

Castro Valley Town Square

Analysis of Costs, Uses and Local Support

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March 11, 2014

Overview

At the February 4, 2014 Castro Valley Municipal Advisory Council (MAC) meeting, the MAC passed a motion requesting that the Castro Valley Town Square proponents gather more data about a proposed town square/plaza at the Daughtrey's Building site. This document contains that research.

At the Successor Agency Oversight Board Meeting on February 26, the Board unanimously voted to support a revision to the Long Range Property Management Plan (LRPMP) so that a public use can be considered for the site.

The Castro Valley Town Square team spent the past few weeks canvassing local businesses, engaging residents about the project, talking to urban planners, getting feedback and advice from local and county officials and staff, and reaching out to those responsible for similar projects in Livermore, Lafayette, Windsor, Hayward, and Noe Valley. We've also talked to several parks officials as well as landscape architects and contractors.

We propose an alternative plan for the Daughtrey's Building site that 1) razes the building, 2) remediates the environmental concerns, and 3) creates a vibrant community gathering place.

We believe that MAC support is essential for the success of reclaiming one of Castro Valley's most visible and prominent spaces for public use.

We invite the MAC to join the community and support this alternative public use of the site and advise the Board of Supervisors and Oversight Board to do everything in their power to make a town square a reality for Castro Valley.

Findings Summary

- **Great Size.** The site footprint provides 15,000 square feet to construct a plaza. There is already a parking plan for the surrounding area in the back and to the side, and the surrounding buildings would give the plaza a natural enclosure that would make the plaza inviting and comfortable, according to urban planners we talked to.
- **Reasonable Cost.** A bottoms-up detailed estimate for a build-out of a basic town square was created in conjunction with landscape architects, local landscape contractors, and urban planners, as well as reviews of comparable town square sites throughout the Bay Area. Our estimated construction cost for a sample town square, based on the design elements discussed in this document, is less than \$650,000.
- **Overwhelming Business Support for Change.** We canvassed nearly every one of the businesses surrounding the site, and we found that they overwhelmingly supported tearing down the current eyesore building. They preferred replacing the current building either with a town square that frees up critical parking spaces in the Downtown core or a new retail building. When asked specifically whether they would support a town square, 18 of 20 businesses canvassed near the Daughtrey site said yes.

- **Ideal Location.** We spoke to urban planners who have designed similar plazas in the Bay Area. They agree a plaza would transform the downtown area as it did in their towns, and “we could not ask for a better location” than the Daughtrey site.
- **Wide Resident Support.** We engaged with over 1,000 Castro Valley residents through one-on-one interaction at the Saturday Farmer’s Market, through social media, blogs, letters to the editor, and collecting petition signatures. Again, we found wide support for removing the building.
- **Safety.** In engaging our neighbors and fellow Castro Valley residents about the town square, folks were rightfully concerned about how the space would be used, particularly how it might attract transient populations. Urban planners we spoke to said that there would constantly be “eyes on the plaza” and the street access would make it easy to patrol and monitor, making it extremely unlikely to become a place for homeless or vandals to gather. Sociologist William H. Whyte extensively researched how people gather in public spaces and observed that “the best way to handle the problem of undesirables is to make a place attractive to everyone else.”

What is a town square?



Town squares are open public spaces that have been incorporated into communities throughout history. Alternative names include plaza, civic center, and town green. Basic features of a town square include a large open space; a central location in the community and an identifying feature such as a fountain, gazebo, or public art.

Town squares become iconic gathering spaces in a community and “usually become the hub of the community, with numerous groups taking advantage of the open space to hold events... Visitors often enjoy visiting the town square as well, to get a taste for the community.”

(<http://www.wisegeek.com/what-is-a-town-square.htm>)

Communities throughout the world incorporate town squares into their basic design as a fundamental planning tool. We are being given the opportunity to reimagine downtown Castro

Valley.

The Right Place, The Right Time - A Unique, Urgent Opportunity

Since 2000, Alameda County sought the purchase and redevelopment of the semi-abandoned Daughtrey's building. Redevelopment efforts have always been focused on private uses, not public ones, unlike similar blighted properties purchased by redevelopment in the unincorporated areas of Alameda County.

Right after the purchase of the building for \$2.7 million in 2011, California's redevelopment agencies were dissolved, further frustrating efforts to pass the building on to a private party for redevelopment. The most recent appraisal put a value of \$950,000 on the site.

The building has several problems. There are known asbestos issues in the structure. The basement is prone to flooding, needs pumps, and is where contaminated water collects.

The Community Development Agency has been negotiating an agreement that is "92% complete" with developer David Greensfelder. The agreement could not be executed until the fate of the site is resolved in the redevelopment dissolution process. Greensfelder does not plan to take down the building or remediate the water contamination issues in the basement.

"The cost of the water quality monitoring and testing is approximately \$32,000 per year. When purchasing the property, the Agency received a \$320,000 discount from the seller to account for the capitalized cost of the ongoing monitoring and testing. **Future buyers of the property expect a similar discount off the building's market valuation.**"
(www.acgov.org/cda/successor/meetings/AqItem7-StaffReport-RealEstateUpdate.pdf)

It is, therefore, reasonable to expect a further reduction in the price of the site from \$950,000 to \$630,000 so that a private party can maintain the pump and filter system.

In essence, the public would be subsidizing the maintenance of a substandard basement with limited commercial appeal. What type of business would take the risk to rent the space? Does the type of business that would rent this basement really enhance the vitality of our downtown? And why are public funds being used to maintain space that detracts from the overall goal of enhancing our central business district?

Once the property is transferred to a private party, the opportunity to mitigate the environmental problems at the site is lost. A subsidy will help the developer maintain pumps and filters, but what happens in 10, 20, or 30 years? These are long-term costs that, over time, will serve as a drag to profitability at the site, and put the public at risk should the system not be maintained.

As the Daughtrey's site is currently under government control, there is a compelling public policy choice to mitigate the environmental problems at the site and seize the opportunity to create a town square. Why not use the presumed \$320,000 subsidy to leverage the additional state and

federal fund sources that could help cover the costs of remediation at the site?

On February 26, 2014, the Successor Agency Oversight Board unanimously voted to support a revision to the Long Range Property Management Plan (LRPMP) so that a public use can be considered for the site.

This means that Alameda County can continue working with the private developer who proposes a remodel without a permanent remediation of the site's environmental concerns, while an alternative plan is developed that 1) razes the building, 2) remediates the environmental concerns, and 3) creates a vibrant community gathering place.

A Walkable Downtown: An Investment in Castro Valley's Future

"If you plan cities for cars and traffic, you get cars and traffic. If you plan for people and places, you get people and places"

- Fred Kent, President, Project for Public Spaces

While known for its strong sense of community, Castro Valley lacks the amenities that make it feel like the small town that many believe and want it to be. As we look to our town's future and seek to overcome the consequences of the lack of planning in our past, we have an opportunity now to transform the heart of community in a way that will give Castro Valley a stronger sense of place and an anchor for economic development in our downtown core.

We spoke with several commercial developers and urban planners about successful downtowns and they informed us about the changing demographics of suburban retail centers and what makes a successful retail location. A single large retail location is no longer the best way to draw customers to a downtown. Most thriving downtowns have a robust entertainment element, or something that draws the public to the location. The shared parking and downtown town square could be that draw.

One of the commercial agents made an astute observation about the effect that the parking would have on the entire community when he said, "The plaza and parking would be excellent for the community. Not only would this create value in the downtown area, but this would create value in the entire residential community. People will want to live here if we create a downtown space." This same agent had commented that he is moving residential homeowners from Castro Valley to Pleasanton and San Ramon because they have great open spaces and hold community events. People crave a downtown identity and it has value.

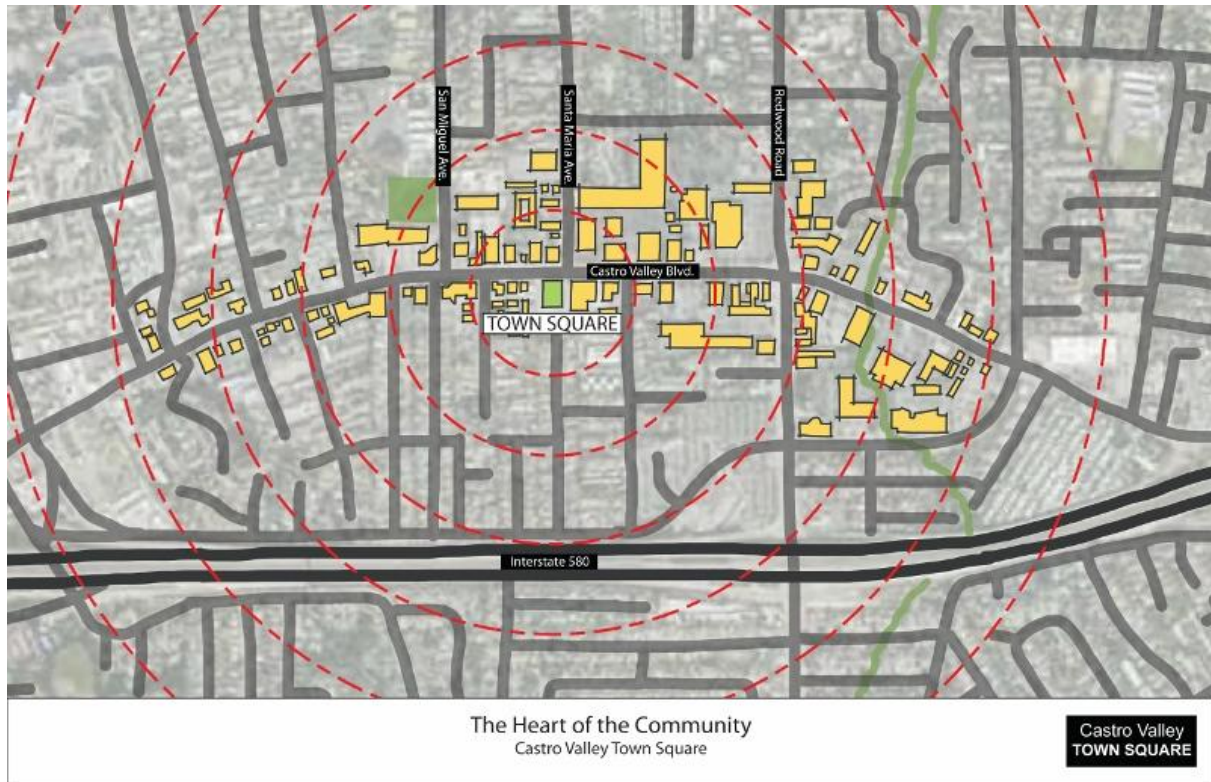
Parking spaces are a tangible asset. This is why there are formulas that designate how many spaces are needed according to the size of the building. In Alameda County, this number depends upon the use assigned to it, but it is at least 4 spaces per 1,000 feet. If the building is removed, 60 parking spaces will no longer be assigned for use by the Daughtrey's building and can be used for the downtown customers.

There is also a formula to assign the value of these parking spaces. The cost to create each space if it were in a parking garage is the typical benchmark, but these costs can vary widely. These fees can range from \$2,000 to \$67,000, but the median is more than \$9,000 per space. Using these numbers, these 60 parking spaces have a value of \$540,000 to downtown Castro Valley.

A town square is an investment in the future of our community and the anchor that the downtown desperately needs. The Winter Lights Festival and parade attracted crowds to the downtown area, and this led to a huge increase in sales for our downtown businesses. Holding regular events at the town square will further increase revenue to local businesses - more than another retail shop or non-local restaurant would at the Daughtrey location. That fact alone makes a strong business case for the town square. Add to it the large number of current retail vacancies, and the fact that the Daughtrey building has not been able to attract or keep a decent tenant in decades, and you have an extremely compelling reason to transform the site into a public town square.

A walkable downtown attracts people, makes them linger, and connects them in ways we could never plan for. Having a destination or a waypoint such as the town square makes Castro Valley more walkable and bikeable, and brings more people to local businesses with consistency and frequency.

