PROCEEDS FROM PROPERTIES TO BE CONVEYED TO THE CITY FOR
FUTURE DEVELOPMENT**

WHEREAS, in accordance with the Redevelopment Dissolution Law (AB1x 26, enacted June 28, 2013, as amended by AB 1484, the City Council of the City of Vallejo ("City") elected and determined that the City should become the successor agency ("Successor Agency") to the former Redevelopment Agency of the City of Vallejo (the "Redevelopment Agency") commencing upon the dissolution of the Redevelopment Agency on February 1, 2012; and

WHEREAS, the Dissolution Law requires the Successor Agency to expeditiously wind-down the affairs of the former Redevelopment Agency, as directed by the oversight board created pursuant to Section 34179 of the California Health and Safety Code ("Oversight Board"); and

WHEREAS, following the successful completion of certain statutory prerequisites, the Successor Agency received a Finding of Completion from the State of California Department of Finance ("Department of Finance") by letter dated October 16, 2013; and

WHEREAS, Health and Safety Code Section 34191.5(b) states that the Successor Agency shall prepare a Long-Range Property Management Plan that addresses the disposition and use of the real properties of the former Redevelopment Agency, which shall be submitted to the Oversight Board and the Department of Finance for approval no later than six months following the issuance to the Successor Agency of the Finding of Completion; and

WHEREAS, the Successor Agency has prepared a Long-Range Property Management Plan (the "Plan") pursuant to Health and Safety Code Section 34191.5, which is now pending review and approval by the Oversight Board and the final approval by Department of Finance; and

WHEREAS, once approved, the Plan will allow the City to receive and retain properties to fulfill existing enforceable obligations pursuant to Health and Safety Code Section 34191.5(c)(2); and

WHEREAS, once approved, the Plan will allow the City to receive and retain properties for future development pursuant to Health and Safety Code Section 34191.5(c)(2); and

WHEREAS, the Department of Finance has directed that the Plan include a commitment by the City to enter into a compensation agreement or agreements with the affected taxing entities; and

WHEREAS, the compensation agreement or agreements will govern the distribution of net unrestricted proceeds from the sale of properties that are conveyed to the City for future development pursuant to the Plan; and

WHEREAS, the Plan provides that, if a court order or decision or State legislation reverses the Department of Finance's directive regarding compensation agreements, the provisions of the Plan regarding the City's execution of compensation agreements will not be operative; and

WHEREAS, the City desires to accept the properties that the Plan designates for conveyance to the City and is willing to take on the obligations required under the Plan; and

WHEREAS, four of the properties identified in the LRPMP are to be transferred to the City for governmental purposes meet the needs of low and moderate income households and are best administered by the Vallejo Housing Authority as discussed in the staff report accompanying this resolution.

NOW, THEREFORE, the City Council of the City of Vallejo hereby resolves as follows:

1. The City is hereby authorized to accept properties conveyed to it by the Successor Agency pursuant to the Plan.

2. The City Manager is hereby authorized to negotiate on behalf of the City a compensation agreement or agreements with the affected taxing entities governing the distribution of net unrestricted proceeds from the City's sale of properties the City receives from the Successor Agency for future development pursuant to the Plan.

3. The City Manager is hereby authorized to take all actions and execute all documents, including certificates of acceptance, necessary with respect to the City's acceptance of the properties that will be transferred to the City pursuant to the Plan and as otherwise may be consistent with this Resolution and its basic purposes.

4. The City Manager is hereby authorized to take all actions and execute all documents necessary for the transfer of the four housing parcels from the City of Vallejo to the Vallejo Housing Authority including without limitation the preparation, execution, and recordation of deeds of conveyance and assignment agreements, and all other necessary instruments, as applicable as otherwise may be consistent with this Resolution and its basic purposes.

Adopted by the Council of the City of Vallejo at a regular meeting held on June 23, 2015 with the following vote:

AYES: Mayor Davis, Vice Mayor Malgapo, Councilmembers Dew-Costa, McConnell, Miessner, Sampayan, and Verder-Aliga
NOES: None
ABSENT: None
ABSTAIN: None



OSBY DAVIS, MAYOR

ATTEST:



DAWN G. ABRAHAMSON, CITY CLERK

RESOLUTION NO. 15-005

RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO APPROVING A LONG-RANGE PROPERTY MANAGEMENT PLAN FOR THE DISPOSITION AND USE OF FORMER REDEVELOPMENT AGENCY PROPERTIES

WHEREAS, in accordance with the Redevelopment Dissolution Law (AB1x 26, enacted June 28, 2013, as amended by AB 1484, the City Council of the City of Vallejo ("City") elected and determined that the City should become the successor agency ("Successor Agency") to the former Redevelopment Agency of the City of Vallejo (the "Redevelopment Agency") commencing upon the dissolution of the Redevelopment Agency on February 1, 2012; and

