

# 2013 LONG RANGE PROPERTY MANAGEMENT PLAN



*Prepared for the:*

**Successor Agency to the Upland  
Community Redevelopment Agency  
of the City of Upland  
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Upland, CA 91786**

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# **2013 LONG RANGE PROPERTY MANAGEMENT PLAN**

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## **CITY COUNCIL/ SUCCESSOR AGENCY BOARD**

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Stephen Dunn, *City Manager/Executive Director*

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Executive Director*

Liz Chavez, *Development Services Manager*



# **2013 LONG RANGE PROPERTY MANAGEMENT PLAN**

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Plan for the Agency’s initial Project Area was adopted on July 5, 1983. On July 12, 1988, the City Council approved by Ordinance No. 1431 the Redevelopment Plan for the project area which merged the project areas under the Canyon Ridge Redevelopment Plan, the Arrow-Benson Redevelopment Plan, the Seventh-Mountain Redevelopment Plan, the Airport Area Redevelopment Plan, and the Foothill Corridor Redevelopment Plan. The once individual project areas together with the area added by Amendment No. 2 adopted on May 28, 1996 by Ordinance No. 1630 are sometimes referred to herein as “Original Component Areas.” The Redevelopment Plan for the Project Area was amended on July 12, 1994 by Ordinance No. 1607 in order to make technical changes and was further amended on May 28, 1996 by Ordinance No. 1630. By the adoption of Ordinance No. 1801 on July 10, 2006, the Original Component Areas were merged with the Town Center Redevelopment Project adopted on June 22, 1992 by Ordinance No. 1544 and the Magnolia Redevelopment Project adopted on November 10, 2003 by Ordinance No. 1760, as Amended by Ordinance No. 1801, adopted on July 10, 2006. The Project Area, as amended, consists of approximately 1,873 acres.

The Redevelopment Plan is summarized as follows:

<b>Redevelopment Plan Chronology and Time Limits</b>										
<b>Amended and Merged Project Areas <sup>1, 3</sup></b>										
	<b>Merged Project Area</b>						<b>Town Center Project</b>	<b>Magnolia Project Area</b>		
	<b>Canyon Ridge</b>	<b>Arrow - Benson</b>	<b>Seventh - Mountain</b>	<b>Airport Area</b>	<b>Foothill Corridor</b>	<b>Added Territory of Amendment No. 2</b>		<b>Original Area</b>	<b>Added Territory</b>	
<b>Plan Adoption</b>										
Date of Adoption	July 5, 1983	July 16, 1984	July 15, 1985	July 15, 1985	July 12, 1988	May 28, 1994	June 22, 1992	November 10, 2003	July 10, 2006	
Ordinance Number	1318	1344	1357	1358	1430	1630	1544	1760	1801	
Base Year	1982-83	1983-84	1984-85	1984-85	1987-88	1995-96	1991-92	2003-01	2005-2006	
Project Area Size in Acres	350	30	25	193	296	4.75	133	485	361	
<b>Time Limits</b>										
For Establishment of Indebtedness	July 1, 2017						June 22, 2033	November 10, 2023	July 10, 2026	
For Effectiveness of Plan <sup>2, 3</sup>	July 1, 2017						June 22, 2033	November 10, 2033	July 10, 2036	
For Repayment of Indebtedness	July 1, 2027						June 22, 2043	November 10, 2048	July 10, 2051	
Bonded Indebtedness Limit	\$114,500,000						\$60,000,000	\$100,000,000	\$210,000,000	
Tax Increment Limit Pre-1994 Plan	\$324,500,000						\$250,000,000	No Limit	No Limit	
For Commencement of Eminent Domain <sup>1</sup>	The Agency is not authorized to acquire any property by eminent domain.									

<sup>1</sup> Pursuant to Ordinance No. 1801 adopted on July 10, 2006 that merged the Merged Project with the Town Center Project and the Magnolia Project.

<sup>2</sup> The time limit to incur indebtedness were eliminated and the time limit on plan effectiveness was standardized in the Merged Project and extended one-year in the Town Center Project on January 12, 2004 by Ordinances 1763 and 1764, respectively, pursuant to SB 211 and SB 1045.

<sup>3</sup> The time limit for plan effectiveness in the Merged Project was extended by two (2) years by Ordinance 1808 adopted on September 25, 2006 pursuant to SB 1096.



### ***Dissolution of Redevelopment Agencies***

Trailer bills ABx1 26 and ABx1 27 were signed by the Governor of California on June 28, 2011, making certain changes to the HSC, including adding Part 1.8 (commencing with §34161) (“Part 1.8”) and Part 1.85 (commencing with §34170) (“Part 1.85”) to Division 24 of the HSC. The California Redevelopment Association and League of California Cities filed a lawsuit in the Supreme Court of California (*California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861)) alleging that ABx1 26 and ABx1 27 were unconstitutional. On December 29, 2011, the Supreme Court issued its opinion in the *Matosantos* case largely upholding ABx1 26, invalidating ABx1 27, and holding that ABx1 26 may be severed from ABx1 27 and enforced independently. The Supreme Court generally revised the effective dates and deadlines for performance of obligations under HSC Part 1.85 arising before May 1, 2012 to take effect four months later while leaving the effective dates or deadline for performance of obligations under HSC Part 1.8 unchanged. Consistent with the applicable provisions of the HSC, the City Council elected to serve in the capacity of the Successor Agency to the Community Redevelopment Agency of the City of Upland (the “Successor Agency”).

Further, on June 27, 2012, the Governor signed budget trailer bill AB 1484 into law, resulting in further procedural and substantive changes to the duties of and procedures to be followed by successor agencies, oversight boards, county auditor-controllers and the California Department of Finance (the “DOF”). This includes, but is not limited to, the manner in which the Successor Agency disposes of real property assets. Specifically, AB 1484 added HSC §34191.5 that requires the Successor Agency to prepare a Long Range Property Management Plan (the “LRPMP”) as a prerequisite to the disposition of real property assets.

### ***Long Range Property Management Plan***

Per the applicable provisions of the HSC, no later than six (6) months after a successor agency receives its Finding of Completion from the DOF (per HSC §34179.7), the Successor Agency must submit its LRPMP to the Oversight Board and the DOF for approval. The LRPMP must include an inventory (with specified information) about each property, and address the use or disposition of each property. Permitted uses for the property pursuant to AB 1484 include:

1. Retention of the property for governmental use;
2. Retention of the property for future development;
3. Sale of the property; and
4. Use of the property to fulfill an enforceable obligation.

Upon DOF’s approval of the LRPMP, the properties are to be placed in a Community Redevelopment Property Trust Fund administered by the Successor Agency in accordance with the approved LRPMP. If the LRPMP plan calls for use or liquidation (sale to obtain revenues) of a property for a project identified in an approved redevelopment plan, that property is to be transferred to the sponsoring community for that purpose. If the LRPMP calls for the liquidation of the property or use of revenues from the property for purposes other than a project identified in a redevelopment plan or other than to fulfill an enforceable obligation, the proceeds from the sale are to be distributed as property taxes to the taxing entities. A general outline of real property disposition procedure is included as Exhibit “A.”



This LRPMP was prepared in compliance with those pertinent sections of the HSC that govern the LRPMP's prerequisites, content, and approval process. For ease of review, the pertinent sections of the HSC are included in Exhibit "B."

The Successor Agency received its Finding of Completion from the DOF on July 16, 2013 (Exhibit "C"). The LRPMP was approved by Resolution of the Oversight Board on December 19, 2013 (Exhibit "D").



## II. Summary of Successor Agency Properties

The Successor Agency has control of 15 parcels, all of which are located within the boundaries of the City of Upland and are subject to the provision of the Agency's Project Area Redevelopment Plans and subsequent 1994 amendment, the Agency's Five-Year Implementation Plan 2009/2010 through 2013/2014, and the City of Upland's General Plan, Municipal Code, and land use regulations.

The parcels have been divided into nine (9) sites as summarized in the table below:

<i>Summary of Successor Agency Properties</i>						
<b>Site No.</b>	<b>Site Reference (x)<sup>1</sup></b>	<b>Address</b>	<b>Assessor Parcel No.<sup>2</sup></b>	<b>Zone<sup>3</sup></b>	<b>Lot Size (acres)</b>	<b>Permissible Use</b>
1	Metrolink Parking Lot Property (3)	East Stowell Street South 2 <sup>nd</sup> Avenue 140 South 2 <sup>nd</sup> Avenue	1046-602-09 1046-602-10 1046-602-11	DTSP	0.62	Government
2	Metrolink/Museum Parking Lot (1)	3 <sup>rd</sup> Avenue / "A" Street	1046-593-18	DTSP	0.36	Government
3	Foothill Commercial Property (1)	1917 & 1925 West Foothill Boulevard	1006-574-02	CC	0.24	Future Development
4	Vacant Foothill Commercial Property (1)	1967 West Foothill Boulevard	1006-574-11	CC	0.24	Future Development
5	Vacant 11 <sup>th</sup> Street Manufacturing Property (1)	11 <sup>th</sup> Street - West of Benson Avenue	1007-261-06	ML	2.77	Future Development
6	Vacant Arrow Route Manufacturing Property (3)	1737 West Arrow Route	1007-271-08 1007-271-45 1007-271-46	ML	3.78	Future Development
7	Vacant Arrow Highway Property (2)	234 East Arrow Highway	1046-383-07 1046-383-08	DTSP	0.34	Future Development
8	1 <sup>st</sup> Avenue Property (2)	113 & 105 North 1 <sup>st</sup> Avenue	1046-591-12 1046-591-13	DTSP	0.26	Future Development
9	Vacant "A" Street Property (1)	143 "A" Street	1046-592-01	DTSP	0.08	Future Development

<sup>1</sup> (x) The number in parenthesis reflects the number of parcels that constitute the site.

<sup>2</sup> See Exhibit "E" for Assessor Parcel Maps

<sup>3</sup> See Exhibit "F" for zoning map

CC – Community Commercial

DTSP – Downtown Specific Plan

ML – Light Manufacturing



### III. Property to be Retained for Governmental Use





**Site No. 1**  
**Metrolink Parking Lot**  
East Stowell Street – APN 1046-602-09  
South 2<sup>nd</sup> Avenue – APN 1046-602-10  
140 South 2<sup>nd</sup> Avenue – APN 1046-602-11



**A. Permissible Use (HSC §34191.5(c)(2)):**

Site No. 1 is the “Metrolink Parking Lot” and is proposed to be transferred to the City of Upland for governmental use pursuant to HSC §34181(a), without cost to the City.

**B. Acquisition of Property (HSC §34191.5(c)(1)(A) & §34191.5(c)(1)(B)):**

The Metrolink Parking Lot was acquired by the Agency on March 30, 1999 for \$145,000 for the purpose of alleviating physical and economic blight.

The estimated current value (“ECV”) of the Metrolink Parking Lot property is \$323,000.



**C. Site Information (HSC §34191.5(c)(1)(C)):**

The Metrolink Parking Lot consists of three (3) parcel (APNs 1046-602-09, 10, 11) that total 0.62 acres and is located at the southwest corner of East Stowell Street and South 2<sup>nd</sup> Avenue.

The Metrolink Parking Lot is located within the Downtown Specific Plan: Citrus Transportation District. The Citrus Transportation District dictates the land uses and development standards for the Metrolink Parking Lot property. Land uses for the Citrus Transportation District include parking surface and structure, public facility, government office, multi-family and senior residential, cultural, commercial, office/professional, medical, and live/work. Pursuant to the Downtown Specific Plan, future land use for this property is public parking.

**D. Estimated Current Value (HSC §34191.5(c)(1)(D)):**

An appraisal of the Metrolink Parking Lot property was completed on September 29, 2012 by the Bronstein Company, Inc. The “as-is” market value was determined to be \$323,000. The September 29, 2012 appraised value is the ECV of the Metrolink Parking Lot property. However, considering the existing use of the property as a parking lot, the property brings with it on-going maintenance costs which would have a negative appraised value if value were to be determined on an income basis.

**E. Site Revenues (HSC §34191.5(c)(1)(E)):**

There are no site revenues generated from the Metrolink Parking Lot.

**F. History of Environmental Contamination (HSC §34191.5(c)(1)(F)):**

There is no history of environmental contamination for the Metrolink Parking Lot.

On November 30, 1998, a Phase-1 Environment Assessment Report was completed by ALTEC Appraisal & Consulting. Their conclusion was as follows:

“Based on available information, ALTEC believes that no further investigation of the subject property is warranted at this time.”<sup>1</sup>

**G. Potential for Transit Oriented Development (TOD) and the Advancement of Planning Objectives of the Successor Agency (HSC §34191.5(c)(1)(G)):**

The Metrolink Parking Lot supports the Robert R. Nolan Transportation Center Metrolink Upland Station.



The continued use of this property as a Metrolink parking lot would advance the Successor Agency’s and the City’s redevelopment/planning objectives to (i) support Downtown Specific Plan guidelines; (ii) continue to provide parking for the Robert R. Nolan Transportation Center Metrolink Station; (iii) support existing TOD developments within the City; (iv) support the goals and objectives of the DTSP Citrus Transportation District; and (v) encourage TOD development within the City.

<sup>1</sup> Phase I Environmental Assessment Report Parking Lot Site @ Southwest Corner of 2<sup>nd</sup> Ave. and Stowell Street in the City of Upland, CA: ALTEC Appraisal & Consulting: November 1998: Page 20



**H. History of Previous Development Proposals and Activity (HSC §34191.5(c)(1)(H)):**

There is no history of previous development proposals and/or activities.

**I. Sale of Property:**

The Metrolink Parking Lot is proposed to be retained by the City of Upland for governmental use pursuant to HSC 34181(a), without cost for the reasons stated above.

**J. Implementation of the Long-Range Property Management Plan:**

Following the approval of the LRPMP by the DOF, the Successor Agency will implement the LRPMP. The transfer of the Metrolink Parking Lot to the City of Upland by the Successor Agency will occur only after the LRPMP is approved by the DOF.



**Site No. 2**  
**Metrolink/Museum Parking Lot**  
3<sup>rd</sup> Avenue/"A" Street  
APN 1046-593-18



**A. Permissible Use (HSC §34191.5(c)(2)):**

Site No. 2 is the "Metrolink/Museum Parking Lot" and is proposed to be transferred to the City of Upland for governmental use pursuant to HSC §34181(a), without cost to the City.

**B. Acquisition of Property (HSC §34191.5(c)(1)(A) & §34191.5(c)(1)(B)):**

The Metrolink/Museum Parking Lot was acquired by the Agency on January 4, 2002 for \$200,000 for the purpose of alleviating physical blight through the construction of a parking lot to serve Metrolink ridership and the Museum patrons.

The estimated current value ("ECV") of the Museum/Metrolink Parking Lot property is \$240,000.



**C. Site Information (HSC §34191.5(c)(1)(C)):**

The Successor Agency’s portion of the Metrolink/Museum Parking Lot consists of one (1) 0.36-acre parcel (APN 1046-593-18) located on the northwest corner of 3<sup>rd</sup> Avenue and “A” Street (the “Successor Agency Parcel”). The balance of the Metrolink/Museum Parking Lot consists of one (1) City-owned adjacent parcel (APN 1046-593-24) located along the northerly border of the Successor Agency Parcel (the “City Parcel”). The combined parking lot is bracketed by an alley on the west and 3<sup>rd</sup> Avenue on the east. On a combined basis, the Successor Agency Parcel and the City Parcel were developed and have operated as a single parking lot primarily serving Metrolink riders and Museum visitors. The continued use of the parking lot for its intended purpose is essential to the efficient operation of the Metrolink Station and the Museum.

The Metrolink/Museum Parking Lot is located within the Downtown Specific Plan: Old Town District directly adjacent to the Historic Core Overlay. The Old Town District dictates the land uses and development standards for the Metrolink/Museum Parking Lot property. Land uses for the Old Town District include parking surface and structure, public facility, government office, multi- and single-family and senior residential, cultural, commercial, office/professional, medical, and live/work. Pursuant to the Downtown Specific Plan, future land use for this property is public parking.

**D. Estimated Current Value (HSC §34191.5(c)(1)(D)):**

An appraisal of the Metrolink/Museum Parking Lot property was completed on September 29, 2012 by the Bronstein Company, Inc. The “as-is” market value was determined to be \$240,000. The September 29, 2012 appraised value is the ECV of the Metrolink/Museum Parking Lot property. However, considering the existing use of the property as a parking lot, the property brings with it on-going maintenance costs which would have a negative appraised value if value were to be determined on an income basis.

**E. Site Revenues (HSC §34191.5(c)(1)(E)):**

There are no site revenues generated from the Metrolink/Museum Parking Lot.

**F. History of Environmental Contamination (HSC §34191.5(c)(1)(F)):**

It is unknown if there is a history of environmental contamination for the Metrolink/Museum Parking Lot. However, since the site was once railroad right-of-way, there could be a potential for hydrocarbon contamination generated from railroad operations.

**G. Potential for Transit Oriented Development (TOD) and the Advancement of Planning Objectives of the Successor Agency (HSC §34191.5(c)(1)(G)):**



The Metrolink/Museum Parking Lot supports the Robert R. Nolan Transportation Center Metrolink Upland Station and the Cooper Regional History Museum (a non-profit 501(c)3, organization). The continued use of this property as the parking lot for the Cooper Regional History Museum and the Metrolink would advance the Successor Agency’s and the City’s redevelopment/planning objectives to (i) support Downtown Specific Plan guidelines; (ii) continue to provide parking for the non-profit Cooper Regional History Museum; (iii) promote more cultural events in conjunction with the Museum; (iv) continue to



provide parking for the Robert R. Nolan Transportation Center Metrolink Station; (v) support existing TOD developments within the City; (vi) support the goals and objectives of the Downtown Specific Plan Old Town District; and (vii) encourage TOD development within the City.



**H. History of Previous Development Proposals and Activity (HSC §34191.5(c)(1)(H)):**

Other than the Metrolink/Museum Parking Lot site being former railroad right-of-way, there is no other history of previous development proposals and/or activities.

