

RESOLUTION 2014-06

A RESOLUTION OF THE OVERSIGHT BOARD OF THE  
SUCCESSOR AGENCY OF THE COMMUNITY  
REDEVELOPMENT AGENCY OF THE CITY OF GRAND  
TERRACE AMENDING THE LONG RANGE PROPERTY  
MANAGEMENT PLAN

WHEREAS, on October 22, 2013, the Successor Agency to the Community Redevelopment Agency of the City of Grand Terrace ("Successor Agency") approved the Long Range Property Management Plan ("LRPMP") pursuant to Health & Safety Code section 34191.5; and

WHEREAS, on November 6, 2013, the Oversight Board for the Successor Agency to the Community Redevelopment Agency of the City of Grand Terrace ("Oversight Board") approved the LRPMP pursuant to Health & Safety Code section 34191.5; and

WHEREAS, after submittal to the California Department of Finance ("DOF"), the DOF has determined that certain amendments needed to be made prior to issuance of its approval of the LRPMP; and

WHEREAS, the Successor Agency now desires to amend the LRPMP in the manner required by the DOF and to submit the amended LRPMP to the Oversight Board for its approval.

WHEREAS, on November 25, 2014, the Successor Agency adopted a Resolution approving the amended LRPMP.

NOW THEREFORE, BE IT RESOLVED by the Oversight Board of the Successor Agency for the Grand Terrace Community Redevelopment Agency, as follows:

SECTION 1. That the foregoing recitals are true and correct and are incorporated herein by reference

SECTION 2. That the Oversight Board has duly considered the amended LRPMP, which is attached hereto as Attachment 1 and incorporated herein by this reference.

SECTION 3. That the Oversight Board hereby adopts the amended LRPMP.

SECTION 4. That Successor Agency staff is hereby directed to forward the amended LRPMP to the DOF for its review and approval.

SECTION 5. That the Successor Agency staff is hereby authorized to take all other actions necessary and proper to carry out this resolution including, but not limited to, making such modifications to the attached amended LRPMP so that it further complies with the requirements and directives of the DOF and such other non-substantive changes as may be required.

SECTION 6. The Successor Agency shall maintain on file as a public record this Resolution as approved hereby.

PASSED, APPROVED AND ADOPTED by the Oversight Board of the Successor Agency for the Grand Terrace Redevelopment Agency at a regular meeting held on the 17<sup>th</sup> day of December, 2014.



Chair of the Oversight Board for the  
Community Redevelopment Agency of  
the City of Grand Terrace

ATTEST:

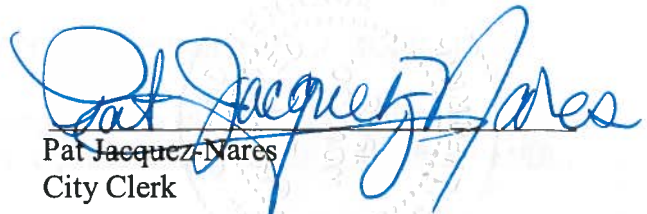
  
Pat Jacquez-Nares  
Secretary

I, PAT JACQUEZ-NARES, CITY CLERK of the City of Grand Terrace, acting as the Secretary to the Oversight Board of the Successor Agency to the Grand Terrace Redevelopment Agency, do hereby certify that the foregoing Resolution was introduced and adopted at a regular meeting of the Oversight Board of the Successor Agency Board of the Successor Agency for the Community Redevelopment Agency of the City of Grand Terrace held on the 17<sup>th</sup> day of December, 2014 by the following vote:

AYES: Board Members Forbes, Morga, Saks, Wong and Chairman Stanckiewicz

NOES: None

ABSENT: Board Member Torres

  
Pat Jacquez-Nares  
City Clerk

## **RESOLUTION 2013 - 14**

### **A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF GRAND TERRACE APPROVING THE LONG-RANGE PROPERTY MANAGEMENT PLAN.**

**WHEREAS**, the State Legislature dissolved redevelopment agencies by enacting Assembly Bill Nos. 1x 26 and 1484, relating to redevelopment dissolution, ("Dissolution Statutes") which became effective on June 28, 2011 and June 27, 2012, respectively;