Lois Fisher (<http://www.fishertowndesign.com/about.html>), a Santa Rosa-based urban planner who has worked to develop town squares and more walkable communities, said of the Daughtrey's site: "You could not wish for a better place to build a town square - you have businesses all around it, it's a main intersection, and there is already a parking plan."



The “T”-intersection where Santa Maria and Castro Valley Boulevard meet, serves as a natural and historical center of our community. With a town square to the south, the section of Santa Maria from the Post Office to the Boulevard becomes a natural conduit for pedestrian traffic. In turn this could provide a boost of pedestrian traffic along this corridor and attract new retail and dining establishments.

The town square can be Castro Valley’s hub, where we gather and experience the small town charm of our community in real life. Imagine a grandstand to watch the yearly Rodeo and Homecoming parades, an expanded light festival and tree lighting during the holidays, a place where we gather to celebrate, and a place where we can gather to remember. The site is directly across from the main shopping village of Castro Valley and is in view of the outdoor seating of a breakfast cafe (Big Apple Bagels) and a Starbucks. People will park at the town square and stroll across to the Village to shop. The location is even within walking distance of BART. The plaza helps us take a giant step toward making downtown Castro Valley more walkable.

Creating a town square now leverages the \$9 million invested in the Streetscape project, and provides a destination, resting place, and waypoint for pedestrian traffic. The timing could not be better, nor could the location.

Completing the Vision

Developing a town square specifically for Castro Valley is not a new idea. In fact, it is mentioned many times in planning documents and in visions for the community. Not only is the town square

proposal consistent with previously articulated goals for the development of Castro Valley, it also is a natural next step after investing millions of dollars on the Streetscape project.

The Castro Valley General Plan, the Castro Valley Downtown Specific Plan, and the recent EALI phase 2 charrette imagines more public spaces in central Castro Valley:

Chapter 2 of the Castro Valley General Plan includes the concept of a “Walkable Town Center,” and states:

“Create a central pedestrian-friendly shopping and restaurant area on a few blocks along Castro Valley Boulevard and key side streets, including Castro Village Shopping Center. Over time add and relocate buildings, sidewalks, and parking so that the area has a pedestrian environment. Add a plaza and features that create a public gathering place that can be identified as the heart of the community. If at all possible, create a place for a new post office as part of this area.”

The Castro Valley General plan also acknowledges the parking concerns of the downtown:

The Downtown Land Uses and Sub-areas; Action 4.7-4 Core Pedestrian Retail. Renovate and add new public and private facilities to create an integrated, attractive, pedestrian-oriented retail area which serves as the heart of Castro Valley.

Within this sub-area:

- Amend the CBD Specific Plan to rezone Subarea 7 to Core Pedestrian Retail (CBD-5);
- Create a Village Green;
- Add new retail space;
- Limit professional and real estate offices and title companies in ground floor spaces;
- Consolidate parking behind structures; and
- Build a new parking structure.

In Section 5.3, the Downtown and Commercial Revitalization the goals and objectives for the Central Business District are to create:

- a downtown where people want to go and spend time;
- an environment that will support economic vitality;
- a pedestrian friendly main street atmosphere.

Creating a town plaza also meets items 6, 7, and 8 of the Eden Area Livability Initiative Principles:

(6) Each community should have one or more focal points that combine commercial, civic, cultural and recreational uses.

(7) The community should contain an ample supply of specialized open space in the form of squares, greens and parks whose frequent use is encouraged through placement and design.

(8) Public spaces should be designed to encourage the attention and presence of people of all ages and interests.

(Note that, while Castro Valley has many large parks nearby, there are very few, if any, “specialized open spaces” like those described in the EALI Principles).

The ballot selection that received the highest number of votes in the November 2013 EALI Charette was: “Provide educational opportunities in the school system and surrounding community about agriculture, (farming, ranching, and equestrian) while seeking park and open space opportunities in the urban built out environment.” Among the specific projects listed is: “Develop large central plazas in the downtown areas as focal points for the community such as the properties at Daughtrey’s, Mission & Mattox, and the San Lorenzo Village.”

We can see that the proposed town square fits in well with stated plans for Castro Valley.

Uses of a Town Square

The town square will become a focal point for the community. The Daughtrey’s Building location has historically been the town center for Castro Valley, and this plaza reinforces that. It will become a meeting place and destination for residents and non-residents, a place from which they can start their errands for the day, or rest at the end of a day full of shopping. It’s a place to bring your lunch or coffee from local restaurants, or to look upon the beautiful plaza from one of the surrounding restaurants next to or across from it.



Lafayette has a space almost half the size of the site, and the city has held events such as “Taste of Lafayette,” the local farmer’s market, and summer concerts. They regularly have 8-10 booths and 250-300 people there at a given time. Our capacity and group numbers could be significantly higher due to the additional space of the paseo and parking lot.

Here are just some of the possible uses for the Castro Valley town square:

- Gathering place
- Focal point of town
- Local fairs

- Picnics
- Farmer's Market
- Concerts
- Festivals
- Community events
- Crafts fairs
- Outdoor markets
- Local ranch and farm markets and showcases
- Local food and wine showcase
- Pilates, yoga classes
- Holiday events
- Outdoor movie nights
- Parade viewing
- Kids recreation
- "Suburban Trail" from BART/CV Library/CV Boulevard/Town Square
- High school/Youth events
- Local hospital health events

Possible Features

- Water fountain
- Stage
- Seating areas
- Signage
- Art, sculptures
- Landscape & lighting
- Small building for meetings
- Kids play area
- Landscaping - trees, plants, flowers
- Community bulletin board
- Lighting
- Pedestrian paths, flow
- Free WiFi

Cost Analysis

Broadly, there are three cost areas to discuss in order to determine the overall project costs for a town square: 1) site acquisition, 2), site demolition and remediation, 3) and site build-out.

The Redevelopment Agency paid more than \$2.7 million for the Daughtrey's site in 2011. The most recent estimate valued the property at \$950,000.

The Successor Agency has conceded that the sale price to a private developer would need to be reduced in order to account for \$320,000 in water pump and filtration costs. In addition, there are

several requirements that are being placed upon the developer that may reduce the sale price even further. It is conservative to expect a maximum sale price to the current proposed developer of no more than \$630,000. If Senate Bill 1129 becomes law, then the cost for site acquisition may be further reduced to \$1.

Therefore, estimated site acquisition for the Daughtrey's site would be from **\$1 to \$630,000**, nowhere near the \$2.7 million paid in 2011.

Based upon the two demolition estimates that were prepared for Alameda County redevelopment Agency, the demolition and toxic mitigation are expected to cost almost **\$600,000**.

We performed an exhaustive review of possible costs for the town square, despite the short time frame. Based on our planned uses and initial designs, we estimated both "bottom-up" and "top-down" costs for the site.

- We created a bottom-up estimate in conjunction with landscape architects, landscape contractors, park experts, and urban planners.
- We talked to urban planners who had designed other Bay Area town plazas and parks, and also reached out to the Planning Commissions of Lafayette and Livermore to get the costs for their town plazas.
- We reached out to the head of the team of residents who have successfully lobbied for a town square to be built in Noe Valley in San Francisco (<http://noevalleytownsquare.com/>) to understand how they came up with the budget for the build-out of the their plaza.

Based on our outreach and analysis of other projects we estimate costs of building the town square at **\$616,780** (See Appendix for Specific Site Costs).

In Summary:

- | | |
|------------------------------------|-----------------|
| • Cost of "buying" the building: | \$1 - \$630,000 |
| • Demolition and toxic mitigation: | \$600,000 |
| • Construction | \$616,780 |

The total estimated costs for the total project are from **\$1,216,780 - \$1,846,780**.

These total costs are significantly more reasonable than the \$4.3 million price tag that has often been quoted.

It should be noted, the current belief by the successor agency is that the properties purchased by the former redevelopment agency will need to be purchased again to "make the taxing entities whole". The most recent estimates valued the Daughtrey's property at \$950,000, and the Wilbeam property at \$180,000. If the existing development with David Greensfelder proceeds, the county will need to make up the difference between what he pays (assumed to be less than \$600,000) and this total (\$1,130,000); this means that the county will need to pay **at least** \$530,000 additional to the taxing entities.

Based upon the two demolition estimates that were prepared for Alameda County redevelopment Agency, the demolition and toxic mitigation are expected to cost almost \$600,000. If the property is designated for public use, the oversight board should not need to require that the taxing entities be compensated for them and this would save the need to purchase the Daughtrey's site and the adjacent site on Wilbeam a second time. This will realize a net savings of **at least** \$530,000, which should be applied to raze the Daughtrey's building.

Implementation & Funding Strategy

We propose that the transfer of the Daughtrey's Building site to Alameda County through the redevelopment dissolution process for the purposes of a public reuse, the remediation of the environmental issues at the site, and the development of a town square at the site.

We need multi-agency support and coordination to realize our new town square.

Initially we would need work with the Successor Agency and Alameda County to transfer the property. The revised LRPMP will permit this transfer.

If it becomes law, Senate Bill 1129, a bill that is being co-authored by our State Senate Majority Leader Ellen Corbett, may greatly reduce the cost of transferring the Daughtrey's Building site for a public use:

From the Legislative Counsel's Digest:

"Existing law requires a city, county, or city and county that wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, to reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax for the value of the property retained, as specified. This bill would specify that these provisions do not apply to the disposition of properties pursuant to a long-range property management plan."

http://www.leginfo.ca.gov/pub/13-14/bill/sen/sb_1101-1150/sb_1129_bill_20140219_introduced.htm

Notwithstanding this legislation, in light of the problems with the building site, the County may be able to take control of the building at a much lower cost than the estimated \$950,000 current value. The Redevelopment Agency paid over \$2.7 million in 2011. The County would not have to pay \$2.7 million for the site again.

We have looked at the Noe Valley Town Square project as best practice in developing community and agency support for our town square. The San Francisco Recreation and Parks Department recently authorized a \$500,000 application from the Land & Water Conservation Fund

(<http://www.nps.gov/lwcf/>), a matching grant program that “is intended to create and maintain a nationwide legacy of high quality recreation areas and facilities and to stimulate non-federal investments in the protection and maintenance of recreation resources across the United States.” The Land & Water Conservation Fund could be a substantial source of funds for the site build-out.

Additionally, the National Endowment for Humanities “Our Town” program (<http://arts.gov/grants-organizations/our-town>) recently funded a grant to assist in community engagement in the development of public space for a town square in Arlington, Virginia - we would look to this as a potential funding source.

As the Hayward Area Recreation and Parks District (HARD) specializes in creating and maintaining public spaces, we believe it would serve as the most suitable public agency to build out the site. We will be seeking HARD’s advice and support as this project develops.

We would ask Alameda County to work with HARD to determine the best strategy for obtaining previously mentioned environmental remediation funds to determine which agency would manage the demolition and remediation of the site. The Environmental Protection Agency (EPA) provides grant and loan programs that could help in covering the cost of the site clean-up (<http://www.epa.gov/region9/brownfields/grants.html>).

Castro Valley Matters is committed to serve as an advocate to solicit donations from individuals and businesses for the build-out, similar to the strategy pursued in Noe Valley, where over 80% of pledges totaling \$517,000 resulted in donations for that project. We would also seek in-kind donations for professional services to support the development of the project, such as architectural drawings and grant development.

Additionally, we would encourage the public agency that takes the lead on this project to create a citizen’s advisory committee and hold public workshops to develop the design details for the square.

Conclusion

“The suburbs that are doing the best are the ones that have public gathering places, that have a heart and soul.”

– Ed McMahon, Urban Land Institute, Sunset Magazine February 2014

The citizens of Castro Valley invite the MAC's conceptual support for the creation of a town square at the former Daughtrey's site. We further request the MAC's active involvement in identifying public agencies and sources of funding that would help in the creation of a town square.

As a place for public events, fairs, family outings, and chance meetings, a town square will spur economic and cultural growth more than a rehabilitated Daughtrey's building would. Leveraging the initial steps in place-making from the Castro Valley Boulevard streetscape project, a town

square will provide a renewed sense of pride in our town and be a step toward attracting new businesses and restaurants.