**I. Sale of Property:**

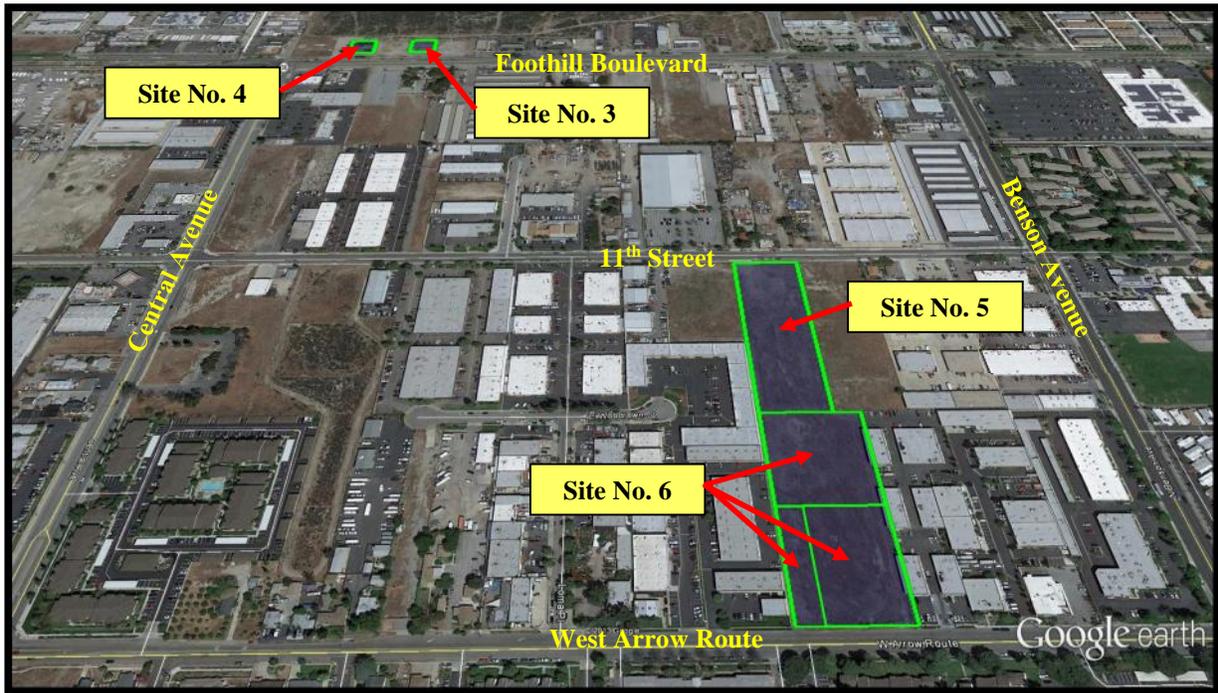
The Metrolink/Museum Parking Lot is proposed to be retained by the City of Upland for governmental use pursuant to HSC 34181(a), without cost for the reasons stated above.

**J. Implementation of the Long-Range Property Management Plan:**

Following the approval of the LRPMP by the DOF, the Successor Agency will implement the LRPMP. The transfer of the Metrolink/Museum Parking Lot to the City of Upland by the Successor Agency will occur only after the LRPMP is approved by the DOF.



## IV. Future Development





**Site No. 3**  
**Foothill Commercial Property**  
1917 and 1925 Foothill Boulevard  
APN 1006-574-02



**A. Permissible Use (HSC §34191.5(c)(2)):**

Site No. 3 is the “Foothill Commercial Property” and is proposed to be retained by the City of Upland for future development pursuant to HSC 34191.5(c)(2).

**B. Acquisition of Property (HSC §34191.5 (c)(1)(A) and §34191.5(c)(1)(B)):**

The Foothill Commercial Property was acquired by the Agency on January 18, 1991 for \$425,000 for the purpose of alleviating physical and economic blight.

The estimated current value (the “ECV”) of the Foothill Commercial Property is \$235,000.



**C. Site Information (HSC 34191.5(c)(1)(C)):**

The Foothill Commercial Property consists of one (1) 0.24-acre parcel (APN 1006-574-02) located at 1917 and 1925 West Foothill Boulevard. Two occupied buildings, totaling approximately 2,100 sf, are located on the Property.

In the City's Municipal Code, Title 17 Planning and Zoning, the Property is zoned Community Commercial (CC). The CC zoning designation accommodates a variety of commercial/retail and office uses to provide a range of shopping and employment needs for the residents of the City. Uses in the zone are related to highway uses and to other types of drop-in trade. The zone accommodates sites for neighborhood shops, offices, commercial centers, and tourist and airport related commercial uses.

**D. Estimated Current Value (HSC 34191.5(c)(1)(D)):**

An appraisal of the Foothill Commercial Property was completed on October 16, 2012 by the Bronstein Company, Inc. The "as-is" market value was determined to be \$235,000. The October 16, 2012 appraised value is the ECV of the Foothill Commercial Property.

**E. Site Revenues (HSC 34191.5(c)(1)(E)):**

The Foothill Commercial Property is currently under a month-to-month lease with a private business enterprise, Lisa Velto, d.b.a. Hub Cap Annie (the "Tenant"). The current monthly rent is \$1,530 and automatically increases by 2% each August.

Lease revenues are placed in a rent fund account and used for building maintenance as an enforceable obligation.

**F. History of Environmental Contamination ((HSC 34191.5(c)(1)(F)):**

There is no history of environmental reports for the Foothill Commercial Property.

**G. Potential for Transit Oriented Development (TOD) and the Advancement of Planning Objectives of the Successor Agency (HSC 34191.5(c)(1)(G)):**

There is no potential for a TOD development in conjunction with the Foothill Commercial Property.

The retention of the Foothill Commercial Property for future development advances the planning objectives of the Successor Agency and the City in order to oversee the orderly development of Foothill Boulevard and maximize neighborhood commercial/office development opportunities to capture demand and compliment other land uses. Holding the Foothill Commercial Property for future development will allow the City to guide the development of the Property and not allow the Property to be sold for speculative purposes thereby creating additional blight.

**H. History of Previous Development Proposals and Activity (HSC 34191.5(c)(1)(H)):**

The Foothill Commercial Property is currently under a month-to-month lease with a private business enterprise, Lisa Velto, d.b.a. Hub Cap Annie (the "Tenant").

Key lease terms are as follows:

- The Tenant is designated a post-acquisition tenant and is therefore not eligible for relocation rights pursuant to 6034(b)(1) of Title 25 of the California Code of Regulations.
- The current monthly rent is \$1,530 that automatically increases by 2% each August
- First right of refusal when the Agency decides to sell the Property



- Not less than a one-year termination notice, by either party. However, if the tenant wishes to terminate the lease and re-establish their business within the City limits, then the termination notice shall be not less than 30 days.

**I. Sale of Property:**

The City proposes to issue an RFP in accordance with the Successor Agency's policies and procedures for property disposition located in Exhibit "A" for the sale and development of the Foothill Commercial Property.

The ECV is \$235,000.

The following process was used in determining the ECV of the Property:

***Date of estimated current value*** – October 16, 2012

***Value Basis*** – An appraisal was completed on October 16, 2012 by the Bronstein Company, Inc. The "as-is" market value was determined to be \$235,000.

***Proposed sale date*** – TBD and subject to the Successor Agency's implementation of its policies and procedures for property disposition as shown in Exhibit "A."

***Proposed sale value*** – TDB and subject to a fair market appraisal conducted by a licensed appraiser. Any net proceeds of the sale would be used for enforceable obligations or distributed as property tax to the taxing entities. The Successor Agency notes that in the environment of AB 1484, it may not be possible to achieve appraised values. The Successor Agency will be in charge of the process seeking to achieve successful marketing of properties, and will act with reasonable diligence. However, the constraints and environment of AB 1484 weighs against maximizing prices. The actual sales prices to be realized will be a function of what a willing buyer is willing to pay under circumstances where there will be no seller financing and dispositions will be subject to Oversight Board approval. There is no reason to think that carrying values will be realized.

In the event the City were to determine that it will not retain the Foothill Commercial Property for future development, any sale would be brought back to the Oversight Board for approval.

**J. Implementation of the Long-Range Property Management Plan:**

Following approval of the LRPMP by the DOF, the Successor Agency will implement the LRPMP.

1. For properties to be retained for future development, implementation will include securing an HSC §34180(f)(1) compensation agreement (the "Compensation Agreement") with the affected taxing entities. The City will seek a Compensation Agreement with the affected taxing entities after the LRPMP is approved by DOF. Waiting until DOF's approval is received will ensure that the legal and staff time committed to preparing for and processing a Compensation Agreement is not wasted in the event that DOF decides not to approve the LRPMP. The City is concerned that it will not be fruitful to attempt to engage numerous taxing agencies in discussions about proceeds from the sale of properties when the timing of sale is not known and the price has not been determined. Further, this approach will also ensure that the affected taxing entities do not waste their legal and staff time reviewing a Compensation Agreement that would otherwise become mute in the event of a DOF denial. However, if DOF approves the LRPMP, then prior to the transfer of the property to the City, the City will prepare a Compensation Agreement and diligently seek the approval of the



affected taxing entities. If the Compensation Agreement is approved, then the transfer of the property to the City will occur thereafter consistent with the provisions of the Compensation Agreement. If for any reason the Compensation Agreement is not approved by all affected taxing entities, then the property will be sold, thus completely eliminating the need for a Compensation Agreement. Any proposed sale will be brought to the Oversight Board for review and approval after the pricing and timing of sale is known.

2. For properties to be sold, implementation will include distribution of any net land sales proceeds for enforceable obligations and/or distributed as property tax to the taxing entities. Due to the vagaries associated with the sale of land, such as uncertainties concerning the timing of sale and the price that would be realized, it is not feasible to precisely state in the LRPMP how the funds will be used. In that regard, once an agreement is reached with respect to the purchase and sale of a property, the agreement will be presented to the Oversight Board for concurrence. The Oversight Board's approval will be evidenced by a resolution that will be submitted to DOF and, per the HSC, is subject to DOF's review. That resolution will include or refer to a staff report which describes with greater particularity, once more facts are known, how the net proceeds of sale will be distributed. As noted in Section I – Introduction of the LRPMP, the LRPMP provides that net proceeds of the sale may be used for enforceable obligations and/or distributed as property tax to the taxing entities through the County Auditor-Controller. The need to retain some or all of the net proceeds of sale for enforceable obligations will depend on whether there is a short-fall in RPTTF in the ROPS cycle during which the escrow is anticipated to close. If a short-fall were to occur in the RPTTF at that time, then all or a portion of the net sale proceeds should be used to fulfill an enforceable obligation with any remaining net sale proceeds then distributed as property tax to the taxing entities through the County Auditor-Controller. If there is not a short-fall in RPTTF at the time of close of escrow, then net land sale proceeds would be distributed as property tax to the taxing entities through the County Auditor-Controller in a manner described at the time of Oversight Board approval as to a particular property sale. Since it is impossible to foresee when and if a short-fall in the RPTTF may occur, or when the property will be sold, the use of the net sale proceeds cannot be specifically determined at this time and, therefore, cannot be stated with greater particularity in the LRPMP. However, it is clear that at the time a sale takes place, the sale will be brought back to the Oversight Board and will be subject to review.



**Site No. 4**  
**Vacant Foothill Commercial Property**  
1967 West Foothill Boulevard  
APN 1006-574-11



**A. Permissible Use (HSC 34191.5(c)(2)):**

Site No. 4 is the Vacant Foothill Commercial Property (the “Vacant Commercial Property”) and is proposed to be retained by the City of Upland for future development pursuant to HSC 34191.5(c)(2).

**B. Acquisition of Property (HSC 34191.5(c)(1)(A) and 34191.5(c)(1)(B)):**

The Vacant Commercial Property was acquired by the Agency on October 9, 1990 for \$425,000 for the purpose of alleviating physical and economic blight.

The estimated current value (“ECV”) of the Vacant Commercial Property is \$180,000.



**C. Site Information (HSC 34191.5(c)(1)(C)):**

The Vacant Commercial Property consists of one (1) 0.24-acre parcel (APN 1006-574-11) located at 1967 West Foothill Boulevard.

In the City's Municipal Code, Title 17 Planning and Zoning, the Property is zoned Community Commercial (CC). The CC zoning designation accommodates a variety of commercial/retail and office uses to provide a range of shopping and employment needs for the residents of the City. Uses in the zone are related to highway uses and to other types of drop-in trade. The zone accommodates sites for neighborhood shops, offices, commercial centers, and tourist and airport related commercial uses.

**D. Estimated Current Value (HSC 34191.5(c)(1)(D)):**

An appraisal of the Vacant Commercial Property was completed on October 16, 2012 by the Bronstein Company, Inc. The "as-is" market value was determined to be \$180,000. The October 16, 2012 appraised value is the ECV of the Vacant Commercial Property.

**E. Site Revenues (HSC 34191.5(c)(1)(E)):**

There is no revenue generated from the Vacant Commercial Property.

**F. History of Environmental Contamination ((HSC 34191.5(c)(1)(F)):**

There is no history of environmental contamination for the Vacant Commercial Property.

On September 7, 1990 a Phase-I Environmental Site Assessment was completed by Converse Environmental West ("CEW"). The Phase-I concluded:

"It appears that the historical activities at the subject site have not caused environmental impacts recorded by the regulatory agencies. Also, no apparent off-site areas of environmental concerns were discovered. Because the building was constructed prior to 1979, there is a possibility of the presence of asbestos containing materials (ACM). With the exception of the possible presence of ACM in the structure, it is CEW's opinion that the subject site has a low potential for prior environmental impact."<sup>2</sup>

**G. Potential for Transit Oriented Development (TOD) and the Advancement of Planning Objectives of the Successor Agency (HSC 34191.5(c)(1)(G)):**

There is no potential for a TOD development in conjunction with the Vacant Commercial Property.

The retention of the Vacant Commercial Property for future development advances the planning objectives of the Successor Agency and the City in order to oversee the orderly development of Foothill Boulevard and maximize neighborhood commercial/office development opportunities to capture demand and compliment other land uses. Holding the Vacant Commercial Property for future development will allow the City to guide the development of the Property and not allow the Property to be sold for speculative purposes thereby creating additional blight.

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<sup>2</sup> Preliminary Environmental Site Assessment Foothill Animal Hospital 1967 West Foothill Boulevard, Upland, CA: Converse Environmental West: September 7, 1990: Page 1



**H. History of Previous Development Proposals and Activity (HSC 34191.5(c)(1)(H)):**

The Vacant Commercial Property was previously used as an animal hospital in the 1960's. After the Agency's acquisition of the Property, the building was demolished and the property has remained vacant since the 1990's.

**I. Sale of Property:**

The City proposes to issue an RFP in accordance with the Successor Agency's policies and procedures for property disposition located in Exhibit "A" for the sale and development of the Vacant Commercial Property.

The ECV is \$180,000.

The following process was used in determining the ECV of the Property:

***Date of estimated current value*** – October 16, 2012

***Value Basis*** – An appraisal was completed on October 16, 2012 by the Bronstein Company, Inc. The "as-is" market value was determined to be \$180,000.

***Proposed sale date*** – TBD and subject to the Successor Agency's implementation of its policies and procedures for property disposition as shown in Exhibit "A."

***Proposed sale value*** – TDB and subject to a fair market appraisal conducted by a licensed appraiser. Any net proceeds of the sale would be used for enforceable obligations or distributed as property tax to the taxing entities. The Successor Agency notes that in the environment of AB 1484, it may not be possible to achieve appraised values. The Successor Agency will be in charge of the process seeking to achieve successful marketing of properties, and will act with reasonable diligence. However, the constraints and environment of AB 1484 weighs against maximizing prices. The actual sales prices to be realized will be a function of what a willing buyer is willing to pay under circumstances where there will be no seller financing and dispositions will be subject to Oversight Board approval. There is no reason to think that carrying values will be realized.

In the event the City were to determine that it will not retain the Vacant Commercial Property for future development, any sale would be brought back to the Oversight Board for approval.

**J. Implementation of the Long-Range Property Management Plan:**

Following approval of the LRPMP by the DOF, the Successor Agency will implement the LRPMP.

1. For properties to be retained for future development, implementation will include securing an HSC §34180(f)(1) compensation agreement (the "Compensation Agreement") with the affected taxing entities. The City will seek a Compensation Agreement with the affected taxing entities after the LRPMP is approved by DOF. Waiting until DOF's approval is received will ensure that the legal and staff time committed to preparing for and processing a Compensation Agreement is not wasted in the event that DOF decides not to approve the LRPMP. The City is concerned that it will not be fruitful to attempt to engage numerous taxing agencies in discussions about proceeds from the sale of properties when the timing of sale is not known and the price has not been determined. Further, this approach will also ensure that the affected taxing entities do not waste their legal and staff time reviewing a Compensation Agreement that would otherwise become mute in the event of a DOF denial. However, if DOF approves the LRPMP, then prior to the transfer of the property to the



City, the City will prepare a Compensation Agreement and diligently seek the approval of the affected taxing entities. If the Compensation Agreement is approved, then the transfer of the property to the City will occur thereafter consistent with the provisions of the Compensation Agreement. If for any reason the Compensation Agreement is not approved by all affected taxing entities, then the property will be sold, thus completely eliminating the need for a Compensation Agreement. Any proposed sale will be brought to the Oversight Board for review and approval after the pricing and timing of sale is known.

2. For properties to be sold, implementation will include distribution of any net land sales proceeds for enforceable obligations and/or distributed as property tax to the taxing entities. Due to the vagaries associated with the sale of land, such as uncertainties concerning the timing of sale and the price that would be realized, it is not feasible to precisely state in the LRPMP how the funds will be used. In that regard, once an agreement is reached with respect to the purchase and sale of a property, the agreement will be presented to the Oversight Board for concurrence. The Oversight Board's approval will be evidenced by a resolution that will be submitted to DOF and, per the HSC, is subject to DOF's review. That resolution will include or refer to a staff report which describes with greater particularity, once more facts are known, how the net proceeds of sale will be distributed. As noted in Section I – Introduction of the LRPMP, the LRPMP provides that net proceeds of the sale may be used for enforceable obligations and/or distributed as property tax to the taxing entities through the County Auditor-Controller. The need to retain some or all of the net proceeds of sale for enforceable obligations will depend on whether there is a short-fall in RPTTF in the ROPS cycle during which the escrow is anticipated to close. If a short-fall were to occur in the RPTTF at that time, then all or a portion of the net sale proceeds should be used to fulfill an enforceable obligation with any remaining net sale proceeds then distributed as property tax to the taxing entities through the County Auditor-Controller. If there is not a short-fall in RPTTF at the time of close of escrow, then net land sale proceeds would be distributed as property tax to the taxing entities through the County Auditor-Controller in a manner described at the time of Oversight Board approval as to a particular property sale. Since it is impossible to foresee when and if a short-fall in the RPTTF may occur, or when the property will be sold, the use of the net sale proceeds cannot be specifically determined at this time and, therefore, cannot be stated with greater particularity in the LRPMP. However, it is clear that at the time a sale takes place, the sale will be brought back to the Oversight Board and will be subject to review.



