

OVERSIGHT BOARD FOR THE REDEVELOPMENT SUCCESSOR AGENCY OF THE  
CITY OF HEALDSBURG

RESOLUTION NO. OB5 -2015

RESOLUTION OF THE OVERSIGHT BOARD FOR THE  
REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY OF  
HEALDSBURG APPROVING THE AMENDED THE LONG-  
RANGE PROPERTY MANAGEMENT PLAN

WHEREAS, Health and Safety Code Section 34191.5 requires a Successor Agency to prepare and submit a Long-Range Property Management Plan (“LRPMP”) to the California Department of Finance (“DOF”) for review and approval; and

WHEREAS, on October 8, 2013, the Oversight Board adopted a resolution approving the LRPMP and the LRPMP was submitted to the DOF for review and approval; and

WHEREAS, the DOF conducted its initial review and at the request of the DOF, on August 5, 2014, the Oversight Board adopted a resolution transferring real property at 627 Healdsburg Avenue to the City as Housing Successor; and

WHEREAS, on August 11, 2014, the DOF approved the LRPMP; and

WHEREAS, the State Controller’s Office (“SCO”) reviewed the asset transfers made by the Healdsburg Redevelopment Agency after January 1, 2011, and, in a report dated March 2, 2015 prepared by the SCO, the SCO found three properties transferred to the City in March 2011, to be unallowed transfers, and has ordered the City to transfer the properties back to the Agency, and place them on the LRPMP; and

WHEREAS, the three transferred properties are 1381 University Avenue – Alliance Medical Clinic – APN 002-502-044, and 155 Dry Creek Road – undeveloped land – APN 089-071-002, and 1201 Grove Street – undeveloped land – APN 089-081-020; and

WHEREAS, pursuant to Health and Safety Code Section 34181, the long-term plan for the property located at 555 Piper Street, currently housing the Boys and Girls Club, is being amended as a governmental use property, with the intent to retain the facility as permanent recreation center serving the City’s citizens; and

WHEREAS, pursuant to Health and Safety Code Section 34181, the plan for the property located at 1381 University Avenue, currently housing the Alliance Medical Center is retention for governmental use; and

WHEREAS, it is critical to economic development to have adequate housing for employees of businesses that wish to remain in remain, expand, or locate in Healdsburg; and

WHEREAS, the City has a need to create Low and Moderate-Income housing; and

WHEREAS, pursuant to Health and Safety Code Section 34181, the plan for the property located at 155 Dry Creek Road, currently undeveloped land, is to transfer the property to the City as the Housing Successor for Low and Moderate-Income housing development; and

WHEREAS, pursuant to Health and Safety Code Section 34181, the plan for the property located at 1201 Grove Street, currently undeveloped land is to transfer the property to the City as the Housing Successor for Low and Moderate-Income housing development; and

WHEREAS, on September 8, 2015, the Council adopted a resolution authorizing the conveyance by Grant Deeds of aforementioned properties from the City to the Redevelopment Successor Agency; and

WHEREAS, on September 8, 2015, the Successor Agency adopted a resolution approving an Amended Long-Range Property Management Plan, and accepting the three properties, as directed by the State Controller.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board for the Redevelopment Successor Agency of the City of Healdsburg hereby finds and resolves as follows:

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

SECTION 2. All legal prerequisites to the adoption of this Resolution have occurred.

SECTION 3. This action is authorized pursuant and in response to an Order of the State Controller's Office.

SECTION 4. The Oversight Board hereby approves the Amended Long-Range Property Management Plan as presented and attached hereto as Exhibit "A".

SECTION 5. The Executive Director of Successor Agency or designee is hereby directed to take such actions as are necessary and appropriate to implement this decision of the Oversight Board.

SECTION 6. This Resolution shall be submitted to the California Department of Finance pursuant to Health and Safety Code Sections 34179(h) and 34191.5.

The above and foregoing Resolution was duly and regularly passed and adopted at a meeting of the Oversight Board for the Redevelopment Successor Agency of the City of Healdsburg on the 9th day of September 2015 by the following vote:

AYES: Board Members: (6) Brown, Gleason, Herrington, Schaffner, Ziedrich and Chairperson Plass

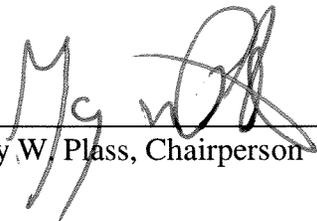
NOES: Board Members: (0) None

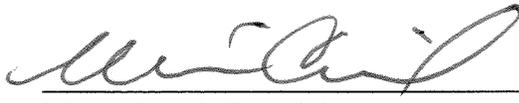
ABSENT: Board Members: (1) Navarrette

ABSTAINING: Board Members: (0) None

SO ORDERED:

ATTEST:

  
\_\_\_\_\_  
Gary W. Plass, Chairperson

  
\_\_\_\_\_  
Maria Curiel, Board Secretary

I, MARIA CURIEL, Secretary to the Oversight Board for the Redevelopment Successor Agency of the City of Healdsburg, do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. OB5-2015 duly adopted by the Oversight Board at a special meeting held on the 9<sup>th</sup> day of September, 2015.