**WHEREAS**, Health and Safety Code § 34191.5 requires a successor agency to prepare and submit a Long-Range Property Management Plan ("PMP") to the California Department of Finance ("DOF") within six (6) months of receiving its Finding of Completion from the DOF;

**WHEREAS**, the Successor Agency to the Community Redevelopment Agency of the City of Grand Terrace ("Successor Agency") received its Finding of Completion on May 9, 2013 and therefore needs to submit its PMP to the DOF by November 9, 2013;

**WHEREAS**, the Successor Agency on August 13, 2013 contracted with Kosmont & Associates, Inc. ("Kosmont") to prepare the PMP, attached hereto as Attachment 1; and

**WHEREAS**, the Successor Agency approved the PMP, attached hereto as Attachment 1, at a regular meeting on October 22, 2013.

### **NOW THEREFORE, BE IT RESOLVED THAT THE OVERSIGHT BOARD DOES RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:**

**Section 1.** After duly considering and reviewing the PMP, the Oversight Board hereby approves the Long-Range Property Management Plan, attached hereto as Attachment 1.

**Section 2.** The Oversight Board hereby directs the Executive Director to submit the PMP to the Department of Finance for its consideration and approval, and to take all other actions necessary and required by the Health and Safety Code and any other relevant law in presenting the PMP to the DOF.

**Section 3.** The Oversight Board hereby authorizes the Executive Director to take all actions necessary and required to carry out this Resolution.

**Section 4.** This Resolution shall be effective five business days after its passage or in accordance with applicable law.

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

**PASSED, APPROVED AND ADOPTED** by the Oversight Board of the Successor Agency for the Grand Terrace Redevelopment Agency at a regular meeting held on the 6<sup>th</sup> day of November, 2013.

AYES: Board Members Shields and Ferracone; Vice-Chairman Sacks and Chairman Stanckiewicz

NOES: None

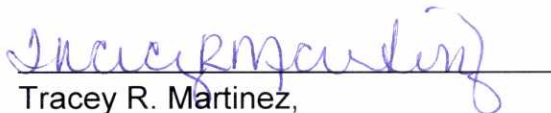
ABSENT: Board Members Miranda, Morga and Forbes

ABSTAIN: None



Walt Stanckiewicz,  
Oversight Board Chair

ATTEST:



Tracey R. Martinez,  
Oversight Board Secretary

# AMENDED LONG-RANGE PROPERTY MANAGEMENT PLAN

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## SUCCESSOR AGENCY TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF GRAND TERRACE



Prepared By:



**KOSMONT COMPANIES**  
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**NOVEMBER 13, 2014**



The analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project pro forma and tax analyses are projections only. Actual results may differ materially from those expressed in this analysis.

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# 1.0 Introduction

## 1.1 Background & Purpose

Health and Safety Code Section 34191.5, added by AB 1484 (signed into law on June 27, 2012), requires each Successor Agency ("SA") to prepare and approve a Long-Range Property Management Plan ("LRPMP") that addresses the disposition and use of the real properties of the former redevelopment agency. Properties held by a successor agency cannot be disposed of until the State Department of Finance ("DOF") has approved the LRPMP. This document is the LRPMP for the SA to the former Community Redevelopment Agency ("RDA") of the City of Grand Terrace.

Table 1.1: City Location Map



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## 1.2 Successor Agency Property Summary

The SA / former RDA is the owner of record on title for five (5) properties (comprised of 13 parcels) in the City of Grand Terrace. Of these properties, two (2) are governmental use properties that are proposed to be transferred to the City to continue exclusive and continued governmental use. Of the remaining three (3) properties, two are designated to be liquidated with distribution of sale proceeds to local taxing entities pursuant to AB1484, and one of the properties is designated to be transferred to the City for future development. Table 1.2 below summarizes the recommendations for disposition for the LRPMP properties, and Exhibit 1.2 on the following page includes a map of the SA and Housing Agency properties.