**Site No. 5**  
**Vacant 11<sup>th</sup> Street Manufacturing Property**  
11<sup>th</sup> Street - West of Benson Avenue  
APN 1007-261-06



**A. Permissible Use (HSC 34191.5(c)(2)):**

Site No. 5 is the Vacant 11<sup>th</sup> Street Manufacturing Property (the “Vacant Manufacturing Property”) and is proposed to be retained by the City of Upland for future development pursuant to HSC 34191.5(c)(2).

**B. Acquisition of Property (HSC 34191.5(c)(1)(A) and 34191.5(c)(1)(B)):**

The Vacant Manufacturing Property was acquired by the Agency on November 12, 2003 for \$285,000 for the purpose of alleviating physical and economic blight.

The estimated current value (“ECV”) of the Vacant Manufacturing Property is \$940,000.



**C. Site Information (HSC 34191.5(c)(1)(C)):**

The Vacant Manufacturing Property consists of one (1) 2.77-acre parcel (APN 1007-261-06) located approximately 800 feet west of Benson Ave.

In the City's Municipal Code, Title 17 Planning and Zoning, the Property is zoned Light Manufacturing (ML). The ML zoning designation accommodates the development of industrial uses which include fabrication, manufacturing, assembly or processing of materials that are in already processed form and which do not in their maintenance, assembly, manufacture or plan operation create smoke, gas, odor, dust, sound, vibration, soot or lighting to any degree which might be termed obnoxious or offensive to persons residing in or conducting business in either this or any other zone of the City. The ML zoning designation also allows for industrial planned unit developments wherein presale fabrication, warehousing, wholesale operations, and a limited range of retail commercial uses may occur within the same structure, lot or combination thereof; provided, however, that any retail uses located in such units do not generate either pedestrian or vehicular traffic of a quantity or nature detrimental to the conduct of industrial operations.

**D. Estimated Current Value (HSC 34191.5(c)(1)(D)):**

An appraisal of the Vacant Manufacturing Property was completed on September 5, 2012 by the Bronstein Company, Inc. The "as-is" market value was determined to be \$940,000. The September 5, 2012 appraised value is the ECV of the Vacant Manufacturing Property.

**E. Site Revenues (HSC 34191.5(c)(1)(E)):**

There is no revenue generated from the Vacant Manufacturing Property.

**F. History of Environmental Contamination ((HSC 34191.5(c)(1)(F)):**

There is no history of environmental contamination for the Vacant Manufacturing Property.

On July 1, 2002, a Phase-I Environmental Site Assessment was completed by LOR Geotechnical Group, Inc. for the Vacant Manufacturing Property. The Phase-I concluded that:

"This Phase-I Environmental Site Assessment has revealed no evidence of adverse environmental conditions associated with the site."<sup>3</sup>

**G. Potential for Transit Oriented Development (TOD) and the Advancement of Planning Objectives of the Successor Agency (HSC 34191.5(c)(1)(G)):**

There is no potential for a TOD development in conjunction with the Vacant Manufacturing Property.

The retention of the Vacant Manufacturing Property for future development advances the planning objectives of the Successor Agency and the City in order to maximize neighborhood manufacturing development opportunities to capture demand and compliment other land uses. Holding the Vacant Manufacturing Property for future development will allow the City to guide the development of the Property and not allow the Property to be sold for speculative purposes thereby creating additional blight.

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<sup>3</sup> Phase I Environmental Site Assessment Flood Control Basin APN 1007-261-05, -06, and 1007-271-07 San Bernardino County, CA: LOR Geotechnical Group, Inc.: July 1, 2002: Page 10



**H. History of Previous Development Proposals and Activity (HSC 34191.5(c)(1)(H)):**

The Vacant Manufacturing Property was previously owned by the San Bernardino County Flood Control District (the “SBCFCD”) as part of the College Heights Spreading Grounds. The SBCFCD sold the property to the Agency in 2003 when it determined the property was surplus.

**I. Sale of Property:**

The City proposes to issue an RFP in accordance with the Successor Agency’s policies and procedures for property disposition located in Exhibit “A” for the sale and development of the Vacant Manufacturing Property.

The ECV is \$940,000.

The following process was used in determining the ECV of the Property:

***Date of estimated current value*** – September 5, 2012

***Value Basis*** – An appraisal was completed on September 5, 2012 by the Bronstein Company, Inc. The “as-is” market value was determined to be \$940,000.

***Proposed sale date*** – TBD and subject to the Successor Agency’s implementation of its policies and procedures for property disposition as shown in Exhibit “A.”

***Proposed sale value*** – TDB and subject to a fair market appraisal conducted by a licensed appraiser. Any net proceeds of the sale would be used for enforceable obligations or distributed as property tax to the taxing entities. The Successor Agency notes that in the environment of AB 1484, it may not be possible to achieve appraised values. The Successor Agency will be in charge of the process seeking to achieve successful marketing of properties, and will act with reasonable diligence. However, the constraints and environment of AB 1484 weighs against maximizing prices. The actual sales prices to be realized will be a function of what a willing buyer is willing to pay under circumstances where there will be no seller financing and dispositions will be subject to Oversight Board approval. There is no reason to think that carrying values will be realized.

In the event the City were to determine that it will not retain the Vacant Manufacturing Property for future development, any sale would be brought back to the Oversight Board for approval.

**J. Implementation of the Long-Range Property Management Plan:**

Following approval of the LRPMP by the DOF, the Successor Agency will implement the LRPMP.

1. For properties to be retained for future development, implementation will include securing an HSC §34180(f)(1) compensation agreement (the “Compensation Agreement”) with the affected taxing entities. The City will seek a Compensation Agreement with the affected taxing entities after the LRPMP is approved by DOF. Waiting until DOF’s approval is received will ensure that the legal and staff time committed to preparing for and processing a Compensation Agreement is not wasted in the event that DOF decides not to approve the LRPMP. The City is concerned that it will not be fruitful to attempt to engage numerous taxing agencies in discussions about proceeds from the sale of properties when the timing of sale is not known and the price has not been determined. Further, this approach will also ensure that the affected taxing entities do not waste their legal and staff time reviewing a Compensation Agreement that would otherwise become mute in the event of a DOF denial. However, if DOF approves the LRPMP, then prior to the transfer of the property to the



City, the City will prepare a Compensation Agreement and diligently seek the approval of the affected taxing entities. If the Compensation Agreement is approved, then the transfer of the property to the City will occur thereafter consistent with the provisions of the Compensation Agreement. If for any reason the Compensation Agreement is not approved by all affected taxing entities, then the property will be sold, thus completely eliminating the need for a Compensation Agreement. Any proposed sale will be brought to the Oversight Board for review and approval after the pricing and timing of sale is known.

2. For properties to be sold, implementation will include distribution of any net land sales proceeds for enforceable obligations and/or distributed as property tax to the taxing entities. Due to the vagaries associated with the sale of land, such as uncertainties concerning the timing of sale and the price that would be realized, it is not feasible to precisely state in the LRPMP how the funds will be used. In that regard, once an agreement is reached with respect to the purchase and sale of a property, the agreement will be presented to the Oversight Board for concurrence. The Oversight Board's approval will be evidenced by a resolution that will be submitted to DOF and, per the HSC, is subject to DOF's review. That resolution will include or refer to a staff report which describes with greater particularity, once more facts are known, how the net proceeds of sale will be distributed. As noted in Section I – Introduction of the LRPMP, the LRPMP provides that net proceeds of the sale may be used for enforceable obligations and/or distributed as property tax to the taxing entities through the County Auditor-Controller. The need to retain some or all of the net proceeds of sale for enforceable obligations will depend on whether there is a short-fall in RPTTF in the ROPS cycle during which the escrow is anticipated to close. If a short-fall were to occur in the RPTTF at that time, then all or a portion of the net sale proceeds should be used to fulfill an enforceable obligation with any remaining net sale proceeds then distributed as property tax to the taxing entities through the County Auditor-Controller. If there is not a short-fall in RPTTF at the time of close of escrow, then net land sale proceeds would be distributed as property tax to the taxing entities through the County Auditor-Controller in a manner described at the time of Oversight Board approval as to a particular property sale. Since it is impossible to foresee when and if a short-fall in the RPTTF may occur, or when the property will be sold, the use of the net sale proceeds cannot be specifically determined at this time and, therefore, cannot be stated with greater particularity in the LRPMP. However, it is clear that at the time a sale takes place, the sale will be brought back to the Oversight Board and will be subject to review.



**Site No. 6**  
**Vacant Arrow Route Manufacturing Property**  
1737 West Arrow Route  
APNs 1007-271-08, 45, 46



**A. Permissible Use (HSC 34191.5(c)(2)):**

Site No. 6 is the Vacant Arrow Route Manufacturing Property (the “Vacant Manufacturing Property”) and is proposed to be retained by the City of Upland for future development pursuant to HSC 34191.5(c)(2).

**B. Acquisition of Property (HSC 34191.5(c)(1)(A) and 34191.5(c)(1)(B)):**

The Vacant Manufacturing Property was acquired by the Agency between 2003 and 2008 for a total of \$1,150,000 for the purpose of alleviating physical and economic blight.

The estimated current value (“ECV”) of the Vacant Manufacturing Property is \$1,140,000.



**C. Site Information (HSC 34191.5(c)(1)(C)):**

The Vacant Manufacturing Property consists of three (3) parcels (APNs 1007-271-08, 45, 46) totaling 3.78 acres located at 1737 West Arrow Route.

In the City's Municipal Code, Title 17 Planning and Zoning, the Property is zoned Light Manufacturing (ML). The ML zoning designation accommodates the development of industrial uses which include fabrication, manufacturing, assembly or processing of materials that are in already processed form and which do not in their maintenance, assembly, manufacture or plan operation create smoke, gas, odor, dust, sound, vibration, soot or lighting to any degree which might be termed obnoxious or offensive to persons residing in or conducting business in either this or any other zone of the City. The ML zoning designation also allows for industrial planned unit developments wherein presale fabrication, warehousing, wholesale operations, and a limited range of retail commercial uses may occur within the same structure, lot or combination thereof; provided, however, that any retail uses located in such units do not generate either pedestrian or vehicular traffic of a quantity or nature detrimental to the conduct of industrial operations.

**D. Estimated Current Value (HSC 34191.5(c)(1)(D)):**

An appraisal of the Vacant Manufacturing Property was completed on September 5, 2012 by the Bronstein Company, Inc. The "as-is" market value was determined to be \$1,140,000. The September 5, 2012 appraised value is the ECV of the Vacant Manufacturing Property.

**E. Site Revenues (HSC 34191.5(c)(1)(E)):**

There is no revenue generated from the Vacant Manufacturing Property.

**F. History of Environmental Contamination ((HSC 34191.5(c)(1)(F)):**

There is no history of environmental contamination for the Vacant Manufacturing Property.

On July 1, 2002, a Phase-I Environmental Site Assessment was completed by LOR Geotechnical Group, Inc. for APNs 1007-271-45, 46 (formerly APN 1007-271-07). The Phase-I concluded that:

"This Phase-I Environmental Site Assessment has revealed no evidence of adverse environmental conditions associated with the site."<sup>4</sup>

On August 23, 2006, a Phase-I Environmental Site Assessment was prepared by C.H.J., Inc. for APN 1007-271-08. Their conclusions were as follows:

"No evidence of commercial dumping or significant waste disposal on the site was documented in the available records we reviewed or observed during our site reconnaissance and aerial photograph review. The site reconnaissance revealed no significant soil staining or distressed vegetation.

Potential soil contamination of the subject property from adjacent land uses is considered to be minimal.

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<sup>4</sup> Phase I Environmental Site Assessment Flood Control Basin APN 1007-261-05, -06, and 1007-271-07 San Bernardino County, CA: LOR Geotechnical Group, Inc.: July 1, 2002: Page 10



No information regarding known groundwater contamination in the subject site vicinity was identified in the [Environmental Data Resources, Inc.] report. There is no indication at this time that any past or current activities associated with the subject site would contribute to any known or potential groundwater problems in the area.”<sup>5</sup>

**G. Potential for Transit Oriented Development (TOD) and the Advancement of Planning Objectives of the Successor Agency (HSC 34191.5(c)(1)(G)):**

There is no potential for a TOD development in conjunction with the Vacant Manufacturing Property.

The retention of the Vacant Manufacturing Property for future development advances the planning objectives of the Successor Agency and the City in order to oversee the orderly development of Arrow Route and maximize neighborhood manufacturing development opportunities to capture demand and compliment other land uses. Holding the Vacant Manufacturing Property for future development will allow the City to guide the development of the Property and not allow the Property to be sold for speculative purposes thereby creating additional blight.

**H. History of Previous Development Proposals and Activity (HSC 34191.5(c)(1)(H)):**

A portion of the Vacant Manufacturing Property (APN 1007-271-07) was previously owned by the San Bernardino County Flood Control District (the “SBCFCD”) as part of the College Heights Spreading Grounds. The SBCFCD sold the property to the Agency in 2003 when it determined the property was surplus. In 2009, the Agency recorded a Lot Line Adjustment splitting the parcel into two (2) lots creating APNs 1007-271-45, 46.

The remaining portion of the Vacant Manufacturing Property (APN 1007-271-08) contained a single family residence that was demolished after the Agency acquired the property in 2008.

**I. Sale of Property:**

The City proposes to issue an RFP in accordance with the Successor Agency’s policies and procedures for property disposition located in Exhibit “A” for the sale and development of the Vacant Manufacturing Property.

The ECV is \$1,140,000.

The following process was used in determining the ECV of the Property:

***Date of estimated current value*** – September 5, 2012

***Value Basis*** – An appraisal was completed on September 5, 2012 by the Bronstein Company, Inc. The “as-is” market value was determined to be \$1,140,000.

***Proposed sale date*** – TBD and subject to the Successor Agency’s implementation of its policies and procedures for property disposition as shown in Exhibit “A.”

***Proposed sale value*** – TDB and subject to a fair market appraisal conducted by a licensed appraiser. Any net proceeds of the sale would be used for enforceable obligations or distributed as property

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<sup>5</sup> Preliminary Environmental Site Assessment 1737 West Arrow Route APN 1007-271-08 Upland, CA: C.H.J., Inc.: August 23, 2006: Page 13



tax to the taxing entities. The Successor Agency notes that in the environment of AB 1484, it may not be possible to achieve appraised values. The Successor Agency will be in charge of the process seeking to achieve successful marketing of properties, and will act with reasonable diligence. However, the constraints and environment of AB 1484 weighs against maximizing prices. The actual sales prices to be realized will be a function of what a willing buyer is willing to pay under circumstances where there will be no seller financing and dispositions will be subject to Oversight Board approval. There is no reason to think that carrying values will be realized.

In the event the City were to determine that it will not retain the Vacant Manufacturing Property for future development, any sale would be brought back to the Oversight Board for approval.

***J. Implementation of the Long-Range Property Management Plan:***

Following approval of the LRPMP by the DOF, the Successor Agency will implement the LRPMP.

1. For properties to be retained for future development, implementation will include securing an HSC §34180(f)(1) compensation agreement (the “Compensation Agreement”) with the affected taxing entities. The City will seek a Compensation Agreement with the affected taxing entities after the LRPMP is approved by DOF. Waiting until DOF’s approval is received will ensure that the legal and staff time committed to preparing for and processing a Compensation Agreement is not wasted in the event that DOF decides not to approve the LRPMP. The City is concerned that it will not be fruitful to attempt to engage numerous taxing agencies in discussions about proceeds from the sale of properties when the timing of sale is not known and the price has not been determined. Further, this approach will also ensure that the affected taxing entities do not waste their legal and staff time reviewing a Compensation Agreement that would otherwise become mute in the event of a DOF denial. However, if DOF approves the LRPMP, then prior to the transfer of the property to the City, the City will prepare a Compensation Agreement and diligently seek the approval of the affected taxing entities. If the Compensation Agreement is approved, then the transfer of the property to the City will occur thereafter consistent with the provisions of the Compensation Agreement. If for any reason the Compensation Agreement is not approved by all affected taxing entities, then the property will be sold, thus completely eliminating the need for a Compensation Agreement. Any proposed sale will be brought to the Oversight Board for review and approval after the pricing and timing of sale is known.
2. For properties to be sold, implementation will include distribution of any net land sales proceeds for enforceable obligations and/or distributed as property tax to the taxing entities. Due to the vagaries associated with the sale of land, such as uncertainties concerning the timing of sale and the price that would be realized, it is not feasible to precisely state in the LRPMP how the funds will be used. In that regard, once an agreement is reached with respect to the purchase and sale of a property, the agreement will be presented to the Oversight Board for concurrence. The Oversight Board’s approval will be evidenced by a resolution that will be submitted to DOF and, per the HSC, is subject to DOF’s review. That resolution will include or refer to a staff report which describes with greater particularity, once more facts are known, how the net proceeds of sale will be distributed. As noted in Section I – Introduction of the LRPMP, the LRPMP provides that net proceeds of the sale may be used for enforceable obligations and/or distributed as property tax to the taxing entities through the County Auditor-Controller. The need to retain some or all of the net proceeds of sale for enforceable obligations will depend on whether there is a short-fall in RPTTF in the ROPS cycle during which the escrow is anticipated to close. If a short-fall were to occur in the RPTTF at that time, then all or a portion of the net sale proceeds should be used to fulfill an enforceable obligation with any remaining net sale proceeds then distributed as property tax to the



taxing entities through the County Auditor-Controller. If there is not a short-fall in RPTTF at the time of close of escrow, then net land sale proceeds would be distributed as property tax to the taxing entities through the County Auditor-Controller in a manner described at the time of Oversight Board approval as to a particular property sale. Since it is impossible to foresee when and if a short-fall in the RPTTF may occur, or when the property will be sold, the use of the net sale proceeds cannot be specifically determined at this time and, therefore, cannot be stated with greater particularity in the LRPMP. However, it is clear that at the time a sale takes place, the sale will be brought back to the Oversight Board and will be subject to review.