The opportunity to redevelop a critical piece of real estate into a vibrant public space in a crucial commercial and social juncture of Castro Valley will likely not happen again. We urge the MAC and Alameda County to take advantage of this opportunity and join the citizens and businesses of Castro Valley to get this town square created.

External Documents

If You Want Nice People, Make Nice Places

Sarah Goodyear

February 3, 2012

<http://www.theatlanticcities.com/design/2012/02/can-prettier-parks-solve-san-franciscos-homelessness-problem/1129/>

What is Placemaking?

Project for Public Spaces

http://www.pps.org/reference/what_is_placemaking/

Website for Noe Valley Town Square Project

<http://noevalleytownsquare.com/>

Castro Valley General Plan

March 2012

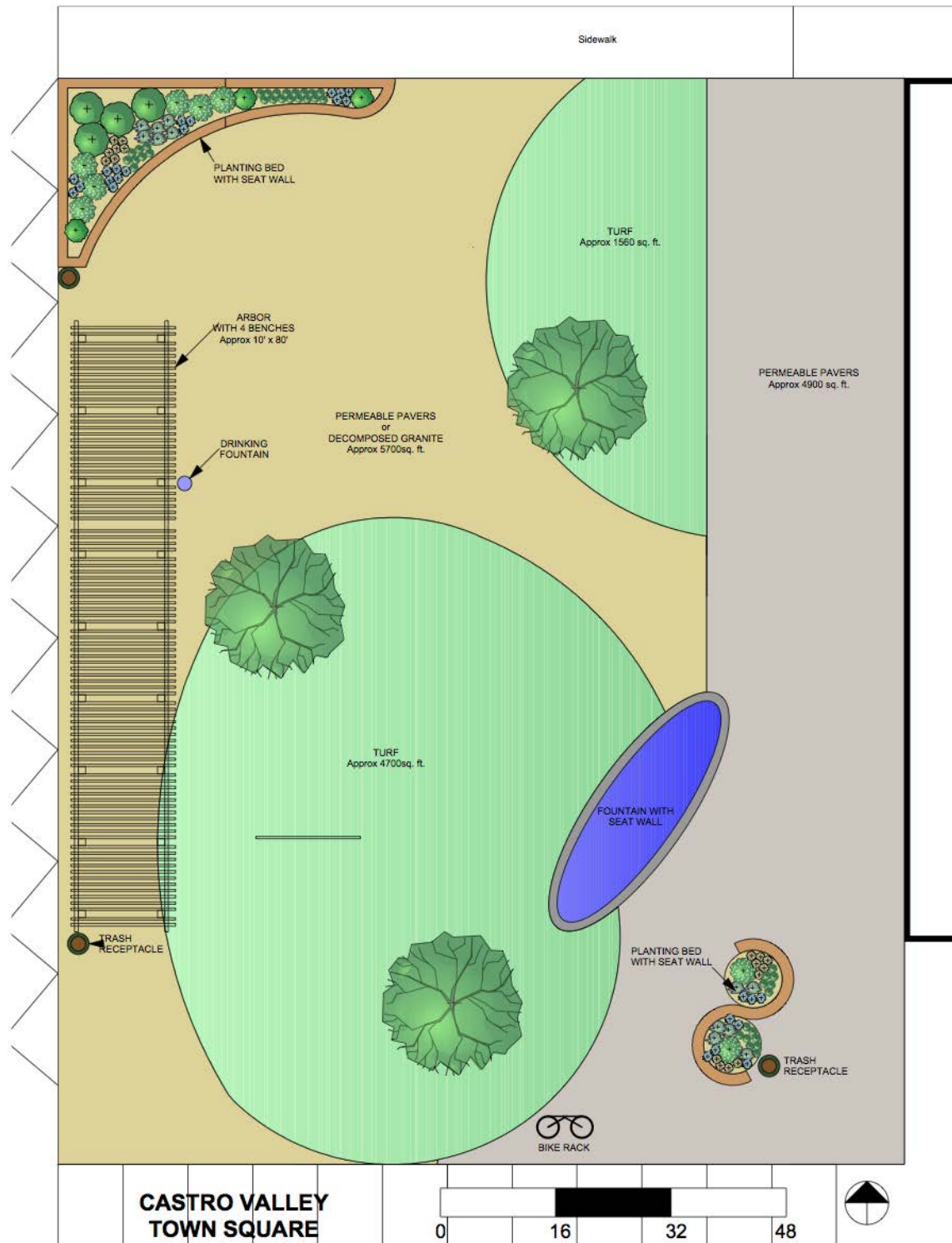
http://www.acgov.org/cda/planning/generalplans/documents/CastroValleyGeneralPlan_2012_FIN_AL.pdf

Castro Valley Downtown Specific Plan

January 1992

<http://www.acgov.org/cda/planning/generalplans/documents/CAstroValleyBDSPcombined.pdf>

Visuals



Rendering of a possible town square layout, with arbor for shade, a small water feature, seating, and a combination of decomposed granite and grass for the ground.



Examples of Lafayette's plaza



Lafayette Plaza



Lafayette Plaza



Drawing of proposed Noe Valley Plaza in San Francisco



Livermore Downtown Green





Lizzie
Plaza
in
Down
town
Liver
more



Lizzie Plaza in Downtown Livermore





Town Square Site
Daughtrey's Building

0' 50'

Castro Valley
TOWN SQUARE



Scale Comparison
Adobe Art Center, Castro Valley

0' 50'

Castro Valley
TOWN SQUARE



Scale Comparison
Village Starbucks, Castro Valley

0' 50'

Castro Valley
TOWN SQUARE



Scale Comparison
Heyer Center, Castro Valley

0' 50'

Castro Valley
TOWN SQUARE



Scale Comparison
Plaza Park, Lafayette

0' 50'

Castro Valley
TOWN SQUARE



Scale Comparison
Bay Street, Emeryville

0' 50'

Castro Valley
TOWN SQUARE



The above seven images show the Daughtrey site size overlaid on other existing sites to show relative size

Alameda County Redevelopment Agency



Proposed town square relative to nearby buildings and shared parking plan.

(Note: We modified the original design of the shared parking plan with an overlay of the proposed town square on the Daughtrey site)

Appendix

- Long Range Property Management Plan
Site summaries for 20853 Wilbeam Avenue and 3295 Castro Valley Boulevard
- Staff Report to the Alameda County Successor Agency Oversight Board, May 1, 2012, Agenda Item 7
- Survey of Bay Area Cities' Parking Requirements: Summary Report, pages 19-20.
- Downtown Parking In-Lieu Fee Draft Report, August 2012, Nelson\Nygaard Consulting Associates Inc. for the City of Santa Monica, pages 105-106.
- Estimate for demolition of Daughtrey's Building by A-1 Septic, June, 2012
- Estimate for demolition of Daughtrey's Building by De Kay Demolition and Clearing May, 2012
- Senate Bill 1129, Introduced by Senator Darrell Steinberg, Senator Ellen Corbett (co-author).
- Specific Site Costs

**Long Range Property Management Plan
Site summaries for 20853 Wilbeam Avenue and 3295 Castro Valley
Boulevard**

20853 Wilbeam Avenue



Background Information

Map Reference	5
Address	20853 Wilbeam Avenue Unincorporated Castro Valley, CA
Assessor Parcel Number(s)	084A-0040-022-00
Lot Size	7,200 sf
No. of Buildings	N/A
Building Area	N/A
Acquisition Date	5/1/09
Purchase Price	\$675,305
Current Zoning	Castro Valley Central Business District Specific Plan, Sub Area 11, High Density Residential Uses
Current Use	Vacant
Purpose of Acquisition	Develop as a Shared Parking Lot in conjunction with property #6 below. "Agreement Establishing Reciprocal Easements for Shared Parking and Access and Providing for Joint Use and Maintenance" is pending signature by Alameda County and 3 private parties as of June 1, 2013.

Estimate of Current Property Value

Estimated Current Value	\$180,000
Date of Estimated Current Value	May 2013
Value Basis	Local comparables
Proposed Sale Value	N/A
Proposed Sale Date	N/A

Agency Revenue

Is Agency receiving lease or rental income for the private use of the property?	No
If Yes, indicate amount of Agency's Annual rent/lease income?	N/A
If yes, describe contractual requirements for use of income.	N/A

20853 Wilbeam Avenue

Environmental History of Contamination / Remediation

Have any environmental tests or assessments been performed on the property?	LCM/ACM (Lead Containing Material / Asbestos Containing Material) analysis was performed in August, 2009; lead based paint found in exterior; abated. Asbestos found in counter top sheeting; abated. Building demolished in 2009.
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Previous Development Proposals

Describe any previously proposed or solicited development plans for the property, including any short term and or long term lease/rental arrangements.	Shared Parking Lot A Memorandum of Understanding (MOU) has been drafted and reviewed by all private parties and its execution is imminent. Architectural plans have been prepared for submittal to the Planning Dept. Environmental pre-development (CEQA) analysis is being prepared now for submission to the Planning Dept.
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Reuse Assessment and Recommended Action

Describe potential Community Benefit	Consolidates four separate private parking areas into one destination lot in downtown Castro Valley's central business district.
Describe the property's potential for transit oriented development	Low. Property is to be used in conjunction with property #6 below, and three other private commercial parcels, to construct a Shared Parking Lot facility, all located three blocks from the Castro Valley BART station and on AC Transit's #32 bus line.
Describe the reuse potential of the property in terms of advancing the Successor's Agency's planning objectives	<p>The project is identified as an economic development goal in the Five Year Implementation Plan for FY 9/10 – 13/14, approved June 30, 2009.</p> <p>The Redevelopment Plan for Eden Area Redevelopment Project, adopted 7/11/00, Section II.A. "Development in Project Area", pg 6, says, "...encourage the better utilization of Real Property, and a more efficient and effective circulation system...."</p> <p>Section III.F.1., "Redevelopment Implementation, Castro Valley Sub-Area", pg 24 says, "Encourage the assembly of oddly-shaped parcels in business districts to encourage standard development." Pg 25 says, "Assist individual property owners in resolving cross lot drainage problems."</p>
AB 1484 / Recommended action:	Approved Redevelopment Project / Government Use.

3295 Castro Valley Boulevard



Background Information

Map Reference	6
Address	3295 Castro Valley Boulevard Unincorporated Castro Valley, CA
Assessor Parcel Number(s)	084A-0040-018-04
Lot Size	44,900 sf
No. of Buildings	1
Building Area	24,375 sf
Acquisition Date	4/8/11
Purchase Price	\$2,797,000
Current Zoning	Castro Valley Central Business District Specific Plan, Sub Area 7, Intensive Retail with Offices and High Density Residential allowed to rear or upper stories
Current Use	Vacant
Purpose of Acquisition	Approved Redevelopment Plan Project with full building renovation or reconstruction, and new retail/commercial occupancy.

Estimate of Current Property Value

Estimated Current Value	\$950,000
Date of Estimated Current Value	Jan 8, 2013
Value Basis	Appraisal
Proposed Sale Value	TBD
Proposed Sale Date	Spring 2014

Agency Revenue

Is Agency receiving lease or rental income for the private use of the property?	Yes
If Yes, indicate amount of Agency's Annual rent/lease income?	<p>\$30,000 via temporary lease, August - October, 2011.</p> <p>\$35,000 via temporary lease, August – October, 2012.</p> <p>\$35,000 via temporary lease, August – October, 2013.</p> <p>Planned 2013 Temporary Lease to be heard by the Oversight Board July, 2013.</p>
If yes, describe contractual requirements for use of income.	None

3295 Castro Valley Boulevard

Environmental History of Contamination / Remediation

Have any environmental tests or assessments been performed on the property?

In August, 2010 asbestos was found in the roof; roof was abated and re-roofed. Other parts of the building were not tested but due to the age, it is assumed that asbestos will be found elsewhere.