Table 1.2: Successor Agency Property Summary

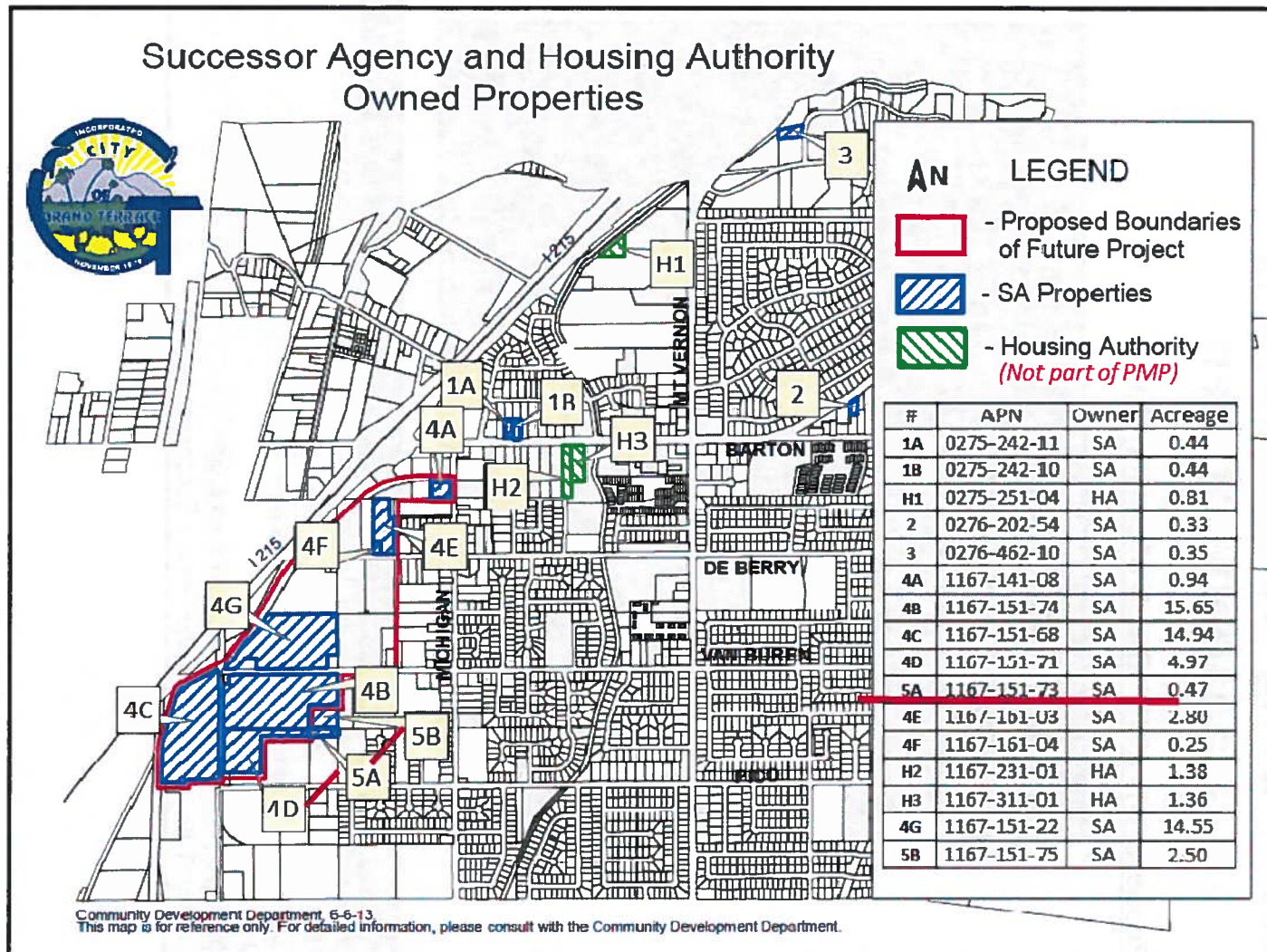
#	Address/Description	APN	Purpose			
			Gov't	Future Dev.	Liquid.	Enf. Oblig.
1	22100 Block of Barton Rd.	0275-242-11 0275-242-11			X	
2	22747 Barton Rd.	0276-202-54			X	
3	Vista Grande Park Project	0276-462-10	X			
4	Mixed-Use Specific Plan Project	1167-141-08 1167-151-68 1167-151-71 1167-151-74 1167-161-03 1167-161-04 1167-151-22		X		