**Site No. 7**  
**Vacant Arrow Highway Property**  
234 East Arrow Highway  
APNs 1046-383-07, 08



**A. Permissible Use (HSC §34191.5(c)(2)):**

Site No. 7 is the “Vacant Arrow Highway Property” and is proposed to be retained by the City of Upland for future development pursuant to HSC 34191.5(c)(2).

**B. Acquisition of Property (HSC §34191.5 (c)(1)(A) and §34191.5(c)(1)(B)):**

The Vacant Arrow Highway Property was acquired by the Agency on March 3, 2010 for \$245,000 for the purpose of alleviating physical and economic blight.

The estimated current value (“ECV”) of the Vacant Arrow Highway Property is \$245,000.



**C. Site Information (HSC 34191.5(c)(1)(C)):**

The Vacant Arrow Highway Property consists of two (2) vacant parcels (APNs 1046-383-07, 08) totaling 0.34 acres located at 234 East Arrow Highway.

The Vacant Arrow Highway Property is located within the Downtown Specific Plan: Arrow Highway District and is zoned for mixed-use. The Arrow Highway District acts as an important link and gateway into Downtown and allows for a mix of low- to medium-intensity commercial and residential uses. These land uses include, but are not limited to, multi-family and senior residential, cultural, government office, public facility, commercial, office/professional, medical, parking surface and structure, and live/work.

**D. Estimated Current Value (HSC 34191.5(c)(1)(D)):**

The March 3, 2010 acquisition price of \$245,000 is the ECV of the Vacant Arrow Highway Property.

**E. Site Revenues (HSC 34191.5(c)(1)(E)):**

There are no site revenues from the Vacant Arrow Highway Property.

**F. History of Environmental Contamination ((HSC 34191.5(c)(1)(F)):**

In 2009, Phase-I and -II Environmental Assessment Reports were completed for the Vacant Arrow Highway Property by Rincon Consultants, Inc.

The Phase-I found that the former use of the site as a gasoline service station, including the presence of a sump/clarifier, the potential presence of an existing underground storage tank (“UST”), and the former presence of fuel USTs on the site, indicated valid recognized environmental conditions. Therefore, the Phase-I recommended that based on the former use of the site, there was potential for petroleum hydrocarbons to be present in the soil and/or groundwater and that a Phase-II be conducted to test the soil for total petroleum hydrocarbons (TPH), volatile organic compounds (VOCs), polychlorinated biphenyls (PCBs), and/or total metals.<sup>6</sup>

The Phase-II was completed on October 30, 2009. The Phase-II made the following recommendations:

“Varying concentrations of TPH were detected in soil samples collected from the site. Because the SBCFD [San Bernardino County Fire Department] and the Santa Ana RWQCB have not established screening levels for TPH (TPH screening levels are determined on a case by case basis), we recommend that the City of Upland discuss the results with the SBCFD to determine a site specific screening level for the TPH in soil beneath the site. In addition, elevated concentrations of total lead were detected in two soil samples collected from the site (B3 at 10 feet below grade and B5 at 2 feet below grade). The elevated concentrations exceed background levels and human health risk thresholds to which they were compared. We recommend that the City of Upland discuss the results with the SBCFD to determine if further assessment or remediation in the vicinity of B3 and B5 is warranted.”<sup>7</sup>

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<sup>6</sup> Phase-II Environmental Site Assessment 234 East Arrow Highway Upland, CA: Rincon Consultants, Inc.: October 30, 2009: Page 2

<sup>7</sup> Ibid: Pages 11-12



Once a buyer has been located for the Vacant Arrow Highway Property, discussions with the SBCFD will ensue.

**G. Potential for Transit Oriented Development (TOD) and the Advancement of Planning Objectives of the Successor Agency (HSC 34191.5(c)(1)(G)):**

There is no potential for a TOD development in conjunction with the Vacant Arrow Highway Property.

The retention of the Vacant Arrow Highway Property advances the Successor Agency's and City's planning objectives by developing and revitalizing this vacant underutilized property for a housing project that will embrace the City's mixed-use planning objectives. Holding the Vacant Arrow Highway Property for future development will allow the City to guide the development of the Property and not allow the Property to be sold for speculative purposes thereby creating additional blight.

**H. History of Previous Development Proposals and Activity (HSC 34191.5(c)(1)(H)):**

The northern portion of the Vacant Arrow Highway Property was a gasoline/oil facility from at least 1928 through 1955. The former structure, built in the 1950's, was a gasoline service/station from the late 1950's through 1975. Sometime after 1975, the structure was remodeled into a flower shop. After the Agency acquired the property in 2010, the structure was demolished. The Agency acquired the Property for a mixed-use housing project.

**I. Sale of Property:**

The City proposes to issue an RFP in accordance with the Successor Agency's policies and procedures for property disposition located in Exhibit "A" for the sale and development of the Vacant Arrow Highway Property.

The ECV of the Vacant Arrow Highway Property is \$245,000.

The following process was used in determining the ECV of the Vacant Arrow Highway Property:

***Date of estimated current value*** – March 3, 2010

***Value Basis*** – To determine the ECV for the Vacant Arrow Highway Property, the 2010-acquisition price was used. The ECV of the Vacant Arrow Highway Property is \$245,000.

***Proposed sale date*** – TBD and subject to the Successor Agency's implementation of its policies and procedures for property disposition as shown in Exhibit "A."

***Proposed sale value*** – TDB and subject to a fair market appraisal conducted by a licensed appraiser. Any net proceeds of the sale would be used for enforceable obligations or distributed as property tax to the taxing entities. The Successor Agency notes that in the environment of AB 1484, it may not be possible to achieve appraised values. The Successor Agency will be in charge of the process seeking to achieve successful marketing of properties, and will act with reasonable diligence. However, the constraints and environment of AB 1484 weighs against maximizing prices. The actual sales prices to be realized will be a function of what a willing buyer is willing to pay under circumstances where there will be no seller financing and dispositions will be subject to Oversight Board approval. There is no reason to think that carrying values will be realized.

In the event the City were to determine that it will not retain the Vacant Arrow Highway Property for future development, any sale would be brought back to the Oversight Board for approval.



***J. Implementation of the Long-Range Property Management Plan:***

Following approval of the LRPMP by the DOF, the Successor Agency will implement the LRPMP.

1. For properties to be retained for future development, implementation will include securing an HSC §34180(f)(1) compensation agreement (the “Compensation Agreement”) with the affected taxing entities. The City will seek a Compensation Agreement with the affected taxing entities after the LRPMP is approved by DOF. Waiting until DOF’s approval is received will ensure that the legal and staff time committed to preparing for and processing a Compensation Agreement is not wasted in the event that DOF decides not to approve the LRPMP. The City is concerned that it will not be fruitful to attempt to engage numerous taxing agencies in discussions about proceeds from the sale of properties when the timing of sale is not known and the price has not been determined. Further, this approach will also ensure that the affected taxing entities do not waste their legal and staff time reviewing a Compensation Agreement that would otherwise become mute in the event of a DOF denial. However, if DOF approves the LRPMP, then prior to the transfer of the property to the City, the City will prepare a Compensation Agreement and diligently seek the approval of the affected taxing entities. If the Compensation Agreement is approved, then the transfer of the property to the City will occur thereafter consistent with the provisions of the Compensation Agreement. If for any reason the Compensation Agreement is not approved by all affected taxing entities, then the property will be sold, thus completely eliminating the need for a Compensation Agreement. Any proposed sale will be brought to the Oversight Board for review and approval after the pricing and timing of sale is known.
  
2. For properties to be sold, implementation will include distribution of any net land sales proceeds for enforceable obligations and/or distributed as property tax to the taxing entities. Due to the vagaries associated with the sale of land, such as uncertainties concerning the timing of sale and the price that would be realized, it is not feasible to precisely state in the LRPMP how the funds will be used. In that regard, once an agreement is reached with respect to the purchase and sale of a property, the agreement will be presented to the Oversight Board for concurrence. The Oversight Board’s approval will be evidenced by a resolution that will be submitted to DOF and, per the HSC, is subject to DOF’s review. That resolution will include or refer to a staff report which describes with greater particularity, once more facts are known, how the net proceeds of sale will be distributed. As noted in Section I – Introduction of the LRPMP, the LRPMP provides that net proceeds of the sale may be used for enforceable obligations and/or distributed as property tax to the taxing entities through the County Auditor-Controller. The need to retain some or all of the net proceeds of sale for enforceable obligations will depend on whether there is a short-fall in RPTTF in the ROPS cycle during which the escrow is anticipated to close. If a short-fall were to occur in the RPTTF at that time, then all or a portion of the net sale proceeds should be used to fulfill an enforceable obligation with any remaining net sale proceeds then distributed as property tax to the taxing entities through the County Auditor-Controller. If there is not a short-fall in RPTTF at the time of close of escrow, then net land sale proceeds would be distributed as property tax to the taxing entities through the County Auditor-Controller in a manner described at the time of Oversight Board approval as to a particular property sale. Since it is impossible to foresee when and if a short-fall in the RPTTF may occur, or when the property will be sold, the use of the net sale proceeds cannot be specifically determined at this time and, therefore, cannot be stated with greater particularity in the LRPMP. However, it is clear that at the time a sale takes place, the sale will be brought back to the Oversight Board and will be subject to review.



**Site No. 8**  
**1<sup>st</sup> Avenue Property**  
113 & 105 North 1<sup>st</sup> Avenue  
APNs 1046-591-12, 13



**A. Permissible Use (HSC §34191.5(c)(2)):**

Site No. 8 is the “1<sup>st</sup> Avenue Property” and is proposed to be retained by the City of Upland for future development pursuant to HSC 34191.5(c)(2).

**B. Acquisition of Property (HSC §34191.5 (c)(1)(A) and §34191.5(c)(1)(B)):**

The 1<sup>st</sup> Avenue Property was acquired by the Agency on October 23, 2009 and February 15, 2011 for a total of \$865,000 for the purpose of alleviating physical and economic blight.

The estimated current value (the “ECV”) for the 1<sup>st</sup> Avenue Property is \$320,000.



**C. Site Information (HSC 34191.5(c)(1)(C)):**

The 1<sup>st</sup> Avenue Property consists of two (2) parcels totaling 0.26 acres (APNs 1046-591-12, 13) located at 113 and 105 North 1<sup>st</sup> Avenue. A vacant 2,241 sf building occupies the southerly parcel of the Property (105 North 1<sup>st</sup> Avenue / APN 1046-591-13).

The 1<sup>st</sup> Avenue Property is located within the Downtown Specific Plan: Old Town District and 1<sup>st</sup> Street Overlay. The Old Town District dictates the land uses and development standards for the 1<sup>st</sup> Avenue Property with the 1<sup>st</sup> Overlay zone providing the opportunities for larger scale developments appropriate in scale with the adjacent Euclid District, while ensuring a sensitively scaled transition to buildings in the surrounding Old Town District. Land uses for the Old Town District include multi- and single-family and senior residential, cultural, government office, public facility, commercial, office/professional, medical, parking surface and structure, and live/work.

**D. Estimated Current Value (HSC 34191.5(c)(1)(D)):**

An appraisal of the 1<sup>st</sup> Avenue Property was completed on October 16, 2012 by the Bronstein Company, Inc. The “as-is” market value was determined to be \$320,000. The October 16, 2012 appraised value is the ECV of the 1<sup>st</sup> Avenue Property.

**E. Site Revenues (HSC 34191.5(c)(1)(E)):**

There are no site revenues from the 1<sup>st</sup> Avenue Property.

**F. History of Environmental Contamination ((HSC 34191.5(c)(1)(F)):**

There is no history of environmental reports for 113 North 1<sup>st</sup> Avenue (APN 1046-591-12). However, the parcel located at 105 North 1<sup>st</sup> Avenue (APN 1046-591-13) had both Phase-I and Phase-II Environmental Site Assessments conducted.

In 2011, both Phase-I and -II Environmental Site Assessments were completed for the parcel located at 105 North 1<sup>st</sup> Avenue Property by Rincon Consultants, Inc. The Phase-I indicated that the former use of the site was as a blacksmith/farm implement welding and metal making facility and an automobile repair facility.

The Phase-I concluded and recommended the following: <sup>8</sup>

**Conclusion:**

No evidence of recognized environmental conditions in connection with the property was discovered. However, there were suspect environmental conditions identified: (i) the present and historic use of the site as an automotive repair facility intermittently from at least 1950 to the present; (ii) the onsite spilled oil beneath the above-ground lifts, oil stained concrete around the waste-oil storage tank, and oil stains on the asphalt paved parking lot; (iii) the former 500-gallon waste oil underground storage tank (“UST”) removed from the site in 2000 with one sample collected and no analytical data provided the former onsite use as a blacksmith/farm implement welding and metal making facility; (iv) the presence of a former Texaco service station across the alley to the west of the site; and (v) the potential presence of lead-based paints and asbestos containing material in the on-site structure.

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<sup>8</sup> Phase-I Environmental Site Assessment, 105 N 1<sup>st</sup> Avenue, Upland, CA: Rincon Consultants, Inc.: January 27, 2011: Page 26



**Recommendation:**

In order to determine if the former use of the site, and possibly the use of the property adjacent to the west of the site, had adversely impacted the site, the Agency may want to conduct soil sampling for TPH, VOCs, and total metals in conjunction with a Phase-II.

The Phase-II conducted soil sampling that resulted locating specific areas where TPH-gasoline (TPH-g), TPH-oil (TPH-o), and lead were present and could be remediated through soil removal. Therefore, the Phase-II recommended, that based on the current assessment, no further assessment of the site appeared warranted. However, if the site was to be redeveloped, it would then be recommended that the areas with lead, TPH-g and TPH-o to be removed and properly disposed.<sup>9</sup>

**G. Potential for Transit Oriented Development (TOD) and the Advancement of Planning Objectives of the Successor Agency (HSC 34191.5(c)(1)(G)):**

There is no potential for a TOD development in conjunction with the 1<sup>st</sup> Avenue Property.

The retention of the 1<sup>st</sup> Avenue Property for future development advances the planning objectives of the Successor Agency and City by developing the 1<sup>st</sup> Avenue Property into a mixed-use affordable housing project in conjunction with the four (4) City Housing Entity-owned parcels to the north of the Property.

**H. History of Previous Development Proposals and Activity (HSC 34191.5(c)(1)(H)):**

The 1<sup>st</sup> Avenue Property was purchased with the intention of creating a mixed-use affordable housing project in conjunction with the four (4) parcels to the north.

For the past 60 years, the parcel located at 105 North 1<sup>st</sup> Avenue has been used intermittently as an automobile repair and paint facility. Currently, a vacant 2,241 sf building is located on the site.

A 2,640 sf warehouse was located at 113 North 1<sup>st</sup> Avenue prior to the Agency's acquisition. Shortly after the Agency acquired the Property, the building was demolished. The land has been vacant since.

**I. Sale of Property:**

The City proposes to issue an RFP in accordance with the Successor Agency's policies and procedures for property disposition located in Exhibit "A" for the sale and development of the 1<sup>st</sup> Avenue Property.

The ECV for 1<sup>st</sup> Avenue Property is \$320,000.

The following process was used in determining the ECV of the Property:

***Date of estimated current value*** – October 16, 2012

***Value Basis*** – An appraisal was completed on October 16, 2012 by the Bronstein Company, Inc. The "as-is" market value was determined to be \$320,000.

***Proposed sale date*** – TBD and subject to the Successor Agency's implementation of its policies and procedures for property disposition as shown in Exhibit "A."

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<sup>9</sup> Phase-II Environmental Site Assessment, 105 N 1<sup>st</sup> Avenue, Upland, CA: Rincon Consultants, Inc.: February 8, 2011: Page 8



**Proposed sale value** – TDB and subject to a fair market appraisal conducted by a licensed appraiser. Any net proceeds of the sale would be used for enforceable obligations or distributed as property tax to the taxing entities. The Successor Agency notes that in the environment of AB 1484, it may not be possible to achieve appraised values. The Successor Agency will be in charge of the process seeking to achieve successful marketing of properties, and will act with reasonable diligence. However, the constraints and environment of AB 1484 weighs against maximizing prices. The actual sales prices to be realized will be a function of what a willing buyer is willing to pay under circumstances where there will be no seller financing and dispositions will be subject to Oversight Board approval. There is no reason to think that carrying values will be realized.

In the event the City were to determine that it will not retain the 1<sup>st</sup> Avenue Property for future development, any sale would be brought back to the Oversight Board for approval.

**J. Implementation of the Long-Range Property Management Plan:**

Following approval of the LRPMP by the DOF, the Successor Agency will implement the LRPMP.

1. For properties to be retained for future development, implementation will include securing an HSC §34180(f)(1) compensation agreement (the “Compensation Agreement”) with the affected taxing entities. The City will seek a Compensation Agreement with the affected taxing entities after the LRPMP is approved by DOF. Waiting until DOF’s approval is received will ensure that the legal and staff time committed to preparing for and processing a Compensation Agreement is not wasted in the event that DOF decides not to approve the LRPMP. The City is concerned that it will not be fruitful to attempt to engage numerous taxing agencies in discussions about proceeds from the sale of properties when the timing of sale is not known and the price has not been determined. Further, this approach will also ensure that the affected taxing entities do not waste their legal and staff time reviewing a Compensation Agreement that would otherwise become mute in the event of a DOF denial. However, if DOF approves the LRPMP, then prior to the transfer of the property to the City, the City will prepare a Compensation Agreement and diligently seek the approval of the affected taxing entities. If the Compensation Agreement is approved, then the transfer of the property to the City will occur thereafter consistent with the provisions of the Compensation Agreement. If for any reason the Compensation Agreement is not approved by all affected taxing entities, then the property will be sold, thus completely eliminating the need for a Compensation Agreement. Any proposed sale will be brought to the Oversight Board for review and approval after the pricing and timing of sale is known.
2. For properties to be sold, implementation will include distribution of any net land sales proceeds for enforceable obligations and/or distributed as property tax to the taxing entities. Due to the vagaries associated with the sale of land, such as uncertainties concerning the timing of sale and the price that would be realized, it is not feasible to precisely state in the LRPMP how the funds will be used. In that regard, once an agreement is reached with respect to the purchase and sale of a property, the agreement will be presented to the Oversight Board for concurrence. The Oversight Board’s approval will be evidenced by a resolution that will be submitted to DOF and, per the HSC, is subject to DOF’s review. That resolution will include or refer to a staff report which describes with greater particularity, once more facts are known, how the net proceeds of sale will be distributed. As noted in Section I – Introduction of the LRPMP, the LRPMP provides that net proceeds of the sale may be used for enforceable obligations and/or distributed as property tax to the taxing entities through the County Auditor-Controller. The need to retain some or all of the net proceeds of sale for enforceable obligations will depend on whether there is a short-fall in RPTTF in the ROPS cycle during which the escrow is anticipated to close. If a short-fall were to occur in



the RPTTF at that time, then all or a portion of the net sale proceeds should be used to fulfill an enforceable obligation with any remaining net sale proceeds then distributed as property tax to the taxing entities through the County Auditor-Controller. If there is not a short-fall in RPTTF at the time of close of escrow, then net land sale proceeds would be distributed as property tax to the taxing entities through the County Auditor-Controller in a manner described at the time of Oversight Board approval as to a particular property sale. Since it is impossible to foresee when and if a short-fall in the RPTTF may occur, or when the property will be sold, the use of the net sale proceeds cannot be specifically determined at this time and, therefore, cannot be stated with greater particularity in the LRPMP. However, it is clear that at the time a sale takes place, the sale will be brought back to the Oversight Board and will be subject to review.