  
\_\_\_\_\_  
Maria Curiel, Board Secretary

# AMENDED LONG RANGE PROPERTY MANAGEMENT PLAN

September 8, 2015



## INTRODUCTION

The original Long Range Property Management Plan (“LRPMP”) was submitted to the Department of Finance (“DOF”) on October 10, 2013, and approved by DOF on August 11, 2014, after one property was removed from the plan and transferred to the Housing Successor.

The State Controller’s Office (“SCO”) reviewed the asset transfers made by the Healdsburg Redevelopment Agency (“RDA”) after January 1, 2011. In a letter dated March 5, 2015, the SCO found three properties transferred to the City in March 2011 to be unallowed transfers, and has ordered the City to transfer the properties back to the Agency, and place them on the LRPMP.

In general, the following changes have been made to the LRPMP: a change in disposition for one property (#1) and the addition of three properties per the Order of the State Controller dated March 5, 2015 (#2 - #4).

## **PROPERTY LISTING**

1. 555 Piper Street – Youth Recreation Center
2. 1381 University Avenue – Alliance Medical Center
3. 155 Dry Creek Road – Vacant Land for Low to Moderate Income Housing
4. 1201 Grove Street – Vacant Land for Low to Moderate Income Housing

## PROPERTY 1

**Property Description** – 555 Piper Street was purchased by the Healdsburg Redevelopment Agency (the “Agency”) from the Boys and Girls Club.

**Address:** 555 Piper Street

**APN:** 002-131-008

**Acquisition Date:** September 25, 2003

**Purchase Price:** \$610,000

**Lot Size:** 1.35 acres or 58,806 square feet

**Zoning:** Public (PU)

**Purpose of Purchase:** The original purpose of the acquisition was to provide a Youth Recreation Center to eliminate a blighted area and serve an essential service to participants adjacent to neighboring parks.

**Estimated Current Value:** Unknown

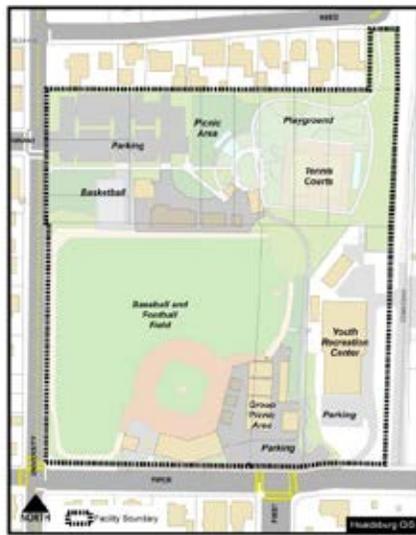
**Lease Value:** The property has been leased to the Boys & Girls Club for a \$1 per year.

**Environmental Studies:** No studies were done at time of purchase or have been done subsequently.

**Potential for transit-oriented development:** The property is not uniquely suited to transit-oriented development.

**Previous Development Proposals:** There is no record of any formal development proposals.

**Intended disposition of property:** Retention for governmental use pursuant to Health and Safety Code Section 34181 – Park. This property is a park which includes a Recreation Center supporting two neighboring parks – Giorgi and Recreation Parks, and the neighboring Healdsburg Elementary School. In addition to the Youth Recreation Center, the property enhances the open space provided for recreational use with a more natural landscape backing up to the local cemetery. This property provides an important service to the community’s citizens of any age.



This property serves the public goal and redevelopment goal of providing a park including a youth recreation center serving low-income residents residing in the Sotoyome Redevelopment Project Area. The property is proposed to be

transferred to the City pursuant to a grant deed that will include language restricting the use of the property to governmental/public use. In the event that the City as grantee discontinues the restricted use or seeks to use the property for a non-governmental/public purpose, the City shall enter into a compensation agreement with the Sonoma County Auditor-Controller or other appropriate entity or entities, providing that all new revenue from such non-governmental/public use shall be distributed in the same manner as property tax, subject to then-current law respecting such distribution.

## PROPERTY 2

**Property Description** The property was acquired on August 24, 2001. The property was acquired to construct the Alliance Medical Center.

**Address:** 1381 University Avenue

**APN:** 002-502-044

**Acquisition Date:** August 24, 2001

**Purchase Price:** \$460,000

**Lot Size:** 1.0 acre

**Zoning:** Medical Professional

**Purpose of Purchase:** To construct Alliance Medical Center, and provide health services to low-income residents in the City.