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Exhibit 1.2: Map of Successor Agency and Housing Authority Properties



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## 2.0 Long-Range Property Management Plan

### Property #1: 22100 Block of Barton Road



Parcel Data – Property #1	
Address	22100 Block of Barton Road
APN	0275-242-10 & 0275-242-11
Lot Size	0.88 acres (38,333 square feet)
Use	Vacant land
Zoning	BRSP – General Commercial
Current Title	City of Grand Terrace Successor Agency



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#### Acquisition & Valuation Information – Property #1

<b>Purchase Date</b>	1/27/2009 (APN #0275-242-11) & 8/1/2009 (APN #0275-242-10)
<b>Purchase Price</b>	\$399,231
<b>Funding Source</b>	Tax increment
<b>Purpose</b>	Future commercial development in advancement of RDA planning objectives
<b>Estimate of Current Value</b>	\$350,000
<b>Method of Valuation</b>	Professional appraisal obtained by City dated August 23, 2011

#### Revenues Generated by Property & Contractual Requirements – Property #1

<b>No Revenues or Contractual Requirements</b>	There are no revenues generated by this property, and there no contractual requirements related to this property.
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#### History of Environmental Contamination or Remediation Efforts – Property #1

<b>Soil Removal Required</b>	<p>Phase I Environmental Site Assessment and Limited Phase II Environmental Site Screening dated March 18 2009, April 15, 2009 and September 11, 2009. No known history of environmental contamination, designation as Brownfield site, or remediation was identified.</p> <p>During the aforementioned escrow, a subsequent Phase 1 Assessment was conducted by O'Reilly, which identified a 10 cubic yard soil pile, as a Recognized Environmental Concern (REC). Additional soil sampling of the soil pile determined the stockpile contains non-hazardous levels of diesel and motor oil range hydrocarbons. As a condition to the close of escrow, O'Reilly was requiring the Agency to remove the soil from the property. To properly dispose of the soil pile to the appropriate treatment storage disposal facility, additional analysis for VOC's and metals is required.</p> <p>The Agency has included the anticipated cost of soil removal on the Recognized Obligation Payment Schedule ("ROPS").</p>
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#### Transit-Oriented Development & Agency Planning Objectives – Property #1

<b>Potential for TOD</b>	Not applicable
<b>Agency Planning Objectives</b>	Future development of retail commercial uses will advance Agency objectives of elimination of blight and strengthening of commercial uses and the economic base of the community

#### Brief History of Previous Development Proposals and Activities – Property #1

<b>History</b>	This property was in escrow for sale to O'Reilly Automotive Stores, Inc. ("O'Reilly") in May; however, escrow was terminated in August of 2013 due to redevelopment dissolution.
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#### Recommendation for Disposition – Property #1

<b>Liquidation</b>	As the Purchase and Sale Agreement with O'Reilly is no longer in place at this time, it is recommended that the property be sold to a developer or end-user for development consistent with Agency planning objectives for a sale price consistent with estimate of current value. Revenue generated from the sale of this property is proposed to be distributed to local taxing agencies pursuant to AB 1484.
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**Property #2: 22747 Barton Road**



Parcel Data – Property #2	
Address	22747 Barton Road
APN	0276-202-54
Lot Size	0.33 acres (14,375 square feet)
Use	Vacant Land
Zoning	BRSP – Office Professional
Current Title	City of Grand Terrace Successor Agency