Phase I Analysis was completed in September, 2010 for hydrocarbons, soil contamination, water contamination and LCM/ACM (Lead Containing Material / Asbestos Containing Material). Lead based paint has not been tested for, but based on the age of the building expected to be found at minimum on exterior paint. Abatement or encapsulation will be necessary. Further testing needed. Asbestos containing materials exist in building although some abatement has been done since 1996. Abatement or encapsulation will be necessary. Further testing needed. Hydraulic piston freight elevator has the potential to have leaked into building and surrounding soil, or may in the future. Property includes a foundation dewatering system which pumps water directly into the storm drain system. See Phase II below.

Phase II Analysis (Limited investigation report) was completed October 2010; soil gas sampling; soil and grab ground water sampling; sump pump water sampling; testing determined the ground table water to be contaminated, likely from historical up-gradient dry cleaning solvents; permit from State Regional Water Quality Control Board (RWQCB) obtained; pretreatment system for sump pump water installed in 2011. Water testing within acceptable range, continues to be monitored on a quarterly basis and reported to RWQCB.

Previous Development Proposals

Describe any previously proposed or solicited development plans for the property, including any short term and or long term lease/rental arrangements.

Property has been actively marketed since acquisition, both via an RFP process and wide informal solicitations. A leading candidate was identified in June, 2012. A Disposition and Development Agreement is currently being drafted and negotiated, in anticipation of Long Range Property Management Plan Approval. This site is intended to be developed in conjunction with the Shared Parking Lot property as described under 20853 Wilbeam Avenue (map reference #5).

3295 Castro Valley Boulevard

Reuse Assessment and Recommended Action

Describe potential Community Benefit	Conveying to a developer or commercial user will realize a key redevelopment objective of infill retail development at a long dormant property in a central business district location.
Describe the property's potential for transit oriented development	Low. Property is to be used in conjunction with the 20853 Wilbeam Avenue property, and three other private commercial parcels, to construct a Shared Parking Lot facility, all located three blocks from the Castro Valley BART station and on AC Transit's #32 bus line.
Describe the reuse potential of the property in terms of advancing the Successor's Agency's planning objectives	<p>The project is identified as an economic development goal in the Five Year Implementation Plan for FY 9/10 – 13/14, approved June 30, 2009.</p> <p>The Redevelopment Plan for Eden Area Redevelopment Project, adopted 7/11/00, Section II.A. "Development in Project Area", pg 6, says, "Encourage development according to the General Plan", and "Encourage investment in the Project Area by the private sector", and "Encourage and expand shopping facilities in the Project Area by encouraging the development of new commercial uses and the rehabilitation of existing commercial uses ..." Pg 7 says, "Enhance and expand shopping facilities in the Project Area by encouraging the development of new commercial uses..."</p> <p>Section III.F.1., "Redevelopment Implementation, Castro Valley Sub-Area", pg 24 says, "Develop a downtown Castro Valley revitalization strategy", and "Implement a business recruitment and retention program."</p>
AB 1484 / Recommended action:	Approved Redevelopment Plan Project; future use is sale to and development by private enterprise.

**Staff Report to the Alameda County Successor Agency Oversight
Board, May 1, 2012, Agenda Item 7**

**ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY
REDEVELOPMENT SUCCESSOR AGENCY
STAFF REPORT**

TO: Alameda County Successor Agency Oversight Board
DATE: May 1, 2012
AGENDA ITEM: No. 7

Re: Successor Agency Real Estate Update

A. ASSET DISPOSITION PLAN

At the time of Dissolution, the Redevelopment Agency had 12 parcels that were acquired for planned redevelopment projects. During 2011, the Redevelopment Agency transferred 11 of the 12 parcels to the County. Pursuant to the Dissolution Act, and confirmed by a recent notice from the California State Controller's Office, all assets transferred to the County must be returned to the Successor Agency for disposition. A list of these properties is attached as Exhibit B. The language from the Dissolution Act calls for Successor Agencies to dispose of these assets and that, "Disposal shall be done expeditiously and in a manner aimed at maximizing value."

There are also provisions in the legislation allowing that if a jurisdiction, "...wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds,...it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax,...for the value of the property retained."

Each of the former RDA's properties must be evaluated for disposition or retention under a number of criteria such as market value, County budget constraints (for acquisition and any project implementation), timing, feasibility, legality, land use and other variables. Staff will begin preparation of an Asset Disposition Plan for former RDA properties and return to a future Oversight Board meeting with this information.

B. 3295 CASTRO VALLEY BLVD. (former Daughtrey's Building)

1. Environmental Remediation, Demolition, Access

Environmental Background

On April 8, 2011 the Agency acquired the subject property with the known pre-existing condition of contaminated and treated water being discharged into the local storm drain. The enabling discharge permit from the San Francisco Regional Water Quality Control Board (RWQCB) mandates quarterly sampling, testing, analyzing and reporting of the influent and effluent water quality. Additionally, the remediation system's carbon filters require periodic change out.

Staff has kept the RWQCB staff abreast of our activity to re-start water quality monitoring as a Successor Agency. An RFP was issued, responses were received, and a

new contract will soon be completed to commence testing and reporting, likely in May, 2012.

The cost of the water quality monitoring and testing is approximately \$32,000 per year. When purchasing the property, the Agency received a \$320,000 discount from the seller to account for the capitalized cost of the ongoing monitoring and testing. Future buyers of the property expect a similar discount off the building's market valuation.

Demolition Funding Consideration

In conversations with environmental consultants and the RWQCB staff, if the contaminated water were not pumped into the storm drain, any requirement for ongoing quarterly sampling, testing, analyzing and reporting of the water could be terminated with filing of a "Notice of Termination" (NOT) with RWQCB. Due to the plumbing connection between the foundation's dewatering well and the bottom of the building's elevator shaft, if/when the pump shuts off (e.g., power outages), water backs up into the elevator shaft, overflows, and floods the basement. Therefore, the pump must remain running and discharging or the building's basement floods.

One way to eliminate RWQCB reporting is to eliminate the basement by demolishing the building, backfilling the hole, and compacting the soil to commercial development standards. The water table would return to its natural height and conditions under the building pad. A preliminary cost estimate for this work is \$365,000. Therefore, the cost to continue basement dewatering and water quality monitoring, versus building demolition and removal of the reporting requirement, is nearly equivalent over time.

County staff has received several offers to purchase the property. Most of these, though not all, resist acquiring the burden of ongoing monitoring and reporting as well as the liability of unknown future RWQCB regulations. They call for the building's demolition and termination of the reporting requirement to RWQCB as a condition of sale. One viable purchase offer is willing to accept the responsibility and liability of the water condition for a price discount of \$275,000 (less than the \$320,000 mentioned above).

County staff is finalizing all of the sales offers. In the event that building demolition, basement backfill and soil compaction become a requirement of sale to the selected Buyer, County staff will return to this Board requesting approximately \$365,000 for demolition and related site preparation costs.

Access

Since the inception of the project to acquire and renovate the subject building, a parallel plan for a Shared Parking program amongst 3 of the private parcel owners east of the site has been developed. Parking lot design plans have been completed, a management agreement drafted and vetted by all parties, and insurance and maintenance issues have been resolved. Additionally, the former Redevelopment Agency purchased 20853 Wilbeam, demolished the existing structure and intended to contribute this property as the Shared Parking lot's eastern entrance off Wilbeam.

Prospective tenants for the subject site place significant importance on traffic access. Some purchase offers by prospective developers require the Wilbeam parcel to be included as a condition of sale, and some do not. Since funding for the Shared Parking program was eliminated with Redevelopment's dissolution, this also calls the question regarding the Successor Agency's sale or retention of the Wilbeam parcel. This variable becomes critical to determine prior to concluding sales negotiations.

Staff estimates the re-purchase price for this parcel could be up to \$200,000; the cost of physical improvements of the Shared Parking program is estimated at \$1.8 million, as currently designed. Staff will continue to refine the various purchase offers to determine if the conditions of sale include retention of the Wilbeam parcel and site improvements.

2. Interim Leasing of Successor Agency Property

For several prior years, the subject building has been leased to Spirit Halloween (Spirit) for 3+ months (Aug-early Nov). Spirit is again offering to lease the space for the same period in 2012, for a total lease amount of \$32,000.

Given County bidding and contracting procedures, as well as the Buyer selection timetable (see next section), the soonest the building would be demolished, is likely October 1, 2012. The cost to perform the RWQCB monitoring schedule until that time, including change out of the carbon filters and submittal of a Notice of Termination to RWQCB is estimated at \$17,133.

Leasing the building to Spirit and delaying the building demolition until late November when the lease term expires, would cost an additional \$4,410 in RWQCB reporting expenses, for a total of \$21,543. However, the lease income of \$32,000 would offset these costs and produce a net gain of roughly \$10,457 over the period, barring other expenses.

County staff seeks authorization to initiate a short term, temporary lease with Spirit Halloween for the period August 1-November 16, 2012.

3. Property Disposition

As described above, County staff is finalizing and analyzing the feasibility of the sales offers received to date, and is researching the legal parameters of property disposition processes as a Successor Agency. Staff will return to the June 2nd Oversight Board meeting for discussion and decision on a sale of 3295 Castro Valley Blvd.

C. INTERIM LEASING of 278 HAMPTON RD., CHERRYLAND

The Hayward Area Recreation District (HARD) is interested in leasing 278 Hampton Road for an interim use as a dog park. County staff will continue to research the capital costs, revenue available, term, and other legal and land use issues related to this proposal and return to a future Oversight Board meeting with a staff recommendation.

Exhibit B

Redevelopment Agency owned property (not transferred to County)

Number	Property	APN	Address	Community	Status
1	Commercial Site - Daughtrey's Building	084A-0040-018-04	3295 Castro Valley Blvd.	Castro Valley	Development deal pending.
2	Shared Parking Lot - County Portion	084A-0040-022-00	20853 Wilbeam	Castro Valley	Site cleared and fenced.

Redevelopment Agency Owned Properties Transferred to County March 8, 2011

	Property	APN	Address	Community	Status
3	Community Center	413-0035-010-00	278 Hampton	Cherryland	Site cleared and fenced.
4	Mission/Hampton Commercial Site	414-0021-060-00	20097 Mission Blvd.	Cherryland	Site cleared and fenced.
5	Mission/Hampton Commercial Site	414-0021-061-00	20095 Mission Blvd.	Cherryland	Site cleared and fenced.
6	Mission/Hampton Commercial Site	414-0021-078-00	20095 Mission Blvd.	Cherryland	Site cleared and fenced.
7	Mission/Hampton Commercial Site	414-0021-079-00	20095 Mission Blvd.	Cherryland	Site cleared and fenced.
8	Mission/Hampton Commercial Site	414-0021-080-00	20095 Mission Blvd.	Cherryland	Site cleared and fenced.
9	Commercial Site- old San Leandro Motors property	080-0078-026-14	16640 E. 14 Street	Ashland	Site cleared and fenced.
10	Lorenzo Theater	412-0039-025-00	16080 Hesperian Blvd.	San Lorenzo	Site secured.
11	Fire Station Site	429-0005-022-00	19745 Meekland Ave.	Cherryland	Site secured and fenced.
12	Fire Station Site	429-0005-023-00	19755 Meekland Ave.	Cherryland	Site secured and fenced.