**Site No. 9**  
**Vacant "A" Street Property**  
143 "A" Street  
APN 1046-592-01



**A. Permissible Use (HSC §34191.5(c)(2)):**

Site No. 9 is the "Vacant "A" Street Property" and is proposed to be retained by the City of Upland for future development pursuant to HSC 34191.5(c)(2).

**B. Acquisition of Property (HSC §34191.5 (c)(1)(A) and §34191.5(c)(1)(B)):**

The Vacant "A" Street Property was acquired by the Agency on June 15, 2009 for \$153,000 for the purpose of alleviating physical and economic blight.

The estimated current value (the "ECV") for Vacant "A" Street Property is \$68,000.



**C. Site Information (HSC 34191.5(c)(1)(C)):**

The Vacant “A” Street Property consists of one (1) 0.08-acre parcel (APN 1046-592-01) located at 143 “A” Street.

The Vacant “A” Street Property is located within the Downtown Specific Plan: Old Town District and 1<sup>st</sup> Avenue Overlay. The Property is a non-conforming lot size of 30 feet x 119 feet. The Old Town District and 1<sup>st</sup> Avenue Overlay minimum standard lot size is 44 feet x 140 feet.

The Old Town District dictates the land uses and development standards for the Vacant “A” Street Property with the 1<sup>st</sup> Avenue Overlay zone providing the opportunities for larger scale developments appropriate in scale with the adjacent Euclid District, while ensuring a sensitively scaled transition to buildings in the surrounding Old Town District. Land uses for the Old Town District include multi- and single-family and senior residential, cultural, government office, public facility, commercial, office/professional, medical, parking surface and structure, and live/work.

**D. Estimated Current Value (HSC 34191.5(c)(1)(D)):**

An appraisal of the Vacant “A” Street Property was completed on September 23, 2012 by the Bronstein Company, Inc. The “as-is” market value was determined to be \$68,000. The September 23, 2012 appraised value is the ECV of the Vacant “A” Street Property.

**E. Site Revenues (HSC 34191.5(c)(1)(E)):**

There are no site revenues from the Vacant “A” Street Property.

**F. History of Environmental Contamination ((HSC 34191.5(c)(1)(F)):**

There is no history of environmental reports for the Vacant “A” Street Property.

**G. Potential for Transit Oriented Development (TOD) and the Advancement of Planning Objectives of the Successor Agency (HSC 34191.5(c)(1)(G)):**

There is no potential for a TOD development in conjunction with the Vacant “A” Street Property.

Due to the non-conforming lot size of the Vacant “A” Street Property, the retention of the Property for future development advances the planning objectives of the Successor Agency and the City by holding this property until a development can be identified in conjunction with the City-owned property adjacent to the east. To sell this property without a development project would open the sale up to speculative buyers and may lead to continued and additional blight in this area.

**H. History of Previous Development Proposals and Activity (HSC 34191.5(c)(1)(H)):**

There is no history of previous development or proposals for the Vacant “A” Street Property.

**I. Sale of Property:**

The City proposes to issue an RFP in accordance with the Successor Agency’s policies and procedures for property disposition located in Exhibit “A” for the sale and development of the Vacant “A” Street Property.

The ECV is \$68,000.

The following process was used in determining the ECV of the Property:



***Date of estimated current value*** – September 23, 2012

***Value Basis*** – An appraisal was completed on September 23, 2012 by the Bronstein Company, Inc. The “as-is” market value was determined to be \$68,000.

***Proposed sale date*** – TBD and subject to the Successor Agency’s implementation of its policies and procedures for property disposition as shown in Exhibit “A.”

***Proposed sale value*** – TDB and subject to a fair market appraisal conducted by a licensed appraiser. Any net proceeds of the sale would be used for enforceable obligations or distributed as property tax to the taxing entities. The Successor Agency notes that in the environment of AB 1484, it may not be possible to achieve appraised values. The Successor Agency will be in charge of the process seeking to achieve successful marketing of properties, and will act with reasonable diligence. However, the constraints and environment of AB 1484 weighs against maximizing prices. The actual sales prices to be realized will be a function of what a willing buyer is willing to pay under circumstances where there will be no seller financing and dispositions will be subject to Oversight Board approval. There is no reason to think that carrying values will be realized.

In the event the City were to determine that it will not retain the Vacant “A” Street Property for future development, any sale would be brought back to the Oversight Board for approval.

***J. Implementation of the Long-Range Property Management Plan:***

Following approval of the LRPMP by the DOF, the Successor Agency will implement the LRPMP.

1. For properties to be retained for future development, implementation will include securing an HSC §34180(f)(1) compensation agreement (the “Compensation Agreement”) with the affected taxing entities. The City will seek a Compensation Agreement with the affected taxing entities after the LRPMP is approved by DOF. Waiting until DOF’s approval is received will ensure that the legal and staff time committed to preparing for and processing a Compensation Agreement is not wasted in the event that DOF decides not to approve the LRPMP. The City is concerned that it will not be fruitful to attempt to engage numerous taxing agencies in discussions about proceeds from the sale of properties when the timing of sale is not known and the price has not been determined. Further, this approach will also ensure that the affected taxing entities do not waste their legal and staff time reviewing a Compensation Agreement that would otherwise become mute in the event of a DOF denial. However, if DOF approves the LRPMP, then prior to the transfer of the property to the City, the City will prepare a Compensation Agreement and diligently seek the approval of the affected taxing entities. If the Compensation Agreement is approved, then the transfer of the property to the City will occur thereafter consistent with the provisions of the Compensation Agreement. If for any reason the Compensation Agreement is not approved by all affected taxing entities, then the property will be sold, thus completely eliminating the need for a Compensation Agreement. Any proposed sale will be brought to the Oversight Board for review and approval after the pricing and timing of sale is known.
2. For properties to be sold, implementation will include distribution of any net land sales proceeds for enforceable obligations and/or distributed as property tax to the taxing entities. Due to the vagaries associated with the sale of land, such as uncertainties concerning the timing of sale and the price that would be realized, it is not feasible to precisely state in the LRPMP how the funds will be used. In that regard, once an agreement is reached with respect to the purchase and sale of a property, the agreement will be presented to the Oversight Board for concurrence. The Oversight



Board's approval will be evidenced by a resolution that will be submitted to DOF and, per the HSC, is subject to DOF's review. That resolution will include or refer to a staff report which describes with greater particularity, once more facts are known, how the net proceeds of sale will be distributed. As noted in Section I – Introduction of the LRPMP, the LRPMP provides that net proceeds of the sale may be used for enforceable obligations and/or distributed as property tax to the taxing entities through the County Auditor-Controller. The need to retain some or all of the net proceeds of sale for enforceable obligations will depend on whether there is a short-fall in RPTTF in the ROPS cycle during which the escrow is anticipated to close. If a short-fall were to occur in the RPTTF at that time, then all or a portion of the net sale proceeds should be used to fulfill an enforceable obligation with any remaining net sale proceeds then distributed as property tax to the taxing entities through the County Auditor-Controller. If there is not a short-fall in RPTTF at the time of close of escrow, then net land sale proceeds would be distributed as property tax to the taxing entities through the County Auditor-Controller in a manner described at the time of Oversight Board approval as to a particular property sale. Since it is impossible to foresee when and if a short-fall in the RPTTF may occur, or when the property will be sold, the use of the net sale proceeds cannot be specifically determined at this time and, therefore, cannot be stated with greater particularity in the LRPMP. However, it is clear that at the time a sale takes place, the sale will be brought back to the Oversight Board and will be subject to review.



## V. Property Inventory per HSC §4191.5(C)(1)

Site No.	Property Type	HSC 34191.5 (c)(2)	HSC 34191.5 (c)(1)(A)					Sale of Property		HSC 34191.5 (c)(1)(B)	HSC 34191.5 (c)(1)(C)				HSC 34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)		HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)		HSC 34191.5 (c)(1)(H)
		Permissible Use	Date Acq'd	Value When Acq'd	Est. Current Value (ECV <sup>1</sup> )	Value Basis	Date of ECV	Sale Value	Sale Date	Purpose Acq'd	Address	APN	Lot Size (ac)	Zoning	ECV <sup>1</sup>	Est. of Income / Revenue (Annual)	Contract req'd for use of income / revenue	History Envrn Contamination	TOD	Adv of SA Planning Objectives	Previous develop. proposals / activities
1	RP (Fee)	Government (Metrolink Parking Lot Property)	March 1999	\$145,000	\$323,000	2012 Appraised "As-is" Market Value	September 2012	N/A	N/A	Alleviate blight & to serve Metrolink ridership	East Stowell Street	1046-602-09	0.12	DTSP	\$323,000	None	N/A	None	Yes	Yes	No
											South 2 <sup>nd</sup> Avenue	1046-602-10	0.13								
											140 South 2 <sup>nd</sup> Avenue	1046-602-11	0.37								
2	RP (Fee)	Government (Metrolink / Museum Parking Lot)	January 2002	\$200,000	\$240,000	2012 Appraised "As-is" Market Value	September 2012	N/A	N/A	Alleviate blight & to serve Metrolink ridership & museum	3 <sup>rd</sup> Avenue / "A" Street	1046-593-18	0.36	DTSP	\$240,000	None	N/A	Unk	Yes	Yes	No
3	RP (Fee)	Future Development (Foothill Commercial Property)	January 1991	\$425,000	\$235,000	2012 Appraised "As-is" Market Value	October 2012	TBD	TBD	Alleviate blight	1917 & 1925 West Foothill Boulevard	1006-574-02	0.24	CC	\$235,000	\$18,360	No	Unk	No	Yes	Yes
4	RP (Fee)	Future Development (Vacant Foothill Commercial Property)	October 1990	\$425,000	\$180,000	2012 Appraised "As-is" Market Value	October 2012	TBD	TBD	Alleviate blight	1967 West Foothill Boulevard	1006-574-11	0.24	CC	\$180,000	None	N/A	None	No	Yes	Yes



Site No.	Property Type	HSC 34191.5 (c)(2)	HSC 34191.5 (c)(1)(A)					Sale of Property		HSC 34191.5 (c)(1)(B)	HSC 34191.5 (c)(1)(C)				HSC 34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)		HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)		HSC 34191.5 (c)(1)(H)
		Permissible Use	Date Acq'd	Value When Acq'd	Est. Current Value (ECV <sup>1</sup> )	Value Basis	Date of ECV	Sale Value	Sale Date	Purpose Acq'd	Address	APN	Lot Size (ac)	Zoning	ECV <sup>1</sup>	Est. of Income / Revenue (Annual)	Contract req'd for use of income / revenue	History Envrn Contamination	TOD	Adv of SA Planning Objectives	Previous develop. proposals / activities
5	RP (Fee)	Future Development (Vacant 11 <sup>th</sup> Street Manufacturing Property)	November 2003	\$285,000	\$940,000	2012 Appraised "As-is" Market Value	September 2012	TBD	TBD	Alleviate blight	11 <sup>th</sup> Street / Benson Avenue	1007-261-06	2.77	ML	\$940,000	None	N/A	None	No	Yes	Yes
6	RP (Fee)	Future Development (Vacant Arrow Route Manufacturing Property)	November 2008	\$1,150,000	\$1,140,000	2012 Appraised "As-is" Market Value	September 2012	TBD	TBD	Alleviate blight	1737 West Arrow Rt.	1007-271-08	0.49	ML	\$1,140,000	None	N/A	None	No	Yes	Yes
			November 2003									1007-271-45	1.81								No
												1007-271-46	1.48								No
7	RP (Fee)	Future Development (Vacant Arrow Highway Property)	March 2010	\$245,000	\$245,000	2010-acquisition price	March 2010	TBD	TBD	Alleviate blight	234 East Arrow Highway	1046-383-07	0.17	DTSP	\$245,000	None	N/A	Yes	No	Yes	Yes
1046-383-08	0.17																				
8	RP (Fee)	Future Development (1 <sup>st</sup> Avenue Property)	October 2009	\$865,000	\$320,000	2012 Appraised "As-is" Market Value	October 2012	TBD	TBD	Alleviate blight	113 North 1 <sup>st</sup> Avenue	1046-591-12	0.13	DTSP	\$320,000	None	N/A	Unk	No	Yes	Yes
			February 2011								105 North 1 <sup>st</sup> Avenue	1046-591-13	0.13					Yes			



Site No.	Property Type	HSC 34191.5 (c)(2)	HSC 34191.5 (c)(1)(A)					Sale of Property		HSC 34191.5 (c)(1)(B)	HSC 34191.5 (c)(1)(C)				HSC 34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)		HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)		HSC 34191.5 (c)(1)(H)
		Permissible Use	Date Acq'd	Value When Acq'd	Est. Current Value (ECV <sup>1</sup> )	Value Basis	Date of ECV	Sale Value	Sale Date	Purpose Acq'd	Address	APN	Lot Size (ac)	Zoning	ECV <sup>1</sup>	Est. of Income / Revenue (Annual)	Contract req'd for use of income / revenue	History Envrn Contamination	TOD	Adv of SA Planning Objectives	Previous develop. proposals / activities
9	RP (Fee)	Future Development (Vacant "A" Street Property)	June 2009	\$153,000	\$68,000	2012 Appraised "As-is" Market Value	September 2012	TBD	TBD	Alleviate blight	143 "A" Street	1046-592-01	0.08	DTSP	\$68,000	None	N/A	Unk	No	Yes	No

<sup>1</sup> Local factors that may affect land value were not taken into consideration. Therefore, the actual value of the property may vary greatly from the ECV. The ECV is only a planning number and may not be relied upon as a basis for actual Value.

Unk – Unknown

NA – Not applicable

RP – Real Property

TBD – To Be Determined

CC – Community Commercial

ML – Light Manufacturing

DTSP – Downtown Specific Plan



## Exhibit A – Successor Agency/City Property Disposition Procedures

---

*The following is only a general outline for the disposition of property by the Successor Agency. It is anticipated that the Successor Agency may from time to time adopt policies and procedures that are more specific during the implementation phase of the LRPMP.*

### I. PURCHASE AND SALE PROCEDURES

1. Post notice on Successor Agency website:  
“All persons interested in receiving solicitations for the disposition of Successor Agency property please email [xyz@cityofthefuture.org](mailto:xyz@cityofthefuture.org) with your contact information and **“Purchase and Sale of Successor Agency Property”** in the Subject line.”
2. Successor Agency will provide written solicitations for the sale of its real estate assets, which may be a single parcel or a grouping of parcels (the “Property”). Such formal solicitations will include, but not be limited to:
  - a. APN(s)
  - b. Property location
  - c. Zoning
  - d. Acreage
  - e. Listing Price (The listing price shall either be (i) not less than fair market value under an appraisal procured by the Successor agency or (ii) another amount approved for such purpose by the Oversight Board)
  - f. Purchase Price shall be all cash at close of escrow, no seller financing.
  - g. Deadline to receive offers (prior to selection, offers are confidential)
  - h. Offer submittal guidelines:
    - i. All offers must be in writing (California Association of Realtor forms are acceptable);
    - ii. Successor Agency will provide courtesy to brokers equal to one-half of the customary commission if the ultimate buyer is represented by said real estate broker as buyer’s broker at the time the original offer is submitted.
    - iii. **Provided that allowance of brokerage commissions will be subject to Oversight Board approval in each case and paid from the sale proceeds;**
    - iv. Approval of each sale may be subject to DOF approval;
    - v. Type of financing identified (i.e., buyer’s cash, buyer’s loan proceeds, etc.);
    - vi. All buyers are to be listed – no silent partners; and
    - vii. Offers will be reviewed for conflict of interest between offeror and Successor Agency/City officials, staff and consultants.
  - i. Some properties for sale consist of multiple parcels. Only offers that include all parcels identified by Successor Agency on a particular site may be accepted, i.e., no less than whole purchases.
3. Method of Solicitations:
  - a. Property posting
  - b. Successor Agency website posting
  - c. Local real estate brokers
  - d. All persons requesting solicitations
  - e. Workshops and/or e-mail notifications
4. All property sales are in an **“AS IS, WHERE IS”** condition.
5. The Successor Agency will be reimbursed from the sale proceeds of the property for any costs related to the appraisal, escrow and title fees (cost of CLTA policy with premium based upon sales price), broker fees, and any other costs associated with the sale.
6. An offer may be rejected if it does not meet the Successor Agency’s price threshold. Acceptance of a purchase and sale offer is subject to approval of the Successor Agency’s Board of Directors.



7. The City shall have a right of first refusal in connection with the purchase of property. In the event a submittal is received, such right of first refusal may be exercised by means of the City: (i) notifying the Oversight Board and the party which made an offer (in either order) of the City's intention to acquire the property for monetary consideration in an amount equal to or greater than that offered by the offering party, and (ii) obtaining confirmation of such purchase by the Oversight Board.
8. The City shall have an option to purchase property based upon values agreed to by the Oversight Board. The option may be exercised as to one or more properties at a time or times of the City's choosing.
9. If the City determines that it is infeasible to otherwise market and dispose of certain properties, the Successor Agency may auction such property or properties at a time or times consented to by the Oversight Board.