WHEREAS, the Dissolution Law requires the Successor Agency to expeditiously wind-down the affairs of the former Redevelopment Agency, as directed by the oversight board created pursuant to Section 34179 of the California Health and Safety Code ("Oversight Board"); and

WHEREAS, following the successful completion of certain statutory prerequisites, the Successor Agency received a Finding of Completion from the State of California Department of Finance ("Department of Finance") by letter dated October 16, 2013; and

WHEREAS, Health and Safety Code Section 34191.5(b) states that the Successor Agency shall prepare a Long-Range Property Management Plan that addresses the disposition and use of the real properties of the former Redevelopment Agency, which shall be submitted to the Oversight Board and the Department of Finance for approval no later than six months following the issuance to the Successor Agency of the Finding of Completion; and

WHEREAS, Health and Safety Code Section 34191.5, subdivision (c)(1) sets forth the required contents of the Long-Range Property Management Plan and subdivision (c)(2) sets forth the permissible uses of the subject real properties; and

WHEREAS, the permissible uses include retention of properties for governmental use pursuant to Health and Safety Code Section 34181(a), retention of properties for future development, sale of properties and use of properties to fulfill an enforceable obligation; and

WHEREAS, Successor Agency staff have prepared a Long-Range Property Management Plan (the "Plan") in accordance with the requirements of Health and Safety Code Section 34191.5, and the Successor Agency Board has reviewed and considered the Plan; and

WHEREAS, once approved, the Plan will allow the City to receive and retain properties to fulfill existing enforceable obligations pursuant to Health and Safety Code Section 34191.5(c)(2); and

WHEREAS, once approved, the Plan will allow the City to receive and retain properties for future development pursuant to Health and Safety Code Section 34191.5(c)(2); and

WHEREAS, once approved, the Plan will allow the Successor Agency to proceed with the sale of various properties pursuant to Health and Safety Code Section 34191.5(c)(2); and

WHEREAS, the governing board of the Successor Agency has determined it is in the best interest of the Successor Agency to proceed with the disposition and use of former Redevelopment Agency properties pursuant to the Plan; and

WHEREAS, the Successor Agency has determined that the nine properties known as the "Southern Waterfront" should be developed pursuant to prior redevelopment plans and transferred to the City to be held for development subject to appropriate compensation agreements for the reasons discussed in the staff report accompanying this resolution and reflected in Revised Long Range Property Management Plan; and

WHEREAS, the Department of Finance provided comments regarding the Long-Range Property Management Plan and directed that certain affordable housing properties owned by the Successor Agency and one additional parcel be placed on the Revised Long-Range Property Management Plan; and

WHEREAS, these parcels have been added and other technical updates have been made to the Revised Long-Range Property Management Plan.

NOW, THEREFORE, the Board of the Successor Agency to the Redevelopment Agency of the City of Vallejo hereby resolves as follows:

1. The Revised Long-Range Property Management Plan attached to the Staff Report accompanying this Resolution is hereby approved.

2. Successor Agency staff is hereby authorized to make such minor, technical and clarifying revisions to the Revised Long-Range Property Management Plan as are deemed necessary to carry out the purposes and intent of this Resolution and the Dissolution Law.

3. Successor Agency staff is hereby authorized and directed to transmit the approved Revised Long-Range Property Management Plan and this Resolution to the Oversight Board for review and approval in accordance with the requirements of Health and Safety Code Section 34191.5.

4. Successor Agency staff is hereby authorized to revise the submitted Revised Long-Range Property Management Plan to reflect additional changes required as part of the Oversight Board and final Department of Finance review and approval process.

5. Successor Agency staff is hereby authorized to convey property to the City of Vallejo pursuant to the approved Revised Long-Range Property Management Plan and to take all other actions as provided for and authorized by the approved Revised Long-Range Property Management Plan, including without limitation, the continued management of those properties designated for retention by the Successor Agency and the disposition of those properties designated for sale by the Successor Agency.

6. Successor Agency staff is hereby further authorized to take all actions necessary with respect to the implementation of the Revised Long-Range Property Management Plan consistent with this Resolution and its basic purposes.

Adopted by the Vallejo City Council as Governing Board of the Successor Agency to the former Vallejo Redevelopment Agency at a joint special meeting held on June 23, 2015, by the following vote:

- AYES: Chair Davis, Vice Chair Malgapo, and Boardmembers Dew-Costa, McConnell, Miessner, Sampayan and Verder-Aliga
- NOES: None
- ABSTAIN: None
- ABSENT: None



OSBY DAVIS, CHAIR

ATTEST:



DAWN G. ABRAHAMSON, SECRETARY