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Acquisition & Valuation Information – Property #2	
Purchase Date	01/13/2009
Purchase Price	\$360,000
Funding Source	Tax increment
Purpose	Future commercial development in advancement of RDA planning objectives
Estimate of Current Value	\$115,000
Method of Valuation	Comparable sales evaluation
Revenues Generated by Property & Contractual Requirements – Property #2	
No Revenues or Contractual Requirements	There are no revenues generated by this property, and there no contractual requirements related to this property.
History of Environmental Contamination or Remediation Efforts – Property #2	
None	No known history of environmental contamination, designation as Brownfield site, or remediation
Transit-Oriented Development & Agency Planning Objectives – Property #2	
Potential for TOD	Not applicable
Agency Planning Objectives	Future commercial development will advance Agency objectives of elimination of blight and strengthening of commercial uses and the economic base of the community. Immediate proximity of the subject property to City Hall should also be noted.
Brief History of Previous Development Proposals and Activities – Property # 2	
History	Previously abandoned structure on-site was demolished. There has been no notable development proposal and other activity in connection with this property since Agency acquisition.
Recommendation for Disposition – Property #2	
Liquidation	Sale of property to developer or end-user for development consistent with Agency planning objectives and proximity to City Hall for a sale price consistent with estimate of current value. Revenue generated from the sale of this property is proposed to be distributed to local taxing agencies pursuant to AB 1484.



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### Property #3: Vista Grande Park Project



#### Parcel Data – Property #3

Address	22720 Vista Grande Way
APN	0276-462-10
Lot Size	0.35 (15,246 square feet)
Use	Vacant Land
Zoning	Residential (R1-20)
Current Title	City of Grand Terrace Successor Agency

#### Acquisition & Valuation Information – Property #3

Purchase Date	6/9/2009
Purchase Price	\$60,000
Funding Source	Tax increment
Purpose	Eliminate public nuisance (red-tagged, foreclosed residential structure) and provide for open space or future civic use
Estimate of Current Value	\$0
Method of Valuation	Non-revenue generating public use with consideration of unstable geotechnical conditions

#### Revenues Generated by Property & Contractual Requirements – Property #3



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**No Revenues or  
Contractual  
Requirements**

There are no revenues generated by this property and no contractual requirements.

**History of Environmental Contamination or Remediation Efforts – Property #3**

**Subsiding Soil  
Conditions**

Property includes unstable soil in rear portion of parcel (Natural Hazard Disclosure Report obtained by City dated May 27, 2009). Property is located in "Slide Prone Zone" within County General Plan. There is no history of environmental contamination, designation as Brownfield site, or remediation.

**Transit-Oriented Development & Agency Planning Objectives – Property #3**

**Potential for TOD**

Not applicable

**Agency Planning  
Objectives**

The Vista Grande Park Project is explicitly indicated as one of 14 priority non-housing projects in the approved RDA Five-Year Implementation Plan adopted December 8, 2009 for the years 2010-2014 for the advancement of Agency objectives #4 (improve parking and open space) and #5 (civic and cultural enhancement). Demolition of the previous red-tagged, foreclosed residential structure also served to advance Agency planning #1 (eliminate blight).

**Brief History of Previous Development Proposals and Activities – Property #3**

**History**

Previously abandoned structure (red-tagged, foreclosed residence) on-site was demolished. There has been no notable development proposal activity or other activity in connection with this property since Agency acquisition from the previous Bank owner as a Real Estate Owned ("REO") property.



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### Recommendation for Disposition – Property #3

#### Transfer to City for Government Use

Retention of the property by the City for government use consistent with its identification as a priority non-housing redevelopment project within the approved and adopted RDA Five-Year Implementation Plan. Health and Safety Code Section 34191.5 (c) (2)(A) allows for the City to retain title to property for development that is included in a redevelopment plan and also for government use.

On May 14, 2013, and June 5, 2013, the Successor Agency and Oversight Board adopted respective resolutions approving the transfer of the property to the City of Grand Terrace pursuant to Health and Safety Code Sections 34181(a) and 34191.3. On October 15, 2013, the DOF disallowed the transfer as the dog park has not yet been constructed. However, development of the property as a dog park as identified in the adopted RDA 5-Year Implementation Plan is the best use of the property, and is viable.

Given the unstable geotechnical conditions of the property, one possible future use is a dog park as proposed by a community volunteer organization. Vista Grande Park construction costs were explicitly indicated among designated uses of proceeds from the RDA 2011A Tax Allocation Bonds.