## **II. REQUEST FOR PROPOSAL PROCEDURES**

Costs incurred by the Successor Agency and/or the City in the implementation of these Disposition Procedures shall be treated as an Enforceable Obligation for purposes of the Recognized Obligation Payments Schedule ("ROPS") of the Successor Agency to be recovered from land sales proceeds. The City shall provide the Successor Agency an estimate of such costs at such times and in a form sufficient for the Successor Agency to include such costs on one or more ROPS, as appropriate. Included in such costs are: staff time in the performance of such duties; costs and fees of consultants, attorneys, appraisers, title insurers and escrow; costs and fees in connection with the disposition of property(ies), such as unpaid and outstanding tax liens or judgments and other costs incurred in order to deliver merchantable title. Where possible, the Successor Agency is to recover costs at the time of close of escrow.

### **A) INTENT AND PURPOSE**

A Request for Proposals ("RFP") will be prepared by the Successor Agency and posted to the City's website, and/or sent to developers or parties that have requested such RFPs, and other developers or parties at the Successor Agency's discretion. The number of properties as to which an RFP is requested is subject to the discretion of the Successor Agency.

### **B) PROPOSAL SUBMITTAL**

1. Interested parties may submit a development proposal by the deadline specified in the RFP or other announcement.
2. Proposal requirements may include, but not be limited to, the following:
  - a. The proposed total consideration for the property(ies) and information supporting the offer price;
  - b. Any proposed alterations to the terms and conditions of sale;
  - c. Construction and development pro forma, a detailed site plan, a business/operating plan, developer qualifications, experience and references, a narrative description of the market support for the proposed project, an operating pro forma, as applicable, and an explanation of the economic benefits of the proposed project to the City, other affected taxing agencies and the community;
  - d. The proposed uses are to conform to the requirements, intent, goals, and objectives of the City General Plan/Zoning Ordinance, other applicable development standards, and other applicable federal, state, and local laws, codes and regulations.
  - e. A statement that no financial assistance is being requested from any governmental agency in connection with the proposal, or a statement that financial assistance is being requested from a governmental agency in connection with the proposal, indicating the amount that will be requested, the anticipated timing for consideration of such request, and a description of any discretionary process required by the governmental agency from which assistance will be requested, together with an acknowledgment that conditioning a proposal upon receipt of assistance from a governmental agency may result in the rejection of such proposal;
3. Interested parties to provide such additional information as may be requested in good faith by Successor Agency.
4. Subsequent to review, applicants will be advised regarding the development proposals submitted complying with the requirements of the RFP or whether additional information is required.



**C) PROPOSAL REVIEW**

1. The Successor Agency will review all proposals received and determined by Successor Agency staff to be complete.
2. Among other things, the Successor Agency's review will consider the value of the asset in question being maximized as well as the proposal furthering the objectives of the Successor Agency's General Plan and not negatively impacting property interest of landowners holding property near the asset in question.
3. Nothing in these Procedures prohibits the Successor Agency or the City from requiring information that is in addition to the foregoing or obligates the Successor Agency in selecting any proposal. Neither the City nor the Successor Agency will bear any responsibility for the costs associated with preparing and submitting a proposal.

**D) NEGOTIATING AGREEMENTS**

The Successor Agency may enter into an Exclusive Right to Negotiate Agreement ("ERNA") with a selected project proponent. The purpose of the ERNA is to establish a time period during which the chosen applicant shall have the right to negotiate with the Successor Agency the terms and conditions of a sales and development contract. Therefore, a Disposition and Development Agreement may follow the ERNA if applicable.

**E) ALTERNATIVE METHODS OF DISPOSITION**

The City shall have a right of first refusal in connection with the purchase of property. In the event a submittal is received, such right of first refusal may be exercised by means of the City: (i) notifying the Oversight Board and the party which made an offer (in either order) of the City's intention to acquire the property for monetary consideration in an amount equal to or greater than that offered by the offering party, and (ii) obtaining confirmation of such purchase by the Oversight Board.

The City shall have an option to purchase property based upon values agreed to by the Oversight Board. The option may be exercised as to one or more properties at a time or times of the City's choosing.

If the City determines that it is infeasible to otherwise market and dispose of certain properties, the Successor Agency may auction such property or properties at a time or times consented to by the Oversight Board.



## Exhibit B – Health & Safety Code

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### **HSC §34191.1, reads as follows:**

The provisions of this chapter shall apply to a City upon that agency's receipt of a finding of completion by the Department of Finance pursuant to Section 34179.7.

### **HSC §34191.3, reads as follows:**

Notwithstanding Section 34191.1, the requirements specified in subdivision (e) of Section 34177 and subdivision (a) of Section 34181 shall be suspended, except as those provisions apply to the transfers for governmental use, until the Department of Finance has approved a long-range property management plan pursuant to subdivision (b) of Section 34191.5, at which point the plan shall govern, and supersede all other provisions relating to, the disposition and use of the real property assets of the former redevelopment agency. If the department has not approved a plan by January 1, 2015, subdivision (e) of Section 34177 and subdivision (a) of Section 34181 shall be operative with respect to that City.

### **HSC §34191.4, reads as follows:**

The following provisions shall apply to any City that has been issued a finding of completion by the Department of Finance:

- (a) All real property and interests in real property identified in subparagraph (C) of paragraph (5) of subdivision (c) of Section 34179.5 shall be transferred to the Community Redevelopment Property Trust Fund of the City upon approval by the Department of Finance of the long-range property management plan submitted by the City pursuant to subdivision (b) of Section 34191.7 unless that property is subject to the requirements of any existing enforceable obligation.
- (b) (1) Notwithstanding subdivision (d) of Section 34171, upon application by the City and approval by the oversight board, loan agreements entered into between the redevelopment agency and the city, county, or city and county that created by the redevelopment agency shall be deemed to be enforceable obligations provided that the oversight board makes a finding that the loan was for legitimate redevelopment purposes.

(2) If the oversight board finds that the loan is an enforceable obligation, the accumulated interest on the remaining principal amount of the loan shall be recalculated from origination at the interest rate earned by funds deposited into the Local Agency Investment Fund. The loan shall be repaid to the city, county, or city and county in accordance with a defined schedule over a reasonable term of years at an interest rate not to exceed the interest rate earned by funds deposited into the Local Agency Investment Fund. The annual loan repayments provided for in the recognized obligations payment schedules shall be subject to all of the following limitations:

(A) Loan repayments shall not be made prior to the 2013-14 fiscal year. Beginning in the 2013-14 fiscal year, the maximum repayment amount authorized each fiscal year for repayments made pursuant to this subdivision and paragraph (7) of subdivision (e) of Section 34176 combined shall be equal to one-half of the increase between the amount distributed to the taxing entities pursuant to paragraph (4) of subdivision (a) of Section 34183 in that fiscal year and the amount distributed to taxing entities pursuant to that paragraph in the 2012-13 base year. Loan or deferral repayments made pursuant to this subdivision shall be second in priority to amounts to be repaid pursuant to paragraph (7) of subdivision (e) of Section 34176.

(B) Repayments received by the city, county or city and county that formed the redevelopment agency shall first be used to retire any outstanding amounts borrowed and owed to the Low and Moderate Income Housing Fund of the former redevelopment agency for purposes of the Supplemental Educational Revenue Augmentation Fund and shall be distributed to the Low and Moderate Income Housing Asset Fund established by subdivision (d) of Section 34176.

(C) Twenty percent of any loan repayment shall be deducted from the loan repayment amount and shall be transferred to the Low and Moderate Income Housing Asset Fund, after all outstanding loans from the Low and



Moderate Income Housing Fund for purposes of the Supplemental Educational Revenue Augmentation Fund have been paid.

(c) (1) Bond proceeds derived from bonds issued on or before December 31, 2010, shall be used for the purposes for which the bonds were sold.

(2) (A) Notwithstanding Section 34177.3 or any other conflicting provision of law, bond proceeds in excess of the amounts needed to satisfy approved enforceable obligations shall thereafter be expended in a manner consistent with the original bond covenants. Enforceable obligations may be satisfied by the creation of reserves for projects that are the subject of the enforceable obligation and that are consistent with the contractual obligations for those projects, or by expending funds to complete the projects. An expenditure made pursuant to this paragraph shall constitute the creation of excess bond proceeds obligations to be paid from the excess proceeds. Excess bond proceeds obligations shall be listed separately on the Recognized Obligation Payment Schedule submitted by the City.

(B) If remaining bond proceeds cannot be spent in a manner consistent with the bond covenants pursuant to subparagraph (A), the proceeds shall be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation

**HSC §34191.5, reads as follows:**

(a) There is hereby established a Community Redevelopment Property Trust Fund, administered by the City, to serve as the repository of the former redevelopment agency's real properties identified in subparagraph (C) of paragraph (5) of subdivision (c) of Section 34179.5.

(b) The City shall prepare a long-range property management plan that addresses the disposition and use of the real properties of the former redevelopment agency. The report shall be submitted to the oversight board and the Department of Finance for approval no later than six months following the issuance to the City of the finding of completion.

(c) The long-range property management plan shall do all of the following:

(1) Include an inventory of all properties in the trust. The inventory shall consist of all of the following information:

(A) The date of the acquisition of the property and the value of the property at that time, and an estimate of the current value of the property.

(B) The purpose for which the property was acquired.

(C) Parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.

(D) An estimate of the current value of the parcel including, if available, any appraisal information.

(E) An estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.

(F) The history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts.

(G) A description of the property's potential for transit-oriented development and the advancement of the planning objectives of the City.

(H) A brief history of previous development proposals and activity, including the rental or lease of property.

(2) Address the use or disposition of all of the properties in the trust. Permissible uses include the retention of the property for governmental use pursuant to subdivision (a) of Section 34181, the retention of the property for future development, the sale of the property, or the use of the property to fulfill an enforceable obligation. The plan shall separately identify and list properties in the trust dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties, all of the following shall apply:



(A) If the plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the city, county, or city and county.

(B) If the plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or other than that specified in subparagraph (A), the proceeds

from the sale shall be distributed as property tax to the taxing entities.

(C) Property shall not be transferred to a City, city, county, or city and county, unless the long-range property management plan has been approved by the oversight board and the Department of Finance.

**Note: HSC §34191.2 does not exist and therefore is not included above.**



## Exhibit C – DOF Finding Of Completion

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July 16, 2013

Mr. Jeff Zwack, Development Services Director  
City of Upland Successor Agency  
460 North Euclid Avenue  
Upland, CA 91786

Dear Mr. Zwack:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Upland Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Mr. Jeff Zwack  
July 16, 2013  
Page 2

Sincerely,



STEVE SZALAY  
Local Government Consultant

cc: Ms. Liz Chavez, Housing Manager, City of Upland  
Ms. Linda Santillano, Property Tax Manager, County of San Bernardino  
California State Controller's Office



## Exhibit D – Resolution of the Oversight Board

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RESOLUTION NO. 2013-7

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE UPLAND COMMUNITY REDEVELOPMENT AGENCY APPROVING A LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34191.5

WHEREAS, the Upland Community Redevelopment Agency was dissolved February 1, 2012;

WHEREAS, the Oversight Board of the Successor Agency to the Upland Community Redevelopment Agency ("Oversight Board") has been established pursuant to Health and Safety Code ("HSC") § 34179 to assist in the wind-down of the dissolved redevelopment agency;

WHEREAS, on July 16, 2013, the Successor Agency to the Upland Community Redevelopment Agency ("Successor Agency") received its Finding of Completion (the "FOC") from the California Department of Finance (the "DOF") pursuant to HSC § 34179.7;

WHEREAS, within six (6) months of the date of the FOC, HSC § 34191.5(b) requires the Successor Agency to prepare a Long-Range Property Management Plan ("LRPMP") to address the disposition and use of the real property assets held by the Successor Agency;

WHEREAS, , in accordance with HSC § 34191.5, the Successor Agency has prepared its LRPMP, which is attached as Exhibit "A" to this Resolution that identifies the disposition and uses of Successor Agency properties including, but without limitation, the use of land sale proceeds as more particularly described in HSC § 34191.5(c)2;

WHEREAS, subject to approval by the Oversight Board, the LRPMP will be submitted to the DOF;

WHEREAS, once the LRPMP has been approved by the DOF, the Successor Agency may act upon its implementation;

WHEREAS, consistent with the applicable provisions of the HSC, it is recommended that the Oversight Board approve the attached LRPMP;

WHEREAS, all of the prerequisites with respect to the approval of this Resolution have been met.

NOW THEREFORE, THE OVERSIGHT BOARD OF SUCCESSOR AGENCY TO THE UPLAND COMMUNITY REDEVELOPMENT AGENCY DOES HEREBY FIND, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct and are a substantive part of this Resolution.

SECTION 2. The Long-Range Property Management Plan attached to this Resolution as Exhibit "A" is hereby approved

SECTION 3. The Successor Agency is authorized to take all administrative steps necessary to carry out this Resolution.

SECTION 4. If any provision of this Resolution, or the application of such provision to any persons or circumstances, shall be held invalid, the remainder of this Resolution, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SECTION 5. The Secretary shall certify to the passage and adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 19th day of December, 2013.

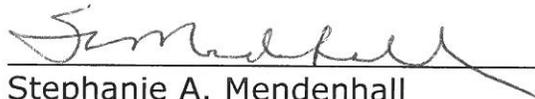
  
\_\_\_\_\_  
Chairman

Attachment:  
Exhibit A

I, Stephanie A. Mendenhall, Secretary of the Oversight Board of the Successor Agency to the Upland Community Redevelopment Agency, do hereby certify that the foregoing Resolution was passed and adopted at a special meeting of the Successor Agency to the Upland Community Redevelopment Agency held on the 19th day of December, 2013, by following vote:

AYES: Chairman Zwack, Board Members Catlin, Davenport, Gates,  
and Scheu  
NOES: None  
ABSENT: Board Members Cable and Siddiqi  
ABSTAINED: None

ATTEST:

  
\_\_\_\_\_  
Stephanie A. Mendenhall  
Secretary



## Exhibit E – Assessor Parcel Maps

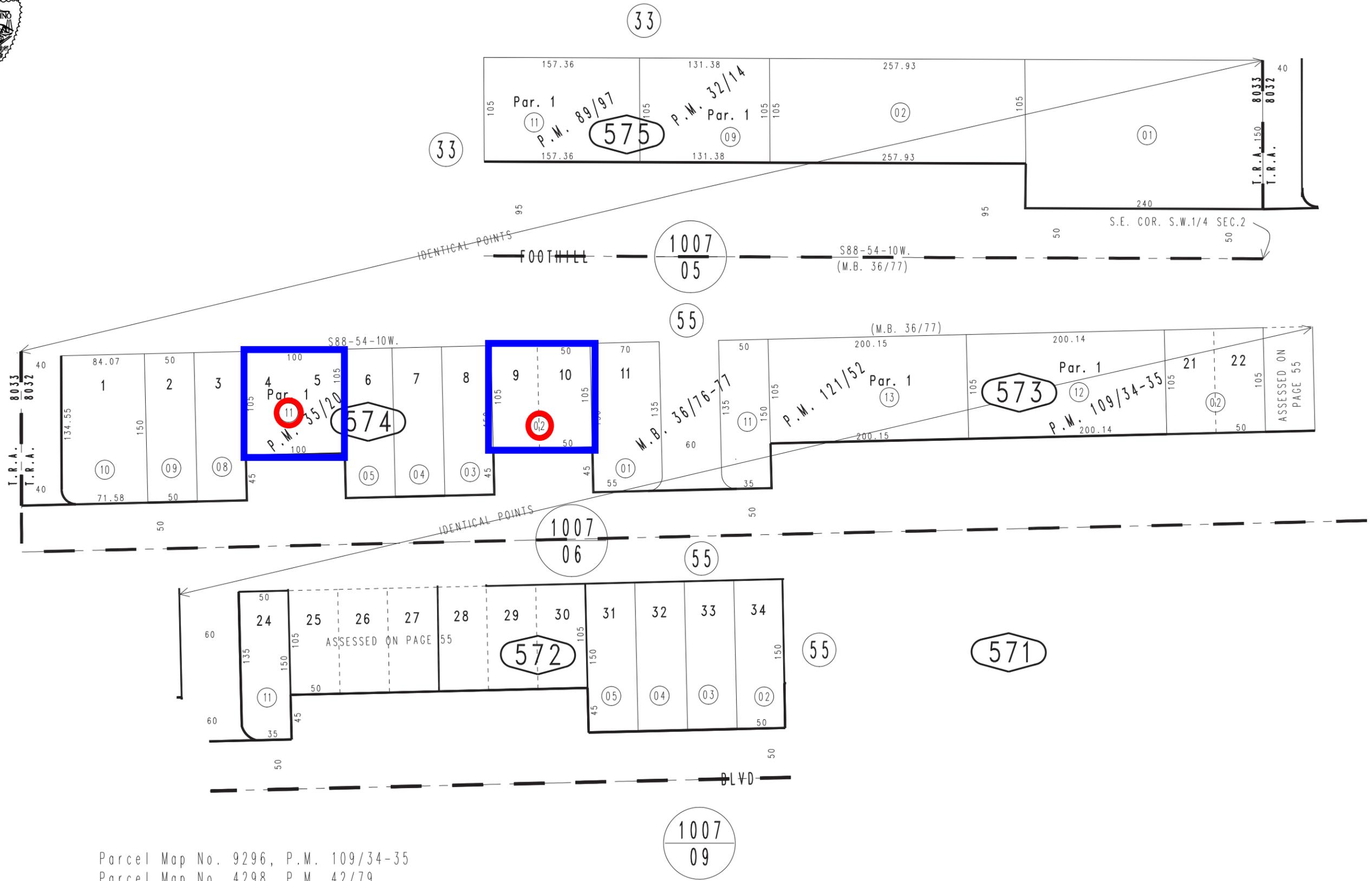
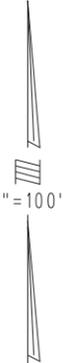
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THIS MAP IS FOR THE PURPOSE OF AD VALOREM TAXATION ONLY.

Ptn. S.1/2 Sec.2, T.1S.,R.8W., S.B.B.&M.