**Survey of Bay Area Cities' Parking Requirements: Summary Report,
pages 19-20.**

City	Place Type	Retail Parking Standards				Office Parking Standards				Mixed Use Parking Standards	
		Lowest Minimum (parking spaces per 1,000 sq. ft.)	Highest Minimum (parking spaces per 1,000 sq. ft.)	Maximum (parking spaces per 1,000 sq. ft.)	Special Rules for Determining Required Parking	Lowest Minimum (parking spaces per 1,000 sq. ft.)	Highest Minimum (parking spaces per 1,000 sq. ft.)	Maximum (parking spaces per 1,000 sq. ft.)	Rules for Determining Required Parking	Minimum (parking spaces per 1,000 sq. ft.)	Rules for Determining Required Parking
Alameda County											
Alameda	Urban Area	5	5	-	-	4	4	-	-	1	1,000 sf. Sum of required uses.
Dublin	Outer Suburb	3.333	5	-	Per CUP	2.85	4	-			Based on primary use type
Fremont	Core Suburb	3.33	4	-	-	dict Reserved		-	-	2	-
Hayward	Core Suburb	4	5.71	-	-	4	5	-	-	-	Sum of requirements of various uses
Livermore	Outer Suburb	4	4	-		3.33	3.33	-			
Newark	Outer Suburb	4	5	-	-	5	5	-	-	-	-
Oakland	Urban Center	1.11	2.5	-	-	0.7	1.66	-	-	-	Requirements based on sum of activities
Pleasanton	Outer Suburb	2	3.33	-		3.33	6.66	-	-	-	-
San Leandro	Core Suburb	2	2	-	-	3	3.33	-	-	2 per unit	(1) must be covered
Contra Costa County											
Antioch	Outer Suburb	5	5	-	-	4	5	-	sq. ft. of gross floor area	-	-
Concord	Urban Area	4	5	-	-	2.5	3.33	-	-		
El Cerrito	Urban Area	3.33	3.33	-	-	3.33	3.33	-	-	1-1.5	Above or below 1,000 sq. ft.
Hercules	Outer Suburb	4	5	-	-	2.5	5	-	-	-	-
Moraga	Outer Suburb	4	4	-		4	4	-	GFA		
Orinda	Outer Suburb	4	4	-	-	4	4	-	-	-	-
Pinole	Outer Suburb	2	3.3	-	-	4	4	-	-	-	-
Pittsburg	Outer Suburb	2.86	4	-	-	4	4	-	-	-	-
Pleasant Hill	Core Suburb	4	4	-	-	3.33	3.33	4	-	-	-
Richmond	Urban Area	4	4	-	-	3	3	-	-	-	-
San Ramon	Outer Suburb	4	4.44	-	-	4	4	-	-	2 per unit	-
Walnut Creek	Urban Area	4	4	-	Rentable Floor Area (RFA)	3.51	4	-	RFA	-	-
Marin County											
Novato	Outer Suburb	3.33	5	-	plus one space per company vehicle and one space for every 1,000 sf outdoor display	3.63	3.63	-	-	-	Determined by type of use
San Rafael	Urban Area	2.5	4	-	-	4	5	-	-	-	-
Napa County											
Napa City	Urban Area	4	4	-	Yes, see notes.	4	4	-	-	-	Based on parking study provided by applicant

City	Place Type	Retail Parking Standards				Office Parking Standards				Mixed Use Parking Standards	
		Lowest Minimum (parking spaces per 1,000 sq. ft.)	Highest Minimum (parking spaces per 1,000 sq. ft.)	Maximum (parking spaces per 1,000 sq. ft.)	Special Rules for Determining Required Parking	Lowest Minimum (parking spaces per 1,000 sq. ft.)	Highest Minimum (parking spaces per 1,000 sq. ft.)	Maximum (parking spaces per 1,000 sq. ft.)	Rules for Determining Required Parking	Minimum (parking spaces per 1,000 sq. ft.)	Rules for Determining Required Parking
San Francisco County											
San Francisco	Urban Center	1.0	5.0	varies	required minimum plus maximum assessorly spaces	1.0	3.3	varies	required minimum plus maximum assessorly spaces	0.5	Live work; 0.5 maximum
San Mateo County											
Brisbane	Core Suburb	3.3	3.3	-	-	3.3	4	-	-	-	-
Daly City	Urban Area	3.3	5	-	-	3.3	5	-	GFA 3.3 up to 21,000, 5 after 21,000	-	Based on variance; never reduce the overall off street parking by more than 20%
East Palo Alto	Urban Area	6.25	6.25	-	-	5	5	-	-	-	-
Menlo Park	Core Suburb	6	6	-	GFA	4	5	-	-	-	-
Millbrae	Core Suburb	5	5	-	Divided by: 5k or less, 5k-10k,10k-25k, 25k+	3.3	3.3	-	GFA	-	-
Redwood City	Core Suburb	5	5	-	-	3.3	4	-	Peak Period Trips	1-1.5	Plus a minimum of 75% of the normally required commercial parking
San Bruno	Core Suburb	4	5	-	-	3.3	4	-	-	-	-
San Carlos	Core Suburb	3.3	3.3	-	-	2.85	3.33	-	-	-	Residential:1-1.5 plus 1 guest parking for every 4 units; non residential: 2.2-5 spaces per 1000 sf
San Mateo	Core Suburb	3.5	4.4	-	Except restaurants over 3,500 square feet.	2.98	3.17	-	-	-	-

**Downtown Parking In-Lieu Fee Draft Report, August 2012,
Nelson\Nygaard Consulting Associates Inc. for the City of Santa
Monica, pages 105-106.**

In-lieu Fees in Select California Cities

Figure 13 below provides an overview of in-lieu fee programs in selected California cities. It shows the fee amount, the year of initiation, how fees are adjusted, and what the revenue is expended on. As noted above in the introduction most fee programs are on a one-time, per-space basis, which differs from Santa Monica's program. In addition, most fees are adjusted annually based on the CPI.

Figure 13 In-lieu fees in Selected California Cities³¹

City	Fee Amount	Year Initiated	Fee Adjustments	Fee Revenue Expenditures
Beverly Hills	Rodeo: \$47,007.40	1970's	Adjusted annually based on cost of living index	Used to construct parking garages on city owned lands and in partnership with private development
	Beverly: \$37,605.80			
	Other CBD: \$28,284.60			
Davis	\$8,000 (All zones except Central Commercial and Mixed Use)	1970's	Adjusted on an as-needed basis	Held in a consolidated off-site parking fund program, spent on construction of public parking resources and parking structures downtown
	\$4,000 (CC and MU districts)			
Emeryville	\$7,300	1993	Adjusted on an as-needed basis	Revenue dedicated to construction of parking. No revenue has been generated by the fee.
Hermosa Beach	\$29,500	1980's	Adjusted on an as-needed basis	Used for construction of parking garages
Huntington Beach	\$27,350	1993	Adjusted annually based on CPI (not to exceed 3%)	Parking programs that would provide additional parking opportunities or reduce the parking demand in the downtown (shuttle program, valet parking, bike valet, street re-striping), as well as associated design and engineering costs for the development of parking spaces
Millbrae	\$13,391	1987	Adjusted annually based on CPI	Used to improve parking in the city's commercial district. Have been used to enhance and modify the city's three municipal lots and for re-striping of the downtown area
Mountain View	\$26,000	1988	Adjusted as needed based on cost of construction	Used to construct parking garages in downtown, provide shared parking facilities

³¹ Fee amounts based on most recent data available.

TECHNICAL MEMORANDUM A: BACKGROUND REVIEW
City of Santa Monica

City	Fee Amount	Year Initiated	Fee Adjustments	Fee Revenue Expenditures
Palo Alto	\$67,100	1995	Adjusted annually based on construction cost index	Used for construction of public parking spaces within the assessment district
Old Pasadena	\$151.07 per space per year	1987	Adjusted annually based on CPI	Used to build parking garages
Pismo Beach	\$36,000	2005	Adjusted on an as-needed basis	Spent on parking improvements including property acquisition, parking structure construction, parking lot lease fees, parking lot maintenance, implementing downtown paid parking program
San Luis Obispo	New construction: \$17,072	1987	Adjusted annually based on CPI	Placed in the Parking Enterprise Fund, used for operations, maintenance, and new construction of parking facilities
	Change of use: \$4,100			
Ventura	\$24,896	N/A	N/A	Funds parking and transportation management strategies contained in the Downtown Parking Management Plan.
Walnut Creek	One-time fee of \$26,537 per space, discounted 90% for the 1st space, 75% for 2nd space, 50% for 3rd space, and 25% for remaining spaces.	1975	Adjusted annually based on Construction Cost Index	Construction of new parking in the downtown area.

Estimate for demolition of Daughtrey's Building by A-1 Septic, June, 2012.

A-1 Septic Tank Service Inc.

**Main Office 1111 Industrial Pkwy West
Hayward Ca 94544
Phone (800) 538-8820 or (510) 886-4455
Fax (510) 537-2784**

Contract, Proposal and Acceptance

Business Name Alameda County Development Agency	Date 6/15/12
Contact Name Bill Lambert	Phone # 510-670-5335
Job Address 3295 Castro Valley Blvd	Fax # 510-670-6105
City Castro Valley	State Ca
Email bill.lambert@acgov.org	
X Street	City State
Note:	Note:

We hereby submit specifications and estimates as follows:

SCOPE OF WORK: Work is limited to items listed below.

Building 1:

Work includes complete demolition of 15,000 s/f concrete building with wood, concrete & steel roof & interior walls. Includes second story 9,000 s/f of wood and sheetrock for demo and removal. Includes demolition of slab on grade and footings 18" below finish grade. Includes 2,500 s/f of exterior concrete flatwork removal around building and 15,000 s/f asphalt parking lot. All concrete and asphalt to be crushed to AB and used for infill of basement, all wood and steel to be off hauled. Expected time to complete 45 days

Lump Sum Price **\$238,900.00**

Basement 1:

Work includes infill and compaction to 95% of 5,600 c/y basement, floor, columns and walls to be left in place after prepping to prevent water ponding. All concrete and asphalt from building 1 and parking lot to be crushed to AB and used for infill of basement. Expected time to complete 30 days

Lump Sum Price **\$164,300.00**

SWPPP

Work Includes oversight and development of storm-water pollution prevention plan by QSP, weekly inspection for compliance and State Water Quality Control Board filings.

Lump Sum Price **\$ 24,900.00**

SWPPP Contractor Implementation

Work includes weekly implementation of BMP's as directed by the QSP and site conditions for the duration of the demolition project. Expected time to complete 60-75 days

Lump Sum Price **\$ 68,100.00**

Est. 1953

We're not the best because we're the oldest, we're the oldest because we're the best!

A-1 Septic Tank Service Inc.

Main Office 1111 Industrial Pkwy West
Hayward Ca 94544
Phone (800) 538-8820 or (510) 886-4455
Fax (510) 537-2784

Contract, Proposal and Acceptance

EXCLUSIONS: Layout, overtime hours, traffic control, sidewalk closing, street closing, patching at limits of demolition, protective cover and barricades, standby/contractor delays, utilities locating, cut and cap or removal of utilities, damage to utilities in or around area of work and their impact, access to work, underground utility removal, salvage of items for owner, shoring of anything to remain, permits, removal of base rock under structure slabs, final grading, demo and backfill and compaction of basement walls, columns and footings. Any asbestos, lead based paint or mold abatement or removal, any contaminated ground water off-haul, testing or reporting of groundwater to any state or local agencies, engineering or civil work, staking or compaction tests.

CONDITIONS: Owner to provide parking and stage area for any equipment necessary for completion of said work. Pricing valid for 60 days. Price based on (1) move-ins. A minimum of 15 day notice is required for scheduling. Owner is responsible for access to smart account with SWQCB, Owner and contractor agree that no demolition plan is available and that any unforeseen conditions beyond the control of owner or contractor would constitute a change order. Ground water clarification system will be in good working order when contractor starts work. This is a prevailing wage rate project.

NOTES: Unit pricing is based on an all-inclusive package unless mutually agreed upon. No Retention will be withheld. Monthly progress invoicing to be pay within 30 days. If payment is not received within 30 days, a 1.5% interest rate will be assessed. No work shall commence before this proposal is signed and returned and/or a mutually agreed upon subcontract is issued. Expected time to complete 60-75 days.

We propose hereby to furnish materials and labor – complete in accordance with the above referenced plans, for the sum of:

Four Hundred Ninety Six Thousand Two Hundred Dollars Dollars (\$ **496,200.00**)

Balance to be paid upon completion of job. A finance charge of 1.5% or 18% per annum will be charged on past due accounts and reasonable attorney fees to be allowed in event of suit to collect. All materials are guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance.

Acceptance of Proposal – The above mentioned prices, specifications and conditions are satisfactory and are hereby accepted. You are Authorized to do the work as specified. Payment to be made as outlined above.

Jack Shane

(Authorized Company Signature)
(Proposal Good for 60 Days)

Customer Signature _____ Date _____ P.O. # _____

Est. 1953

We're not the best because we're the oldest, we're the oldest because we're the best!