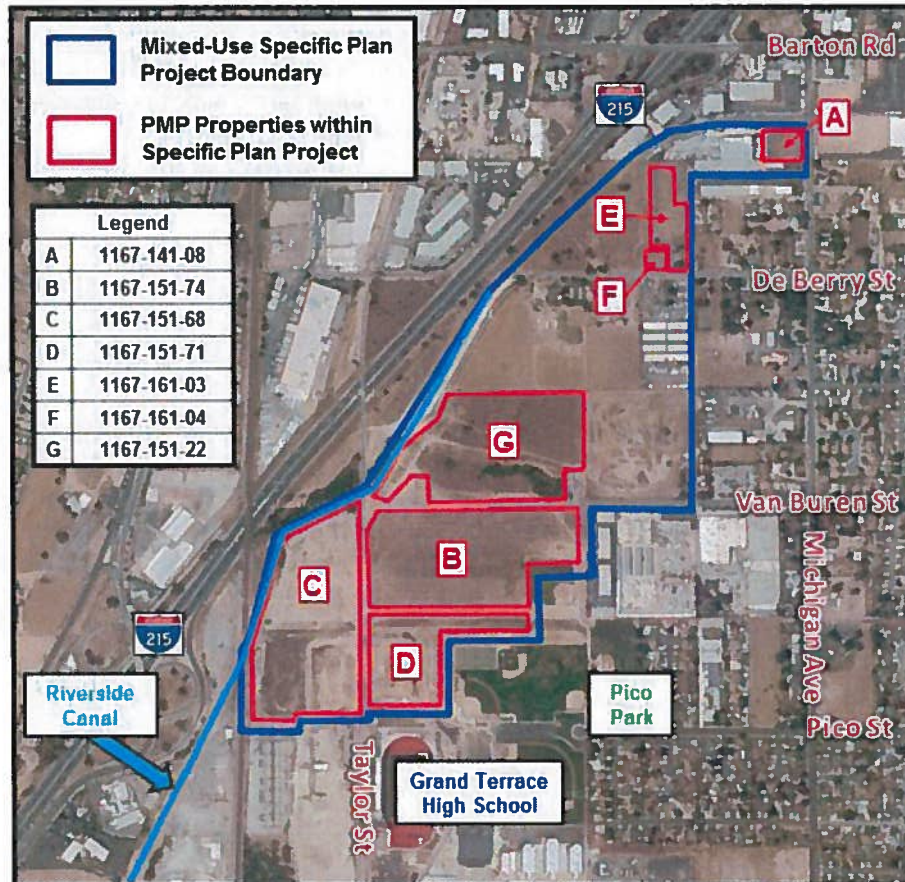


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## Property #4: Mixed-Use Specific Plan Project



### Parcel Data – Property #4

<b>Address</b>	W. Commerce Dr. 21992 & 21974 De Berry St. 21900 Block of Van Buren St.
<b>APN</b>	1167-141-08 1167-151-68, 71, 74 1167-161-03, 04, 22
<b>Lot Size</b>	54.1 acres
<b>Use</b>	Vacant Land
<b>Zoning</b>	Commercial manufacturing: 1167-141-08, 1167-151-22, 1167-161-03, 04 Restricted Manufacturing: 1167-151-71, 74 M-2 Industrial: 1167-151-68
<b>General Plan</b>	Mixed-Use (Commercial / Residential Mix)
<b>Current Title</b>	City of Grand Terrace Successor Agency



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Acquisition & Valuation Information – Property #4	
<b>Purchase Date</b>	11/22/2000: 1167-151-68, 71, 74 07/21/2005: 1167-161-04 08/16/2005: 1167-161-03 10/25/2005: 1167-141-08 07/29/2011: 1167-151-22
<b>Purchase Price</b>	1167-141-08 – \$245,280 1167-151-22 – \$1,393,702 1167-151-68 – \$500,191 1167-151-71 – \$166,395 1167-151-74 – \$523,962 1167-161-03 – \$899,953 1167-161-04 – \$409,701 Total – \$4,139,184
<b>Funding Source</b>	Tax increment, including proceeds from the RDA Tax Allocation Bonds Issue of 2011B
<b>Purpose</b>	Land assembly for large commercial project in advancement of RDA planning objectives
<b>Estimate of Current Value</b>	1167-141-08 – \$283,500 1167-151-22 – \$0 (\$927,800 before adjustment for wetlands mitigation) 1167-151-68 – \$0 (\$976,100 before adjustment for storm water mitigation) 1167-151-71 – \$0 (\$216,400 before adjustment for storm water mitigation) 1167-151-74 – \$0 (\$1,022,500 before adjustment for wetlands mitigation) 1167-161-03 – \$479,100 1167-161-04 – \$43,500 Total – \$806,100
<b>Method of Valuation</b>	Comparable sales evaluation