City of Upland  
Tax Rate Area  
8032,8033

1006 - 57

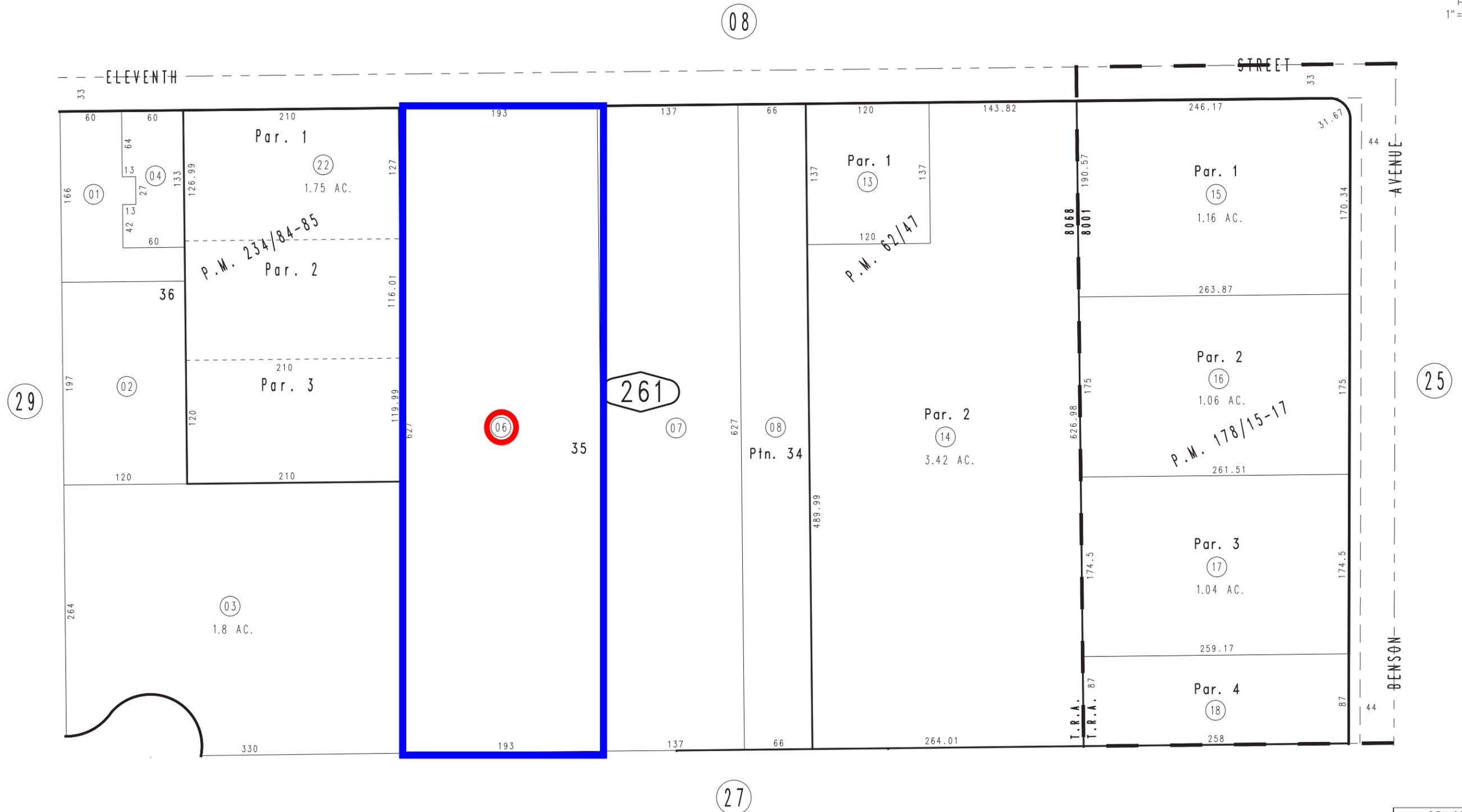
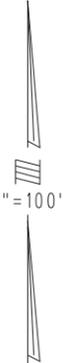


THIS MAP IS FOR THE PURPOSE  
OF AD VALOREM TAXATION ONLY.

# Ptn. College Heights Tract, M.B. 17/77-78

City of Upland  
Tax Rate Area  
8001,8064,8068

1007 - 26



September 2004

Parcel Map No. 18996, P.M. 234/84-85  
Parcel Map No. 14605, P.M. 178/15-17  
Parcel Map No. 6514, P.M. 62/47

Ptn. N.E.1/4, Sec.11  
T.1S.,R.8W.

Assessor's Map  
Book 1007 Page 26  
San Bernardino County

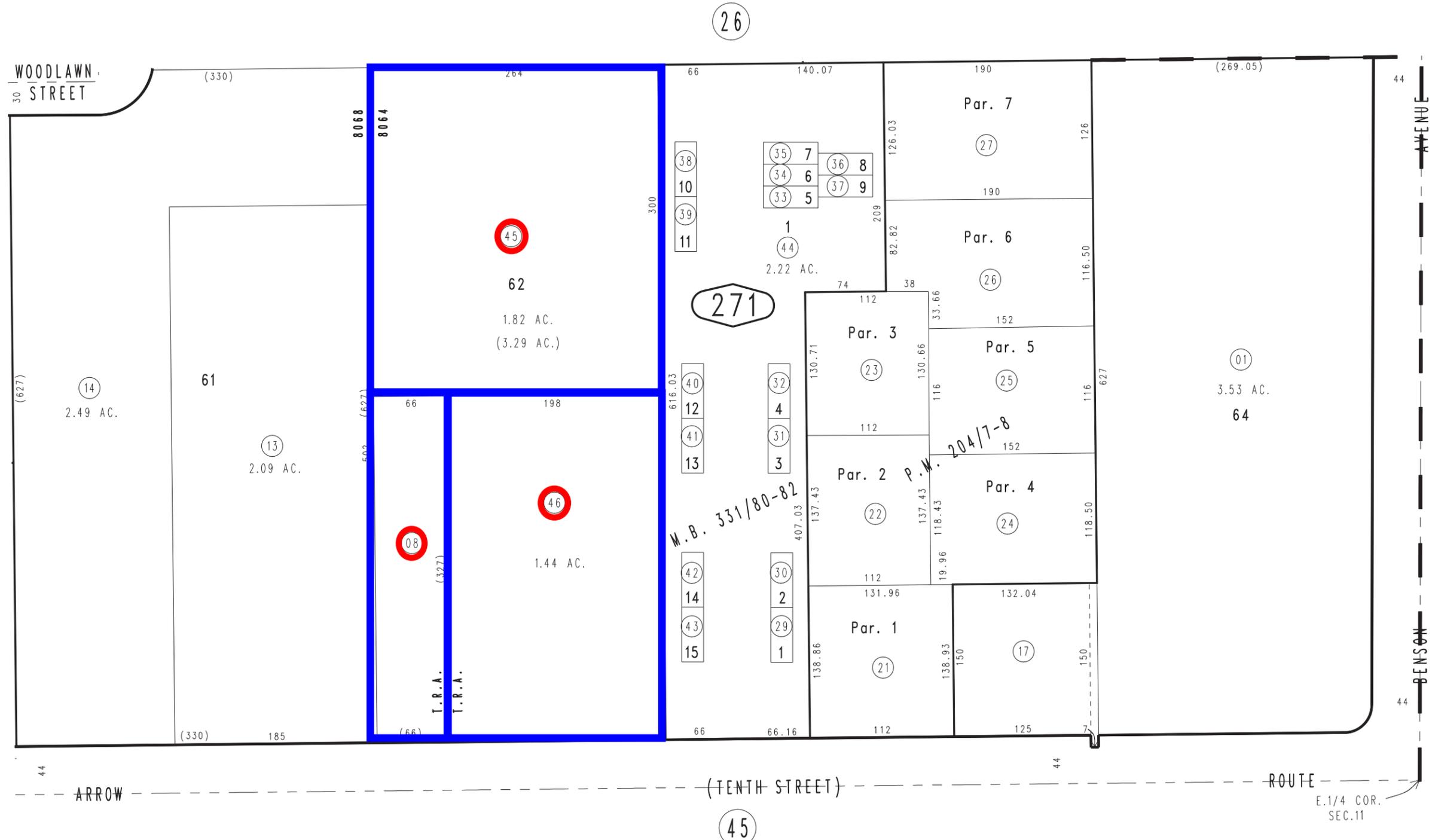
REVISED  
04/27/11 GW-MC  
08/23/13 RU

THIS MAP IS FOR THE PURPOSE  
OF AD VALOREM TAXATION ONLY.

# Ptn. College Heights Tract, M.B. 17/77-78

City of Upland  
Tax Rate Area  
8068

1007 - 27

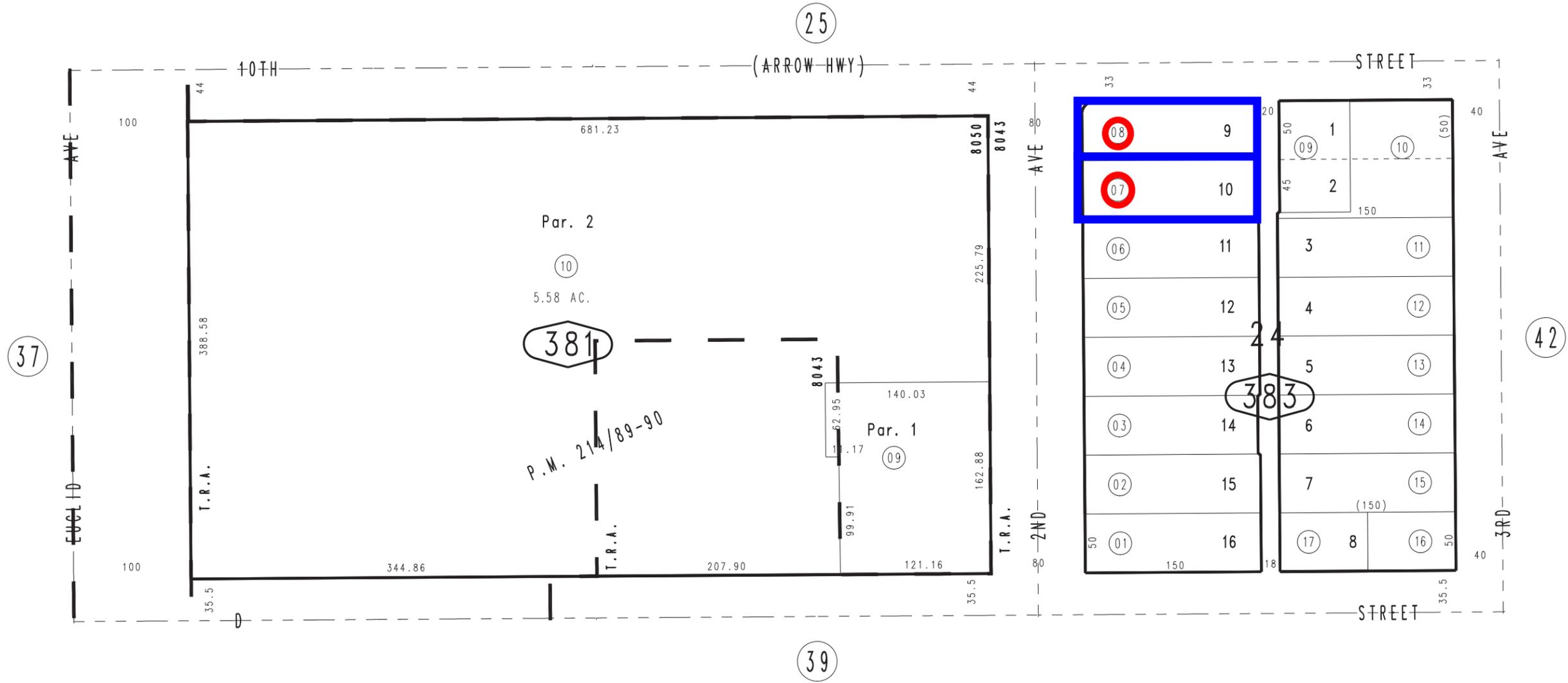


THIS MAP IS FOR THE PURPOSE  
OF AD VALOREM TAXATION ONLY.

# Ptn. Town of Magnolia M.B. 9/15

City of Upland  
Tax Rate Area  
8043 8050

1046 - 38



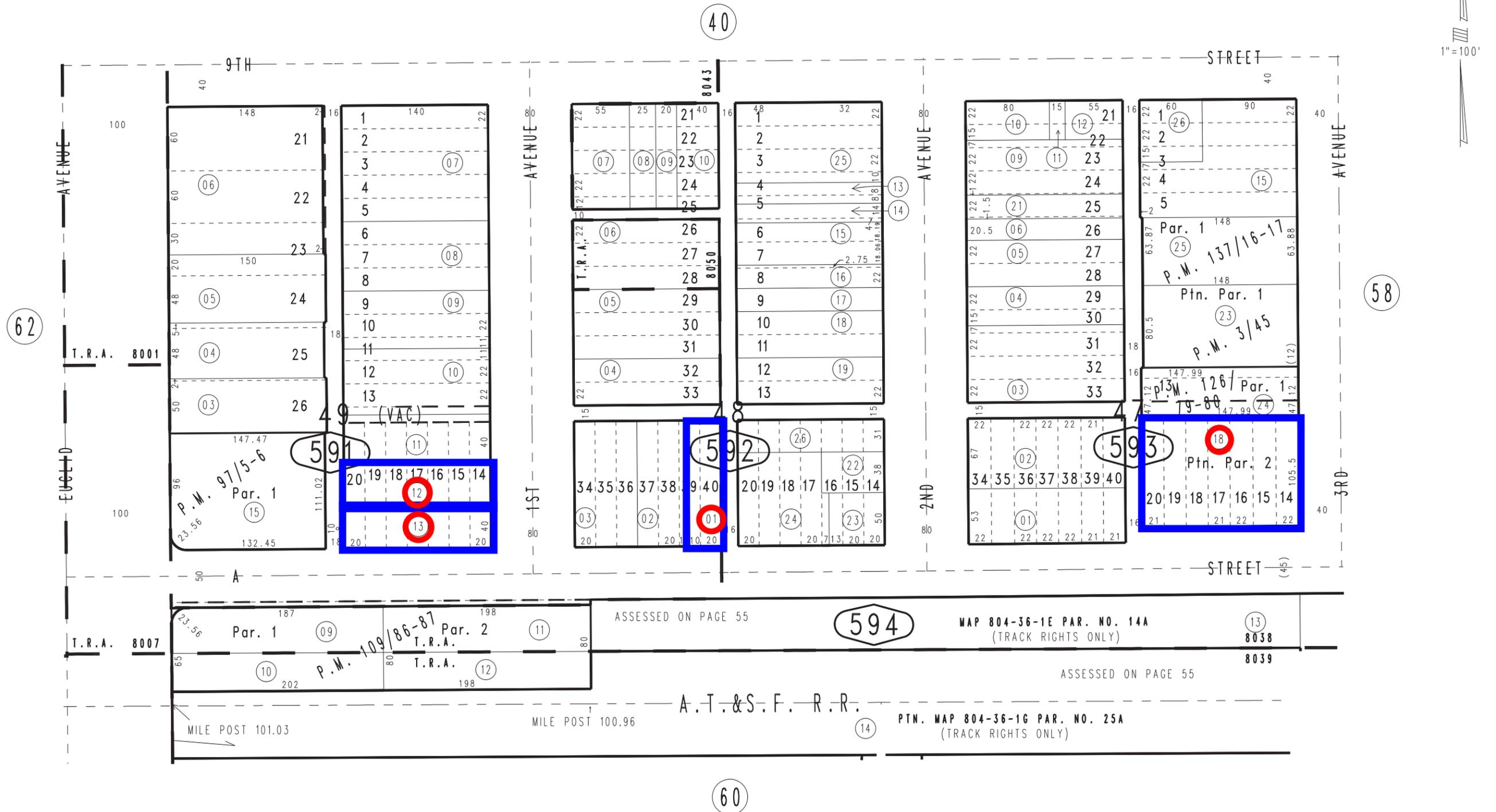
THIS MAP IS FOR THE PURPOSE OF AD VALOREM TAXATION ONLY.



# Ptn. Town of Magnolia M.B. 9/15

City of Upland  
Tax Rate Area  
8001,8007,8038  
8039,8043,8050

1046 - 59



Parcel Map No. 11874, P.M. 137/16-17  
 Parcel Map No. 10090, P.M. 126/79-80  
 Parcel Map No. 9890, P.M. 109/86-87  
 Parcel Map No. 8677, P.M. 97/5-6  
 Ptn. Parcel Map No. 173, P.M. 3/45

August 2004

Ptn. S.E.1/4, Sec.7  
T.1S.,R.7W.

Assessor's Map  
Book 1046 Page 59  
San Bernardino County

REVISED  
04/08/13 RU-MC

THIS MAP IS FOR THE PURPOSE OF AD VALOREM TAXATION ONLY.



# Ptn. N.W. Stowells Sub. M.B. 5/18

City of Upland  
Tax Rate Area  
8039,8044

1046 - 60

1" = 100'

59

58

A.T. & S.F. R.R.