**Estimated Current Value:** Unknown

**Lease Value:** A lease dated May 22, 2002 was executed for a term of 30 years equal to the monthly payment required to be paid by the Agency on the bonds referenced below.

**Environmental Studies:** A Phase 1 Environmental Site Assessment was completed on March 16, 2001. The report found no geologic, seismic, flooding or wetlands issues on the property.

**Potential for transit-oriented development:** The property is not suited for transit-oriented development.

**Previous Development Proposals:** There is no record of any formal development proposals.

**Intended disposition of property:** Retention for governmental use pursuant to Health and Safety Code Section 34181 – In August 2004, the Agency issued \$1,800,000 in tax allocation bonds for the purpose of financing the construction of the Alliance Medical Center. The bonds have a principal amount of \$1,420,000 still outstanding, with a retirement date of August 2031. This property serves the public and redevelopment goal of providing public facilities serving low-income residents residing in the project area.

Upon retirement of the debt, the property shall be transferred to the Alliance Medical Center, and if at any point the public purpose is discontinued, the property will be transferred back to the City, and if it is then sold for a future non-public purpose there will be a compensation agreement with the Sonoma County Auditor-Controller or other appropriate entity or entities, providing that all new revenue from such non-governmental/public use shall be distributed in the same manner as property tax, subject to then-current law respecting such distribution.

### PROPERTY 3

**Property Description** The property was acquired on December 11, 2003. The property was acquired for future development. The property currently consists of vacant land.

**Address:** 155 Dry Creek Road

**APN:** 089-071-002

**Acquisition Date:** December 11, 2003

**Purchase Price:** \$1,850,000

**Lot Size:** 3.53 acres

**Zoning:** Mixed Use (MU)

**Purpose of Purchase:** Development

**Estimated Current Value:** Unknown

**Lease Value:** The property is currently a vacant lot with no structures. There are no lease or rental agreements in place.

**Environmental Studies:** A Phase 1 Environmental Site Assessment and a Phase 2- Limited Sampling and Analysis Program were completed in March 1998, clearing the property of contamination issues.

A report was completed in May 2006 with a recommendation that a 35-foot set-back would be a minimum set-back for this parcel, and that no construction should occur within the 35-foot set-back.

In June 2004, a report was prepared noting approximately 0.32 acres of potential jurisdictional wetlands and 0.34 acres of water of the U.S. have been delineated for the site. A formal jurisdictional determination was received from the U.S. Army Corps of Engineers (“Corps”) in September 2004 confirming the Corps jurisdiction on the parcel.

**Potential for transit-oriented development:** The property is not suited for transit-oriented development.

**Previous Development Proposals:** The City has recently received multiple proposals for Moderate Income Housing for the site.

**Intended disposition of property:** As evidenced in the Housing Element adopted by the City Council in November 2014, and certified in January 2015 by the State of California Department of Housing and Community Development, the City of Healdsburg has a great need for Low-Moderate Income Housing. The City desires to transfer the property to the City as Housing Successor for Low and Moderate-Income Housing.

## PROPERTY 4

**Property Description** The property was acquired on April 6, 2005. The property currently consists of vacant land.

**Address:** 1201 Grove Street

**APN:** 089-081-020

**Acquisition Date:** April 6, 2005

**Purchase Price:** \$690,000. Note: The property was not purchased with Low and Moderate Income Housing Funds, but rather with Agency “80% tax increment.” Nonetheless, the property was purchased with the intent of developing affordable housing and has not been used for any intervening purpose. As such the Successor Agency believes that the property constitutes a housing asset within the meaning of Health and Safety Code Section 34176(e)(1) as real property acquired for low-and-moderate income housing purposes by purchase with any source of funds, and that the Department of Finance should permit its transfer to the City of Healdsburg as Housing Successor.

**Lot Size:** 1.36 acres

**Zoning:** Mixed Use (MU)

**Purpose of Purchase:** Low-Moderate Income Housing

**Estimated Current Value:** Unknown

**Lease Value:** The property is currently a vacant lot with no structures. There are no lease or rental agreements in place.

**Environmental Studies:** No studies were done at time of purchase or have been done subsequently.

**Potential for transit-oriented development:** The property is not suited for transit-oriented development.

**Previous Development Proposals:** The Agency was in negotiations with a potential developer of farmworker housing at the time of redevelopment dissolution, at which time those negotiations deteriorated. Staff is not aware of any other formal development proposals.

**Intended disposition of property:** Transfer to City as Housing Successor for Low and Moderate-Income Housing – as evidenced in the Housing Element adopted by the City Council in November 2014, and certified in January 2015 by the State of California Department of Housing and Community Development, and by the use of 80% tax increment to develop such housing on this property, the City of Healdsburg has a great need for Low-Moderate Income Housing.