**Estimate for demolition of Daughtrey's Building by De Kay Demolition
and Clearing May, 2012.**

DE KAY DEMOLITION AND CLEARING, INC.
7700 EDGEWATER DRIVE, SUITE 626 OAKLAND, CA. 94621
PHONE 510-430-2668 FAX 510-430-2682

Email; dekaydemo@yahoo.com License#902267 *Union Contractor*

Date: 5/15/12
Job Name: Daughtry Bldg.
Job Location: 3295 C.V. Blvd.
Castro Valley

Company: ACCDA
Bid To: Jamie / Bill

PROPOSAL:

Remove building, basement walls to 1' below existing grade, and punch holes in basement floor every 5' on center, price includes engineering for basement backfill\$297,030.00
Backfill basement to existing grade at 12 feet deep, 90% compaction.....\$287,000.00

Note: Bid is all or none.

***Owner to supply: Temporary fencing**
Compaction testing

- If retention must be withheld add **1%**.
- Retention must be paid within 30 days of completion on DD&CL work.
- Price based on **1** mobilization: Additional mobilizations billed at **\$5,000.00**
- Price based on plan sheets: **site visit Dated: 5/8/12.**
- Includes Air Quality **10 day notification** on structure demolition.

EXCLUSIONS

- | | |
|--|---|
| -DD&CL may over excavate & is not responsible for backfill and compaction | -Provide access to locations of DD&CL work for trucks & equipment |
| -Owner Controlled Insurance Program (OCIP) | -Permit/fees |
| -Potholing underground lines | -Testing/Inspecting of any kind |
| -Insurance over 1 Million | -Demo engineering |
| -Cost of Bond | -Base rock removal |
| -Waiver of subrogation | -Asphalt removal |
| -Survey to insure no nesting migratory birds in accordance with the MTBA (Migratory Bird Treaty Act) | -Repair to driveways and parking lot |
| -Toxic, contaminated, hazardous material removal | -Well capping |
| -Temporary fencing, barricades, warning signs | -Toilet and washing facility |
| -Protective fencing, protective covers of any kind | -Erosion, sediment control |
| | -Utility relocation |

Submitted By: Rick De Kay
Cell: 510-750-7679
DGS Certified #1738648
SLBE# 6985
VTA #09-047

License Classification
C-21-Building Moving
A-General Engineering
D49-Tree Service

Senate Bill 1129, Introduced by Senator Darrell Steinberg, Senator Ellen Corbett (co-author).

SENATE BILL**No. 1129****Introduced by Senator Steinberg**

February 19, 2014

An act to amend Sections 34177, 34177.5, 34180, 34191.3, 34191.4, and 34191.5 of the Health and Safety Code, relating to redevelopment.

LEGISLATIVE COUNSEL'S DIGEST

SB 1129, as introduced, Steinberg. Redevelopment: successor agencies to redevelopment agencies.

(1) Existing law dissolved redevelopment agencies and community development agencies as of February 1, 2012, and provides for the designation of successor agencies to wind down the affairs of the dissolved redevelopment agencies and to, among other things, make payments due for enforceable obligations and to perform obligations required pursuant to any enforceable obligation. Existing law requires the Department of Finance to issue a finding of completion to a successor agency upon confirmation by the county auditor-controller that specified payments have been fully made by the successor agency, as specified. Existing law prohibits a successor agency from entering into contracts with, incur obligations, or make commitments to, any entity, as specified, or to amend or modify existing agreements, obligations, or commitments with any entity, for any purpose.

This bill would authorize a successor agency, if the successor agency has received a finding of completion, to enter into, or amend existing, contracts and agreements, or otherwise administer projects in connection with enforceable obligations, if the contract, agreement, or project will not commit new property tax funds or otherwise adversely affect the flow of specified tax revenues or payments to the taxing agencies, as specified.

(2) Existing law authorizes a successor agency to oversee the development of properties until the contracted work has been completed or the contractual obligation of the former redevelopment agency can be transferred to other parties, and requires bond proceeds to be used for the purposes for which bonds were sold, except as specified.

This bill would authorize a successor agency to utilize the proceeds of bonds issued during the 2011 calendar year, upon the approval of the oversight board, if the oversight board, in consultation with the relevant metropolitan planning organization determines that the use of the bond proceeds is consistent with the sustainable communities strategy adopted by the metropolitan planning organization.

(3) Existing law authorizes a successor agency to petition the Department of Finance to provide written confirmation that its determination relating to an enforceable obligation that provides for an irrevocable commitment of property tax revenue, as specified, is final and conclusive, and reflects the department's approval of subsequent payments made pursuant to the enforceable obligation.

This bill would require the removal of an enforceable obligation from a recognized obligation payment schedule that has received a finding of completion from the department to be submitted to the oversight board for review and approval.

(4) Existing law requires a city, county, or city and county that wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, to reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax for the value of the property retained, as specified.

This bill would specify that these provisions do not apply to the disposition of

properties pursuant to a long-range property management plan.

(5) Existing law requires the disposition of assets and properties of the former redevelopment agency as directed by the oversight board, as specified, and suspends these requirements until the Department of Finance has approved a long-range property management plan, as specified. Upon approval of a long-range property management plan, the plan governs and supersedes, all other provisions relating to the disposition and use of the real property assets of the former redevelopment agency. Existing law requires the property of a former redevelopment agency to be disposed of according to law if the department has not approved a long-range property management plan by January 1, 2015.

This bill would prohibit the department from requiring compensation agreements as part of the approval of a long-range property management plan and would specify the criteria the department may consider in approving a long-range property management plan. The bill would additionally delete the requirement that the department approve a plan by January 1, 2015, and instead require the department to approve long-range property management plans as expeditiously as possible.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- P3 1 SECTION 1.
 2 Section 34177 of the Health and Safety Code is
 3 amended to read:
 4 34177.
 5 Successor agencies are required to do all of the
 6 following:
 7 (a) Continue to make payments due for enforceable obligations.
 8 (1) On and after February 1, 2012, and until a Recognized
 9 Obligation Payment Schedule becomes operative, only payments
 10 required pursuant to an enforceable obligations payment schedule
 11 shall be made. The initial enforceable obligation payment schedule
 12 shall be the last schedule adopted by the redevelopment agency
 13 under Section 34169. However, payments associated with
 14 obligations excluded from the definition of enforceable obligations
 15 by paragraph (2) of subdivision (d) of Section 34171 shall be
 16 excluded from the enforceable obligations payment schedule and
 17 be removed from the last schedule adopted by the redevelopment
 18 agency under Section 34169 prior to the successor agency adopting
 19 it as its enforceable obligations payment schedule pursuant to this
 20 subdivision. The enforceable obligation payment schedule may
 21 be amended by the successor agency at any public meeting and
 22 shall be subject to the approval of the oversight board as soon as
 23 the board has sufficient members to form a quorum. In recognition
 24 of the fact that the timing of the California Supreme Court's ruling
 25 in the case California Redevelopment Association v. Matosantos
 26 (2011) 53 Cal.4th 231 delayed the preparation by successor
 agencies and the approval by oversight boards of the January 1,
 2012, through June 30, 2012, Recognized Obligation Payment
 P4 1 Schedule, a successor agency may amend the Enforceable
 2 Obligation Payment Schedule to authorize the continued payment
 3 of enforceable obligations until the time that the January 1, 2012,
 4 through June 30, 2012, Recognized Obligation Payment Schedule
 5 has been approved by the oversight board and by the Department
 6 of Finance.
 7 (2) The Department of Finance and the Controller shall each

8 have the authority to require any documents associated with the
9 enforceable obligations to be provided to them in a manner of their
10 choosing. Any taxing entity, the department, and the Controller
11 shall each have standing to file a judicial action to prevent a
12 violation under this part and to obtain injunctive or other
13 appropriate relief.

14 (3) Commencing on the date the Recognized Obligation Payment
15 Schedule is valid pursuant to subdivision (I), only those payments
16 listed in the Recognized Obligation Payment Schedule may be
17 made by the successor agency from the funds specified in the
18 Recognized Obligation Payment Schedule. In addition, after it
19 becomes valid, the Recognized Obligation Payment Schedule shall
20 supersede the Statement of Indebtedness, which shall no longer
21 be prepared nor have any effect under the Community
22 Redevelopment Law (Part 1 (commencing with Section 33000)).

23 (4) Nothing in the act adding this part is to be construed as
24 preventing a successor agency, with the prior approval of the
25 oversight board, as described in Section 34179, from making
26 payments for enforceable obligations from sources other than those
27 listed in the Recognized Obligation Payment Schedule.

28 (5) From February 1, 2012, to July 1, 2012, a successor agency
29 shall have no authority and is hereby prohibited from accelerating
30 payment or making any lump-sum payments that are intended to
31 prepay loans unless such accelerated repayments were required
32 prior to the effective date of this part.

33 (b) Maintain reserves in the amount required by indentures,
34 trust indentures, or similar documents governing the issuance of
35 outstanding redevelopment agency bonds.

36 (c) Perform obligations required pursuant to any enforceable
37 obligation.

38 (d) Remit unencumbered balances of redevelopment agency
39 funds to the county auditor-controller for distribution to the taxing
40 entities, including, but not limited to, the unencumbered balance
P5 1 of the Low and Moderate Income Housing Fund of a former
2 redevelopment agency. In making the distribution, the county
3 auditor-controller shall utilize the same methodology for allocation
4 and distribution of property tax revenues provided in Section
5 34188.

6 (e) Dispose of assets and properties of the former redevelopment
7 agency as directed by the oversight board; provided, however, that
8 the oversight board may instead direct the successor agency to
9 transfer ownership of certain assets pursuant to subdivision (a) of
10 Section 34181. The disposal is to be done expeditiously and in a
11 manner aimed at maximizing value. Proceeds from asset sales and
12 related funds that are no longer needed for approved development
13 projects or to otherwise wind down the affairs of the agency, each
14 as determined by the oversight board, shall be transferred to the
15 county auditor-controller for distribution as property tax proceeds
16 under Section 34188. The requirements of this subdivision shall
17 not apply to a successor agency that has been issued a finding of
18 completion by the Department of Finance pursuant to Section
19 34179.7.

20 (f) Enforce all former redevelopment agency rights for the
21 benefit of the taxing entities, including, but not limited to,
22 continuing to collect loans, rents, and other revenues that were due
23 to the redevelopment agency.

(g) Effectuate transfer of housing functions and assets to the appropriate entity designated pursuant to Section 34176.

(h) Expeditiously wind down the affairs of the redevelopment agency pursuant to the provisions of this part and in accordance with the direction of the oversight board.

(i) (1) Continue to oversee development of properties until the contracted work has been completed or the contractual obligations of the former redevelopment agency can be transferred to other parties. Bond proceeds shall be used for the purposes for which bonds were sold unless the purposes can no longer be achieved, in which case, the proceeds may be used to defease the bonds.

(2) *Utilize, in accordance with paragraph (1) the proceeds of bonds issued during the year 2011, upon approval of the oversight board, if the oversight board, in consultation with the appropriate metropolitan planning organization, determines that the use of the bond proceeds is consistent with the sustainable communities strategy adopted by the metropolitan planning organization.*

(j) Prepare a proposed administrative budget and submit it to the oversight board for its approval. The proposed administrative budget shall include all of the following:

(1) Estimated amounts for successor agency administrative costs for the upcoming six-month fiscal period.

(2) Proposed sources of payment for the costs identified in paragraph (1).

(3) Proposals for arrangements for administrative and operations services provided by a city, county, city and county, or other entity.

(k) Provide administrative cost estimates, from its approved administrative budget that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the county auditor-controller for each six-month fiscal period.

(l) (1) Before each six-month fiscal period, prepare a Recognized Obligation Payment Schedule in accordance with the requirements of this paragraph. For each recognized obligation, the Recognized Obligation Payment Schedule shall identify one or more of the following sources of payment:

(A) Low and Moderate Income Housing Fund.

(B) Bond proceeds.

