May 23, 2014

Ms. Lisa Strong, Management Services Director  
City of Fontana  
8353 Sierra Avenue  
Fontana, CA 92335

Dear Ms. Strong:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Fontana Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on June 18, 2013. The Agency subsequently submitted revisions to the LRPMP to Finance on April 4, 2014 and May 16, 2014. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items.

The Agency received a Finding of Completion on June 7, 2013. Further, based on our review and application of the law, we are approving the Agency’s use or disposition of all the properties listed on the LRPMP. Our approval of the LRPMP also took into account the revisions identified in Resolution Nos. FOB 2014-02 and FOB 2014-03, which specified:

- The disposition for Property Nos. 20 through 22, 29, 30, 48, 60, 63 through 69, 72 through 75, 78 through 80, 83, 88, 99, 100, 103, and 104 was revised to “Sale of Property.”

- The net sale proceeds from properties identified to be sold by the Agency will be remitted to the San Bernardino County Auditor-Controller for distribution to the taxing entities. The Agency is encouraged to obtain appraisals to maximize property values prior to the disposition of these properties.

- The Agency submitted information for Purchase Values, Estimated Current Values, Estimate of Current Parcel Values, and Proposed Sale Values for numerous properties in the LRPMP revision received on April 4, 2014. However, it was unclear if the Oversight Board (OB) approved the revisions. The OB subsequently acknowledged and approved the revised values in Resolution No. FOB 2014-03.

In accordance with HSC section 34191.4, upon receiving a Finding of Completion from Finance and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements of an existing enforceable obligation. Pursuant to HSC section 34191.3 the approved LRPMP shall govern, and supersede all other provisions relating to, the disposition and use of all the real property assets of the former redevelopment agency.
Agency actions taken pursuant to a Finance approved LRPMP which requires the Agency to enter into a new agreement are subject to OB approval per HSC section 34181 (f). Any OB action approving a new agreement in connection with the LRPMP should be submitted to Finance for approval.

Please direct inquiries to Nichelle Thomas, Supervisor, or Michael Barr, Lead Analyst at (916) 445-1546.

Sincerely,

JUSTYN HOWARD
Assistant Program Budget Manager

cc:  Mr. David R. Edgar, Deputy City Manager, City of Fontana
     Ms. Dawn Brooks, Accounting Manager, City of Fontana
     Ms. Linda Santillano, Property Tax Manager, San Bernardino County
     Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State Controller's Office
     California State Controller's Office