PTN. MAP 804-36-1G PAR. NO. 25A

ASSESSED ON PAGE 59  
(TRACK RIGHTS ONLY)

MILE POST 101.03

MILE POST 100.96

ASSESSED ON PAGE 55

MILE POST 100.76

04 MAP 804-36-1 PAR. NO. 4A

02

605

06 MAP 804-36-1 PAR. NO. 5A

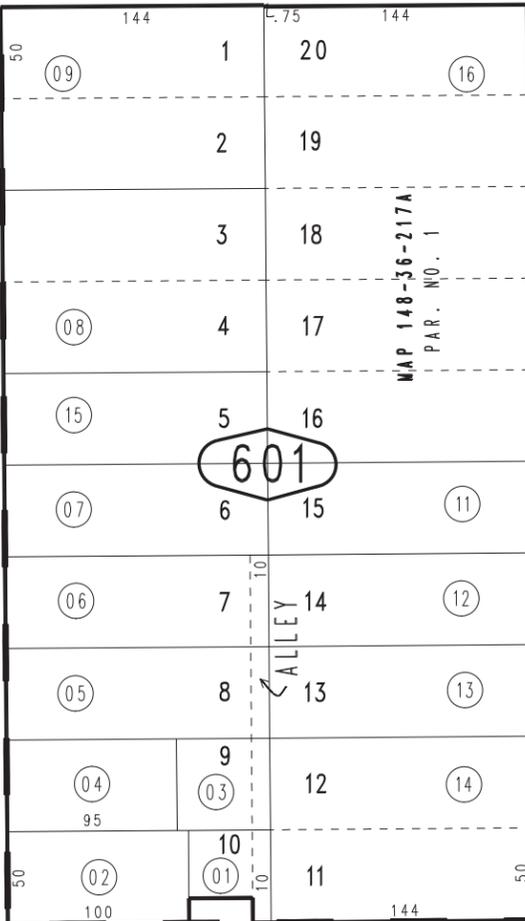
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PARK STOWELL

STREET

MAP 872-36-104

100



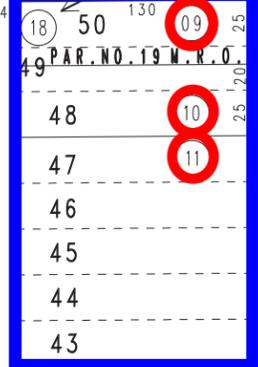
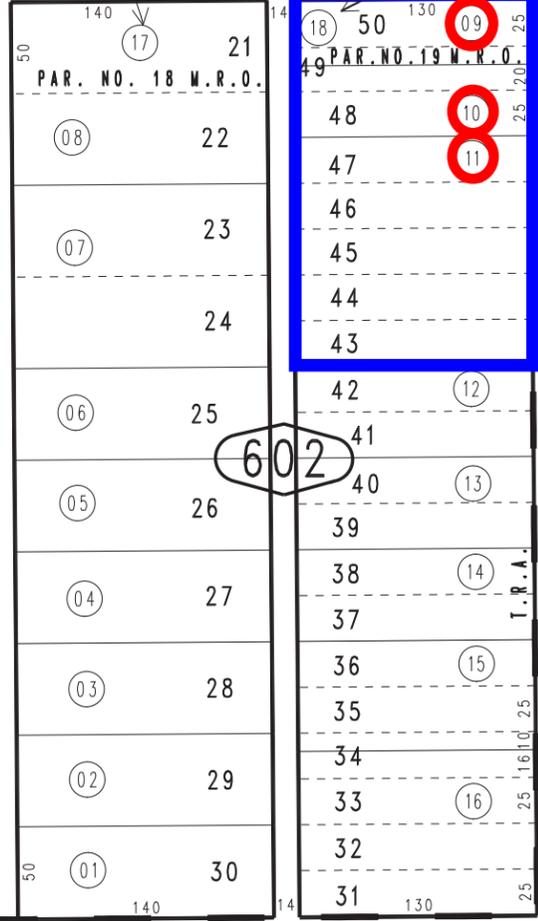
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AVENUE

633

FIRST

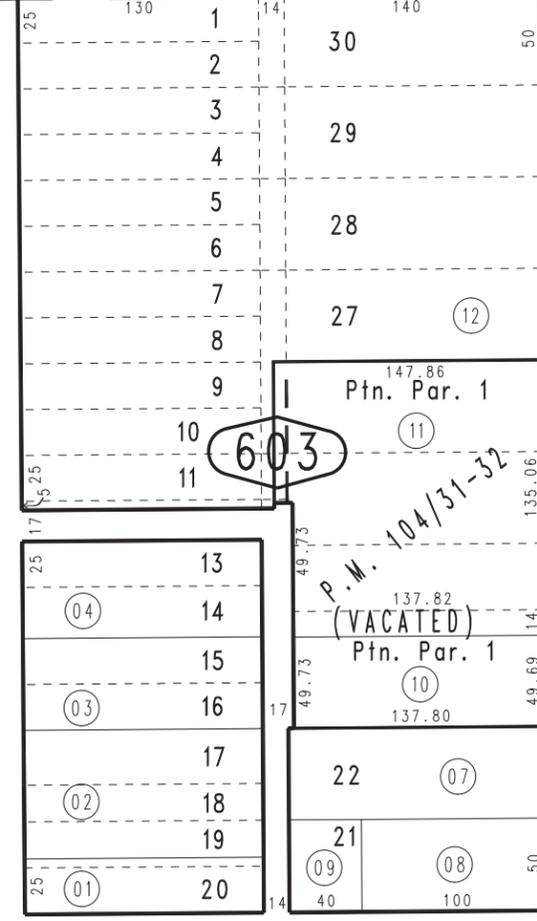
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AVENUE

SECOND

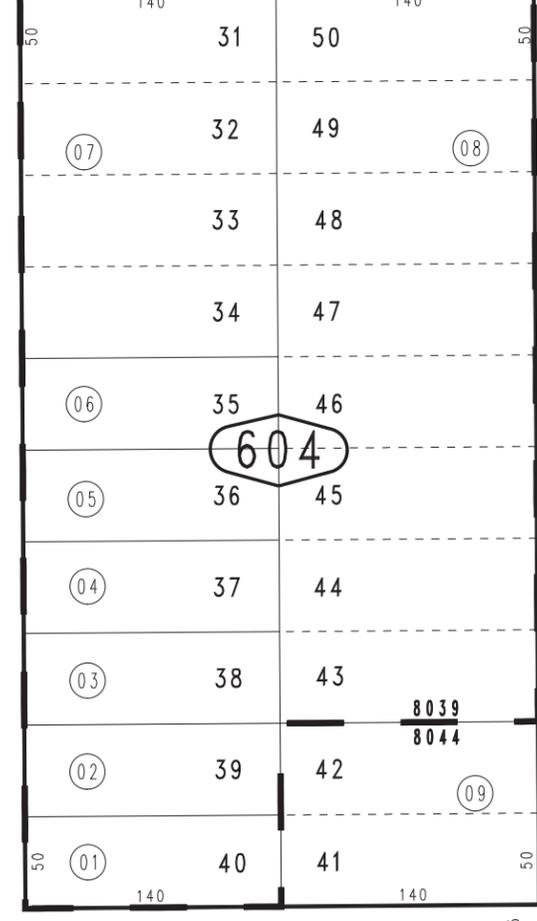
77



AVENUE

THIRD

78



AVENUE

SULTANA

33

61

57

1047  
06

Ptn. S.E.1/4, Sec.7  
T.1S.,R.7W.

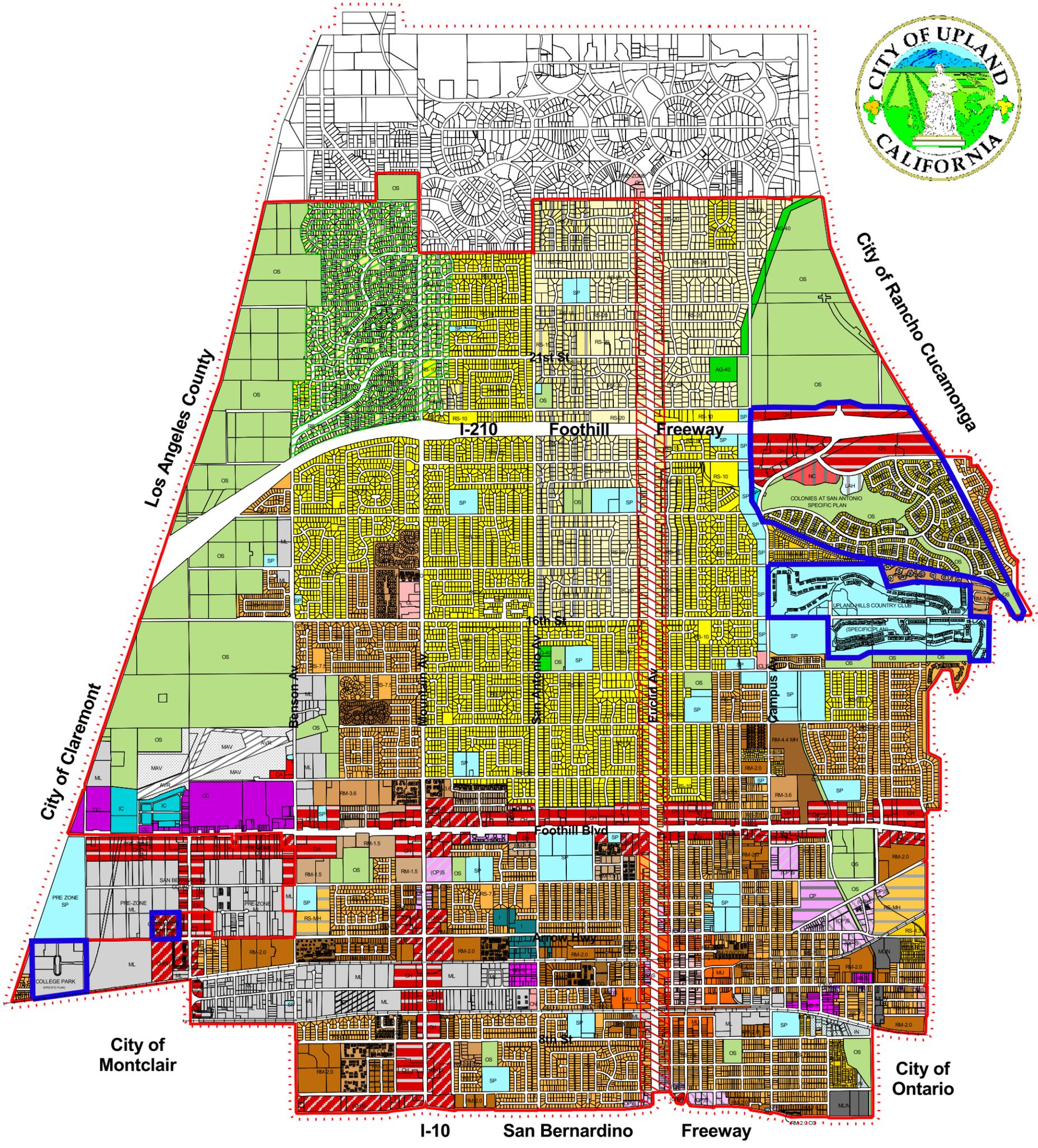
Assessor's Map  
Book 1046 Page 60  
San Bernardino County

REVISED  
11/20/08 GW



## Exhibit F – Zoning Information

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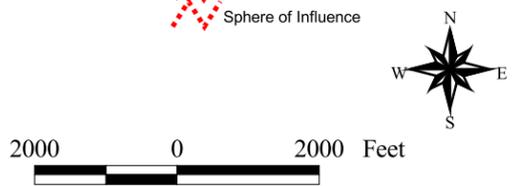
# CITY OF UPLAND

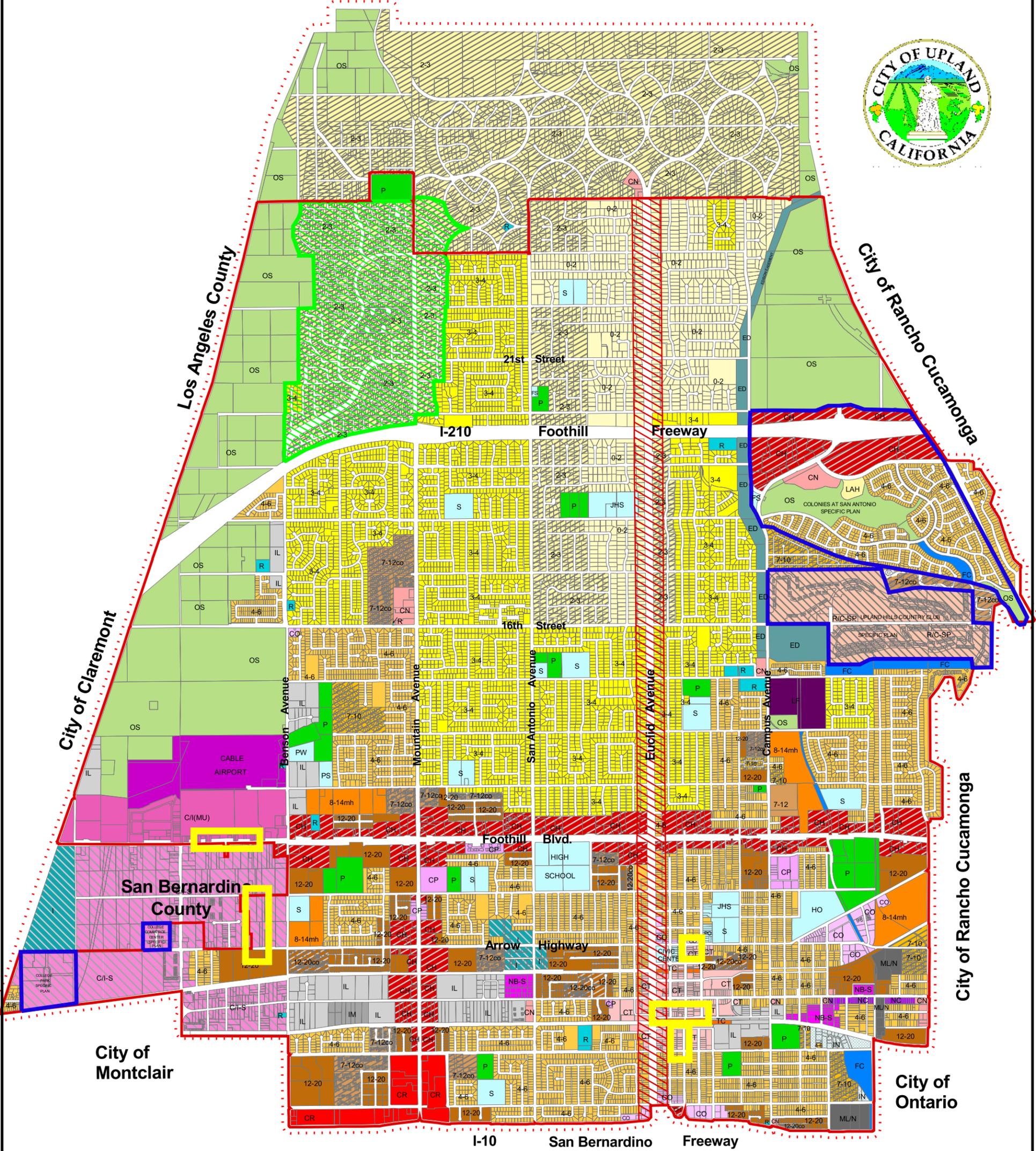
## Zoning

September 2004

<p><b>Residential Uses</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #00FF00; border: 1px solid black;"></span> AG-40</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FFFF00; border: 1px solid black;"></span> RS-20</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FFD700; border: 1px solid black;"></span> RS-15</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FFA500; border: 1px solid black;"></span> RS-10</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF8C00; border: 1px solid black;"></span> RS-7.5</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF69B4; border: 1px solid black;"></span> RS-6</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF4500; border: 1px solid black;"></span> RS-4.3</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FFD700; border: 1px solid black;"></span> RS-MH</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #D2B48C; border: 1px solid black;"></span> RM-1.5</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #8B4513; border: 1px solid black;"></span> RM-2.0</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #654321; border: 1px solid black;"></span> RM-2.0 CO</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #4682B4; border: 1px solid black;"></span> RM-3.6</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #2E8B57; border: 1px solid black;"></span> RM-3.6 CO</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #008000; border: 1px solid black;"></span> RM-3.6 MH</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #000000; border: 1px solid black;"></span> RM-4.4</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #800000; border: 1px solid black;"></span> RM-4.4 MH</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #800000; border: 1px solid black;"></span> RM-4.4 CO</li> </ul>	<p><b>Non-Residential Use and Mixed Use</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FFC0CB; border: 1px solid black;"></span> OP</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #90EE90; border: 1px solid black;"></span> CP</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> CA</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> CN</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> CH</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> CC</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> CL</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> TC</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> MU</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> NB-S</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> (CH)S</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> (CN)S</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> (CP)S</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> (OP)S</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> BN</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> MAV</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> ML</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> ML/N</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> IN</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> IM Overlay</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> AVR</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> I</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> IC</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> OS</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> SP</li> </ul>	<p><b>Colonies at San Antonio Specific Plan</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> SFR-6.0</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> SFR-5.0</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> SFR-4.5</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> SFR-4.0</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> LAH</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> CH</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> NC</li> <li><span style="display: inline-block; width: 15px; height: 10px; background-color: #FF0000; border: 1px solid black;"></span> CF</li> </ul>	<p><b>Zoning Overlay Areas</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; border: 2px solid blue;"></span> Specific Plan Area</li> <li><span style="display: inline-block; width: 15px; height: 10px; border: 2px solid red;"></span> Scenic Corridor</li> <li><span style="display: inline-block; width: 15px; height: 10px; border: 2px solid green;"></span> Canyon Ridge Bonus Density Area</li> <li><span style="display: inline-block; width: 15px; height: 10px; border-bottom: 1px solid black;"></span> Railroad</li> <li><span style="display: inline-block; width: 15px; height: 10px; border-bottom: 1px solid black;"></span> City Limits</li> <li><span style="display: inline-block; width: 15px; height: 10px; border-bottom: 1px solid black;"></span> Sphere of Influence</li> </ul>
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Zoning  
Creator: DLH  
Plot produced by Psomas  
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# CITY OF UPLAND General Plan

February 2005



<b>SINGLE FAMILY RESIDENTIAL</b>	<b>MULTI-FAMILY RESIDENTIAL</b>	<b>COMMERCIAL</b>	<b>INDUSTRIAL</b>	<b>SPECIFIC PLANS</b>	<b>PUBLIC/GOVERNMENT</b>	<b>SPECIAL/INSTITUTIONAL</b>	<b>Other Symbols</b>
0 - 2 du/ac	7 - 12 du/ac	Highway Commercial	Light Industrial	Institutional	Civic Center	Hospital	Railroad
2 - 3 du/ac	12 - 20 du/ac	Central Trading	Industrial/Loft Mixed	Commercial/Industrial - S	Fire Station	Cable Airport	City Limits
3 - 4 du/ac	7 - 12 du/ac Condominium	Neighborhood Shopping	Neighborhood Industrial	Residential/Commercial	Post Office	Open Space	Sphere of Influence
4 - 6 du/ac	12 - 20 du/ac Condominium	Commercial Professional	Light Industrial / Neighborhood		Police Station	Edison Easement	Scenic Corridor
7 - 10 du/ac		Office Only			School	Flood Control	Density Bonus Area
8 - 14 du/ac Mobile Home		Transit Commercial			Park		Specific Plan Area
		Regional Commercial			Reservoir		
		Neighborhood Business-Specialty			Land Fill (closed)		
		Neighborhood Conservation					
		Commercial/Industrial - Mixed Use					

2000 0 2000 Feet

Date: 04/25/05  
General Plan  
Creator: NIH  
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