(C) Reserve balances.

(D) Administrative cost allowance.

(E) The Redevelopment Property Tax Trust Fund, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or by this part.

(F) Other revenue sources, including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the former redevelopment agency, as approved by the oversight board in accordance with this part.

(2) A Recognized Obligation Payment Schedule shall not be deemed valid unless all of the following conditions have been met:

(A) A Recognized Obligation Payment Schedule is prepared by the successor agency for the enforceable obligations of the former redevelopment agency. The initial schedule shall project the dates and amounts of scheduled payments for each enforceable obligation for the remainder of the time period during which the redevelopment agency would have been authorized to obligate property tax increment had the redevelopment agency not been

40 dissolved.

P7 1 (B) The Recognized Obligation Payment Schedule is submitted
2 to and duly approved by the oversight board. The successor agency
3 shall submit a copy of the Recognized Obligation Payment
4 Schedule to the county administrative officer, the county
5 auditor-controller, and the Department of Finance at the same time
6 that the successor agency submits the Recognized Obligation
7 Payment Schedule to the oversight board for approval.

8 (C) A copy of the approved Recognized Obligation Payment
9 Schedule is submitted to the county auditor-controller and both
10 the Controller's office and the Department of Finance and be posted
11 on the successor agency's Internet Web site.

12 (3) The Recognized Obligation Payment Schedule shall be
13 forward looking to the next six months. The first Recognized
14 Obligation Payment Schedule shall be submitted to the Controller's
15 office and the Department of Finance by April 15, 2012, for the
16 period of January 1, 2012, to June 30, 2012, inclusive. This
17 Recognized Obligation Payment Schedule shall include all
18 payments made by the former redevelopment agency between
19 January 1, 2012, through January 31, 2012, and shall include all
20 payments proposed to be made by the successor agency from
21 February 1, 2012, through June 30, 2012. Former redevelopment
22 agency enforceable obligation payments due, and reasonable or
23 necessary administrative costs due or incurred, prior to January 1,
24 2012, shall be made from property tax revenues received in the
25 spring of 2011 property tax distribution, and from other revenues
26 and balances transferred to the successor agency.

27 (m) The Recognized Obligation Payment Schedule for the period
28 of January 1, 2013, to June 30, 2013, shall be submitted by the
29 successor agency, after approval by the oversight board, no later
30 than September 1, 2012. Commencing with the Recognized
31 Obligation Payment Schedule covering the period July 1, 2013,
32 through December 31, 2013, successor agencies shall submit an
33 oversight board-approved Recognized Obligation Payment
34 Schedule to the Department of Finance and to the county
35 auditor-controller no fewer than 90 days before the date of property
36 tax distribution. The Department of Finance shall make its
37 determination of the enforceable obligations and the amounts and
38 funding sources of the enforceable obligations no later than 45
39 days after the Recognized Obligation Payment Schedule is
40 submitted. Within five business days of the department's

P8 1 determination, a successor agency may request additional review
2 by the department and an opportunity to meet and confer on
3 disputed items. The meet and confer period may vary; an untimely
4 submittal of a Recognized Obligation Payment Schedule may result
5 in a meet and confer period of less than 30 days. The department
6 shall notify the successor agency and the county auditor-controllers
7 as to the outcome of its review at least 15 days before the date of
8 property tax distribution.

9 (1) The successor agency shall submit a copy of the Recognized
10 Obligation Payment Schedule to the Department of Finance
11 electronically, and the successor agency shall complete the
12 Recognized Obligation Payment Schedule in the manner provided
13 for by the department. A successor agency shall be in
14 noncompliance with this paragraph if it only submits to the
15 department an electronic message or a letter stating that the

oversight board has approved a Recognized Obligation Payment Schedule.

(2) If a successor agency does not submit a Recognized Obligation Payment Schedule by the deadlines provided in this subdivision, the city, county, or city and county that created the redevelopment agency shall be subject to a civil penalty equal to ten thousand dollars (\$10,000) per day for every day the schedule is not submitted to the department. The civil penalty shall be paid to the county auditor-controller for allocation to the taxing entities under Section 34183. If a successor agency fails to submit a Recognized Obligation Payment Schedule by the deadline, any creditor of the successor agency or the Department of Finance or any affected taxing entity shall have standing to and may request a writ of mandate to require the successor agency to immediately perform this duty. Those actions may be filed only in the County of Sacramento and shall have priority over other civil matters. Additionally, if an agency does not submit a Recognized Obligation Payment Schedule within 10 days of the deadline, the maximum administrative cost allowance for that period shall be reduced by 25 percent.

(3) If a successor agency fails to submit to the department an oversight board-approved Recognized Obligation Payment Schedule that complies with all requirements of this subdivision within five business days of the date upon which the Recognized Obligation Payment Schedule is to be used to determine the amount of property tax allocations, the department may determine if any amount should be withheld by the county auditor-controller for payments for enforceable obligations from distribution to taxing entities, pending approval of a Recognized Obligation Payment Schedule. The county auditor-controller shall distribute the portion of any of the sums withheld pursuant to this paragraph to the affected taxing entities in accordance with paragraph (4) of subdivision (a) of Section 34183 upon notice by the department that a portion of the withheld balances are in excess of the amount of enforceable obligations. The county auditor-controller shall distribute withheld funds to the successor agency only in accordance with a Recognized Obligation Payment Schedule approved by the department. County auditor-controllers shall lack the authority to withhold any other amounts from the allocations provided for under Section 34183 or 34188, unless required by a court order.

(n) Cause a postaudit of the financial transactions and records of the successor agency to be made at least annually by a certified public accountant.

SEC. 2.

Section 34177.5 of the Health and Safety Code is amended to read:

34177.5.

(a) In addition to the powers granted to each successor agency, and notwithstanding anything in the act adding this part, including, but not limited to, Sections 34162 and 34189, a successor agency shall have the authority, rights, and powers of the redevelopment agency to which it succeeded solely for the following purposes:

(1) For the purpose of issuing bonds or incurring other indebtedness to refund the bonds or other indebtedness of its former

30 redevelopment agency or of the successor agency to provide
31 savings to the successor agency, provided that (A) the total interest
32 cost to maturity on the refunding bonds or other indebtedness plus
33 the principal amount of the refunding bonds or other indebtedness
34 shall not exceed the total remaining interest cost to maturity on
35 the bonds or other indebtedness to be refunded plus the remaining
36 principal of the bonds or other indebtedness to be refunded, and
37 (B) the principal amount of the refunding bonds or other
38 indebtedness shall not exceed the amount required to defease the
39 refunded bonds or other indebtedness, to establish customary debt
40 service reserves, and to pay related costs of issuance. If the
P10 1 foregoing conditions are satisfied, the initial principal amount of
2 the refunding bonds or other indebtedness may be greater than the
3 outstanding principal amount of the bonds or other indebtedness
4 to be refunded. The successor agency may pledge to the refunding
5 bonds or other indebtedness the revenues pledged to the bonds or
6 other indebtedness being refunded, and that pledge, when made
7 in connection with the issuance of such refunding bonds or other
8 indebtedness, shall have the same lien priority as the pledge of the
9 bonds or other obligations to be refunded, and shall be valid,
10 binding, and enforceable in accordance with its terms.

11 (2) For the purpose of issuing bonds or other indebtedness to
12 finance debt service spikes, including balloon maturities, provided
13 that (A) the existing indebtedness is not accelerated, except to the
14 extent necessary to achieve substantially level debt service, and
15 (B) the principal amount of the bonds or other indebtedness shall
16 not exceed the amount required to finance the debt service spikes,
17 including establishing customary debt service reserves and paying
18 related costs of issuance.

19 (3) For the purpose of amending an existing enforceable
20 obligation under which the successor agency is obligated to
21 reimburse a political subdivision of the state for the payment of
22 debt service on a bond or other obligation of the political
23 subdivision, or to pay all or a portion of the debt service on the
24 bond or other obligation of the political subdivision to provide
25 savings to the successor agency, provided that (A) the enforceable
26 obligation is amended in connection with a refunding of the bonds
27 or other obligations of the political subdivision so that the
28 enforceable obligation will apply to the refunding bonds or other
29 refunding indebtedness of the political subdivision, (B) the total
30 interest cost to maturity on the refunding bonds or other
31 indebtedness plus the principal amount of the refunding bonds or
32 other indebtedness shall not exceed the total remaining interest
33 cost to maturity on the bonds or other indebtedness to be refunded
34 plus the remaining principal of the bonds or other indebtedness to
35 be refunded, and (C) the principal amount of the refunding bonds
36 or other indebtedness shall not exceed the amount required to
37 defease the refunded bonds or other indebtedness, to establish
38 customary debt service reserves and to pay related costs of
39 issuance. The pledge set forth in that amended enforceable
40 obligation, when made in connection with the execution of the
P11 1 amendment of the enforceable obligation, shall have the same lien
2 priority as the pledge in the enforceable obligation prior to its
3 amendment and shall be valid, binding, and enforceable in
4 accordance with its terms.

(4) For the purpose of issuing bonds or incurring other indebtedness to make payments under enforceable obligations when the enforceable obligations include the irrevocable pledge of property tax increment, formerly tax increment revenues prior to the effective date of this part, or other funds and the obligation to issue bonds secured by that pledge. The successor agency may pledge to the bonds or other indebtedness the property tax revenues and other funds described in the enforceable obligation, and that pledge, when made in connection with the issuance of the bonds or the incurring of other indebtedness, shall be valid, binding, and enforceable in accordance with its terms. This paragraph shall not be deemed to authorize a successor agency to increase the amount of property tax revenues pledged under an enforceable obligation or to pledge any property tax revenue not already pledged pursuant to an enforceable obligation. This paragraph does not constitute a change in, but is declaratory of, the existing law.

(b) The refunding bonds authorized under this section may be issued under the authority of Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, and the refunding bonds may be sold at public or private sale, or to a joint powers authority pursuant to the Marks-Roos Local Bond Pooling Act (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code).

(c) (1) Prior to incurring any bonds or other indebtedness pursuant to this section, the successor agency may subordinate to the bonds or other indebtedness the amount required to be paid to an affected taxing entity pursuant to paragraph (1) of subdivision (a) of Section 34183, provided that the affected taxing entity has approved the subordinations pursuant to this subdivision.

(2) At the time the successor agency requests an affected taxing entity to subordinate the amount to be paid to it, the successor agency shall provide the affected taxing entity with substantial evidence that sufficient funds will be available to pay both the debt service on the bonds or other indebtedness and the payments required by paragraph (1) of subdivision (a) of Section 34183, when due.

(3) Within 45 days after receipt of the agency's request, the affected taxing entity shall approve or disapprove the request for subordination. An affected taxing entity may disapprove a request for subordination only if it finds, based upon substantial evidence, that the successor agency will not be able to pay the debt service payments and the amount required to be paid to the affected taxing entity. If the affected taxing entity does not act within 45 days after receipt of the agency's request, the request to subordinate shall be deemed approved and shall be final and conclusive.

(d) An action may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure to determine the validity of bonds or other obligations authorized by this section, the pledge of revenues to those bonds or other obligations authorized by this section, the legality and validity of all proceedings theretofore taken and, as provided in the resolution of the legislative body of the successor agency authorizing the bonds or other obligations authorized by this section, proposed to be taken for the authorization, execution, issuance, sale, and delivery of the bonds or other obligations

22 authorized by this section, and for the payment of debt service on
23 the bonds or the payment of amounts under other obligations
24 authorized by this section. Subdivision (c) of Section 33501 shall
25 not apply to any such action. The Department of Finance shall be
26 notified of the filing of any action as an affected party.

27 (e) Notwithstanding any other law, including, but not limited
28 to, Section 33501, an action to challenge the issuance of bonds,
29 the incurrence of indebtedness, the amendment of an enforceable
30 obligation, or the execution of a financing agreement by a successor
31 agency shall be brought within 30 days after the date on which the
32 oversight board approves the resolution of the successor agency
33 approving the issuance of bonds, the incurrence of indebtedness,
34 the amendment of an enforceable obligation, or the execution of
35 a financing agreement authorized under this section.