Revenues Generated by Property & Contractual Requirements – Property #4	
<b>No Revenues or Contractual Requirements</b>	There are no revenues generated by this property and no contractual requirements. It should be noted that Parcels C and D include approximately 1.1 acres of anticipated storm drain easements.

History of Environmental Contamination or Remediation Efforts – Property #4	
<b>None</b>	No known history of environmental contamination, designation as Brownfield site, or remediation. It should be noted that the Property contains approximately 4 acres of wetlands that will need to be maintained onsite.

**Transit-Oriented Development & Agency Planning Objectives – Property #4**

<b>Potential for TOD</b>	Not applicable
<b>Agency Planning Objectives</b>	The Mixed-Use Specific Plan Project is explicitly indicated as one of 14 priority non-housing projects in the approved RDA Five-Year Implementation Plan adopted December 8, 2009 for the years 2010-2014 for the advancement of Agency objectives #1 (eliminate blight), #2 (strengthen commercial use), #3 (strengthen economic base), and #9 (improve utilities).



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#### Brief History of Previous Development Proposals and Activities – Property # 4

##### History

For more than two decades, the City has attempted to foster development in the Specific Plan Project Area (also known as the Southwest Commercial Site). However, the significant drainage & sewer infrastructure improvements required have hampered development.

The property contains approximately 4 acres of wetlands as designated by the California Department of Fish and Game and the U.S. Army Corps of Engineers that will need to be maintained onsite. Development of the property will require retention basins on the site and significant storm drain improvements along De Berry, Van Buren, and Pico Streets, reducing developable land on the property by approximately 4 acres.

San Bernardino Association of Governments, Caltrans, and the City are working to replace the I-215 interchange at Barton Road; however local streets that would provide access to the property are not adequate for the increased traffic volume that would result from development of the property. Significant curb, gutter, and storm drain improvements would be additionally required.

The City's 1988 General Plan updated the land use designation within the Project to allow light industrial uses, since the retail project uses envisioned within the 1983 General Plan did not prove viable due to freeway access and other deficiencies. In 2010, the General Plan was updated to re-designate the project area, as well as surrounding properties as Mixed Use, requiring the preparation of the Specific Plan. It was critical to the City to specify the requirement of a specific plan so that the project area would develop in a cohesive and orderly manner.

The RDA entered into a Memorandum of Understanding ("MOU") dated September 11, 2007 with developer Grand Terrace Partners, LLC ("Developer") following an Exclusive Negotiating Agreement ("ENA") with Developer. The intended use included recreational commercial uses. The Developer eventually withdrew from the project, however, due to insufficient freeway access.

Parcel B underwent a lot-line adjustment to accommodate Baseball Park Project on parcel 1167-151-75. A former single family residence was demolished on Parcel F.



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#### Recommendation for Disposition – Property #4

**Transfer to  
City for  
Future  
Development**

Retention of the property by the City for future development consistent with its identification as a priority non-housing redevelopment project within the approved and adopted RDA Five-Year Implementation Plan. Given the extensive infrastructure improvements required in order to facilitate viable commercial development in the future, it is recommended to enable the City to continue assemblage activities as outlined in the approved and adopted RDA Implementation Plan. Health and Safety Code Section 34191.5 (c) (2)(A) allows for the City to retain title to property for development that is included in an approved redevelopment plan. This property and future commercial development are consistent with the redevelopment plans and objectives.

Among designated uses of proceeds from the RDA 2011A Tax Allocation Bonds were Specific Plan Project Area infrastructure study, design, and construction and Storm drain and street rehabilitation on Van Buren, Pico, and Main Streets.

It is anticipated that compensation agreements will be entered into with the affected taxing entities. However, if it is determined that compensation agreements are not needed, then proceeds from future sale of the property are recommended for retention by the City.



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