36 (f) The actions authorized in this section shall be subject to the
37 approval of the oversight board, as provided in Section 34180.

38 Additionally, an oversight board may direct the successor agency
39 to commence any of the transactions described in subdivision (a)
40 so long as the successor agency is able to recover its related costs

P13 1 in connection with the transaction. After a successor agency, with
2 approval of the oversight board, issues any bonds, incurs any
3 indebtedness, or executes an amended enforceable obligation
4 pursuant to subdivision (a), the oversight board shall not
5 unilaterally approve any amendments to or early termination of
6 the bonds, indebtedness, or enforceable obligation. If, under the
7 authority granted to it by subdivision (h) of Section 34179, the
8 Department of Finance either reviews and approves or fails to
9 request review within five business days of an oversight board
10 approval of an action authorized by this section, the scheduled
11 payments on the bonds or other indebtedness shall be listed in the
12 Recognized Obligation Payment Schedule and shall not be subject
13 to further review and approval by the department or the Controller.
14 The department may extend its review time to 60 days for actions
15 authorized in this section and may seek the assistance of the
16 Treasurer in evaluating proposed actions under this section.

17 (g) Any bonds, indebtedness, or amended enforceable obligation
18 authorized by this section shall be considered indebtedness incurred
19 by the dissolved redevelopment agency, with the same legal effect
20 as if the bonds, indebtedness, financing agreement, or amended
21 enforceable obligation had been issued, incurred, or entered into
22 prior to June 29, 2011, in full conformity with the applicable
23 provisions of the Community Redevelopment Law that existed
24 prior to that date, shall be included in the successor agency's
25 Recognized Obligation Payment Schedule, and shall be secured
26 by a pledge of, and lien on, and shall be repaid from moneys
27 deposited from time to time in the Redevelopment Property Tax
28 Trust Fund established pursuant to subdivision (c) of Section
29 34172, as provided in paragraph (2) of subdivision (a) of Section
30 34183. Property tax revenues pledged to any bonds, indebtedness,
31 or amended enforceable obligations authorized by this section are
32 taxes allocated to the successor agency pursuant to subdivision (b)
33 of Section 33670 and Section 16 of Article XVI of the California
34 Constitution.

35 (h) The successor agency shall make diligent efforts to ensure
36 that the lowest long-term cost financing is obtained. The financing
37 shall not provide for any bullets or spikes and shall not use variable

38 rates. The successor agency shall make use of an independent
39 financial advisor in developing financing proposals and shall make
P14 1 the work products of the financial advisor available to the
2 Department of Finance at its request.

3 (i) (1) If an enforceable obligation provides for an irrevocable
4 commitment of property tax revenue and where allocation of such
5 revenues is expected to occur over time, the successor agency may
6 petition the Department of Finance to provide written confirmation
7 that its determination of such enforceable obligation as approved
8 in a Recognized Obligation Payment Schedule is final and
9 conclusive, and reflects the department's approval of subsequent
10 payments made pursuant to the enforceable obligation. If the
11 confirmation is granted, then the department's review of such
12 payments in future Recognized Obligation Payment Schedules
13 shall be limited to confirming that they are required by the prior
14 enforceable obligation.

15 (2) *Prior to removal of an enforceable obligation from a*
16 *recognized obligation payment schedule for a successor agency*
17 *that has received a finding of completion from the Department of*
18 *Finance under Section 34179.7, the action shall be submitted to*
19 *the oversight board for review and approval.*

20 (j) The successor agency may request that the department
21 provide a written determination to waive the two-year statute of
22 limitations on an action to review the validity of the adoption or
23 amendment of a redevelopment plan pursuant to subdivision (c)
24 of Section 33500 or on any findings or determinations made by
25 the agency pursuant to subdivision (d) of Section 33500. The
26 department at its discretion may provide a waiver if it determines
27 it is necessary for the agency to fulfill an enforceable obligation.

28 SEC. 3.

Section 34180 of the Health and Safety Code is
29 amended to read:

30 34180.

All of the following successor agency actions shall first
31 be approved by the oversight board:

32 (a) The establishment of new repayment terms for outstanding
33 loans where the terms have not been specified prior to the date of
34 this part. An oversight board shall not have the authority to
35 reestablish loan agreements between the successor agency and the
36 city, county, or city and county that formed the redevelopment
37 agency except as provided in Chapter 9 (commencing with Section
38 34191.1).

39 (b) The issuance of bonds or other indebtedness or the pledge
40 or agreement for the pledge of property tax revenues (formerly tax
P15 1 increment prior to the effective date of this part) pursuant to
2 subdivision (a) of Section 34177.5.

3 (c) Setting aside of amounts in reserves as required by
4 indentures, trust indentures, or similar documents governing the
5 issuance of outstanding redevelopment agency bonds.

6 (d) Merging of project areas.

7 (e) Continuing the acceptance of federal or state grants, or other
8 forms of financial assistance from either public or private sources,
9 if that assistance is conditioned upon the provision of matching
10 funds, by the successor entity as successor to the former
11 redevelopment agency, in an amount greater than 5 percent.

12 (f) (1) If a city, county, or city and county wishes to retain any

properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax, as determined pursuant to Section 34188, for the value of the property retained.

(2) If no other agreement is reached on valuation of the retained assets, the value will be the fair market value as of the 2011 property tax lien date as determined by an independent appraiser approved by the oversight board.

(3) This subdivision does not apply to the disposition of properties pursuant to a long-range property management plan.

(g) Establishment of the Recognized Obligation Payment Schedule.

(h) A request by the successor agency to enter into an agreement with the city, county, or city and county that formed the redevelopment agency that it is succeeding. An oversight board shall not have the authority to reestablish loan agreements between the successor agency and the city, county, or city and county that formed the redevelopment agency except as provided in Chapter 9 (commencing with Section 34191.1). Any actions to reestablish any other agreements that are in furtherance of enforceable obligations, with the city, county, or city and county that formed the redevelopment agency are invalid until they are included in an approved and valid Recognized Obligation Payment Schedule.

(i) A request by a successor agency or taxing entity to pledge, or to enter into an agreement for the pledge of, property tax revenues pursuant to subdivision (b) of Section 34178.

P16 1 (j) Any document submitted by a successor agency to an
2 oversight board for approval by any provision of this part shall
3 also be submitted to the county administrative officer, the county
4 auditor-controller, and the Department of Finance at the same time
5 that the successor agency submits the document to the oversight
6 board.

7 SEC. 4.

Section 34191.3 of the Health and Safety Code is amended to read:

9 34191.3.

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, *including, but not limited to, subdivision (f) of Section 34180.* ~~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 successor agency.~~

22 SEC. 5.

Section 34191.4 of the Health and Safety Code is amended to read:

24 34191.4.

The following provisions shall apply to any successor

25 agency that has been issued a finding of completion by the
26 Department of Finance:

27 (a) All real property and interests in real property identified in
28 subparagraph (C) of paragraph (5) of subdivision (c) of Section
29 34179.5 shall be transferred to the Community Redevelopment
30 Property Trust Fund of the successor agency upon approval by the
31 Department of Finance of the long-range property management
32 plan submitted by the successor agency pursuant to subdivision
33 (b) of Section 34191.7 unless that property is subject to the
34 requirements of any existing enforceable obligation.

35 (b) (1) Notwithstanding subdivision (d) of Section 34171, upon
36 application by the successor agency and approval by the oversight
37 board, loan agreements entered into between the redevelopment
38 agency and the city, county, or city and county that created by the
39 redevelopment agency shall be deemed to be enforceable
P17 1 obligations provided that the oversight board makes a finding that
2 the loan was for legitimate redevelopment purposes.

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

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

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

34 (C) Twenty percent of any loan repayment shall be deducted
35 from the loan repayment amount and shall be transferred to the
36 Low and Moderate Income Housing Asset Fund, after all
37 outstanding loans from the Low and Moderate Income Housing
38 Fund for purposes of the Supplemental Educational Revenue
39 Augmentation Fund have been paid.

P18 1 (c) (1) Bond proceeds derived from bonds issued on or before
2 December 31, 2010, shall be used for the purposes for which the

3 bonds were sold.

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

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

21 *(d) Notwithstanding subdivision (b) of Section 34163, if a*
22 *successor agency has received a finding of completion, the*
23 *successor agency may enter into, or amend existing, contracts and*
24 *agreements, or otherwise administer projects in connection with*
25 *enforceable obligations approved pursuant to subdivision (m) of*
26 *Section 34177, including the substitution of private developer*
27 *capitol in a disposition and development agreement that has been*
28 *deemed an enforceable obligation, if the contract, agreement, or*
29 *project will not commit new property tax funds, and will not*
30 *otherwise reduce property tax revenues or payments made pursuant*
31 *to paragraph (4) of subdivision (a) of Section 34183 to the taxing*
32 *agencies.*

33 SEC. 6.

34 Section 34191.5 of the Health and Safety Code is
35 amended to read:

34191.5.

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

P19 1 (b) The successor agency shall prepare a long-range property
2 management plan that addresses the disposition and use of the real
3 properties of the former redevelopment agency. The report shall
4 be submitted to the oversight board and the Department of Finance
5 for approval no later than six months following the issuance to the
6 successor agency of the finding of completion.

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

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

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

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

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

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

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

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

26 (G) A description of the property's potential for transit-oriented
27 development and the advancement of the planning objectives of
28 the successor agency.

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

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

P20 1 (A) If the plan directs the use or liquidation of the property for
2 a project identified in an approved redevelopment plan, the property
3 shall transfer to the city, county, or city and county.

4 (B) If the plan directs the liquidation of the property or the use
5 of revenues generated from the property, such as lease or parking
6 revenues, for any purpose other than to fulfill an enforceable
7 obligation or other than that specified in subparagraph (A), the
8 proceeds from the sale shall be distributed as property tax to the
9 taxing entities.

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

14 *(d) The department shall not require a compensation agreement*
15 *or agreements as part of the approval of a long-range property*
16 *management plan.*

17 *(e) The department shall only consider whether the long-range*
18 *property management plan makes a good faith effort to address*
19 *the requirements set forth in subdivision (c).*

20 *(f) The department shall approve long-range property*
21 *management plans as expeditiously as possible.*

Specific Site Costs

Specific Site Costs

These item cost numbers assume that the site will be leveled, clean, and graded 1' below the final grade by the demolition crew. If the site is level with the final grade, approximately 55 cubic yards of soil will need to be removed and additional costs will be incurred.

Maintenance cost estimates range from \$.60-\$.96 / ft² annually. Approximately 44 full and 52 brief visits per year at this rate. Includes simple mowing, trimming, sweeping and blowing of site.

Temporary construction fence (500' l.f. @ \$7/ea)	\$3,500
3,400 ft ² of permeable pavers	\$108,800
6,260 ft ² of lawn (includes soil prep and grading)	\$6,260
Drainage below lawn as needed	\$37,800
Small water feature including pump and installation	\$48,000
5,700 ft ² of DG pathways (ADA compliant w/ compacted base at least 4' wide and edging)	\$57,000
(3) 36" box trees staked and installed	\$3,000
680 ft ² Misc. shrubs and plantings topped with mulch	\$12,240
(14) low voltage lights for landscape trees, arbor etc.	\$9,180
(5) Commercial powder coated path lights (bollard style)	\$15,000
Sprinkler timer	\$1,000
1" Irrigation backflow preventer	\$2,500
Drinking fountain	\$5,000
Steel benches (Same as CV Blvd) 4 @ \$1,500 each)	\$6,000
Trash cans (Same as CV Blvd) 4 @ \$2,500 each)	\$10,000
Bike racks (Same as CV Blvd) 2 @ \$500 each)	\$1,000
Community Sign and Announcement Board	\$4,500
Electrical outlet for power supply etc.	\$16,000
Permits, fees etc.	\$8,000
10' x 80' Four post arbor similar to Lafayette (\$2,000/foot)	\$154,000
Low concrete seat wall along CV Blvd (208' long)	\$52,000
Architectural drawings, plans, etc.	\$56,000
Estimate for Installation	\$616,780