



NOTICE OF

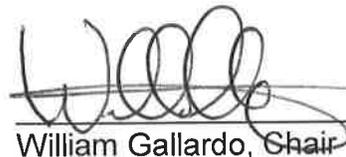
SPECIAL MEETING OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE BREA REDEVELOPMENT AGENCY

NOTICE IS HEREBY GIVEN that a Special Meeting of the Oversight Board to the Successor Agency to the Brea Redevelopment Agency will be held on **November 19, 2015 at 9:00 a.m.** in the Executive Conference Room, Third Floor of the Brea Civic & Cultural Center, 1 Civic Center Circle, Brea, California.

Said special meeting shall be held to (1) Approve the October 6, 2015 Regular Meeting Minutes and (2) Adopt Resolution No. OB 2015-09 and Approve the Third Amendment to the Long Range Property Management Plan.

FURTHER INFORMATION may be obtained at the Office of the City Clerk or by calling (714) 990-7756.

Dated this 16th day of November, 2015.



William Gallardo, Chair

**OVERSIGHT BOARD
SUCCESSOR AGENCY
AGENDA**

November 19, 2015

**SPECIAL MEETING
9 a.m. - Executive Conference Room
Level Three**

NEXT RESOLUTION NO. OB 2015-09

CALL TO ORDER / ROLL CALL

1. **Public Comment** - This is the portion of the meeting for any member of the public to address the Oversight Board on any matter not on the agenda that is within the subject matter jurisdiction of the board. The Brown Act, with limited exception, does not allow the board or staff to discuss issues brought forth under Public Comment. Comments should be limited to 5 minutes per person.

DISCUSSION / ACTION ITEMS

2. **October 6, 2015 Oversight Board Meeting Minutes**
3. **Third Amendment to the Long Range Property Management Plan - Adopt Resolution No. OB 2015-09**

MEMBER REPORTS / ANNOUNCEMENTS

ADJOURNMENT

This agenda contains a brief general description of each item the Oversight Board will consider. The City Clerk has on file copies of written documentation relating to each item of business on this Agenda available for public inspection. Contact the City Clerk's Office at (714) 990-7756 or view the Agenda and related materials on the City's website at www.cityofbrea.net. Materials related to an item on this agenda submitted to the Oversight Board after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 1 Civic Center Circle, Brea, CA during normal business hours. Such documents may also be available on the City's website subject to staff's ability to post documents before the meeting.

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 990-7757. Notification 48 hours prior to the meeting will enable City staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

City of Brea

OVERSIGHT BOARD COMMUNICATION

FROM: City Manager

DATE: 11/19/2015

SUBJECT: October 6, 2015 Oversight Board Meeting Minutes

Attachments

10-06-2015 OB Minutes

**OVERSIGHT BOARD
TO THE CITY OF BREA
AS SUCCESSOR AGENCY
TO THE BREA REDEVELOPMENT AGENCY**

MINUTES

OCTOBER 6, 2015

REGULAR MEETING

**8:00 a.m. - Executive Conference Room
Level Three**

CALL TO ORDER / ROLL CALL

Chair Schweitzer called the meeting to order at 8:02 a.m.

PRESENT: Chair Don Schweitzer and Members Anna Cave, Kent Forde, William Gallardo, and Brad Mason

ABSENT: Members Don Parker and Kashu Vyas

Staff Present: David Crabtree, Kathie DeRobbio, Lee Squire, Chris Emeterio, Lillian Harris-Neal and Crystal Martinez

Public Comment

None.

DISCUSSION / ACTION ITEMS

APPOINT NEW CHAIR TO OVERSIGHT BOARD

Following discussion, a motion was made by Member Cave and second by Member Schweitzer nominating Board Member Gallardo as Chair of the Oversight Board. Motion carried unanimously.

Motion carried as follows:

AYES: BOARD MEMBERS: Cave, Forde, Schweitzer, Mason and Gallardo

NOES: BOARD MEMBERS: None

ABSENT: BOARD MEMBERS: Parker, Vyas

ABSTAIN: BOARD MEMBERS: None

SEPTEMBER 22, 2015 OVERSIGHT BOARD SPECIAL MEETING MINUTES

The Oversight Board with a motion by Member Schweitzer and second by Member Forde approved the September 22, 2015 Oversight Board Meeting Minutes as presented.

Motion carried as follows:

AYES: BOARD MEMBERS: Cave, Forde, Schweitzer, Mason and Gallardo

NOES: BOARD MEMBERS: None

ABSENT: BOARD MEMBERS: Parker, Vyas

ABSTAIN: BOARD MEMBERS: None

Board Member Vyas entered the room at 8:09 a.m.

RESOLUTION TO APPROVE THE CONVEYANCE OF GOVERNMENTAL USE PROPERTIES TO THE CITY OF BREA AND TAKE CERTAIN RELATED ACTIONS

Following discussion, motion was made by Member Cave and seconded by Member Schweitzer to Adopt **Resolution No. OB 2015-07** of the Oversight Board to the Successor Agency to the Brea Redevelopment Agency Approving the Conveyance of Certain Governmental Use Properties to the City of Brea and Taking Certain Related Actions.

Motion carried as follows:

AYES: BOARD MEMBERS: Cave, Forde, Schweitzer, Vyas, Mason and Gallardo

NOES: BOARD MEMBERS: None

ABSENT: BOARD MEMBERS: Parker

ABSTAIN: BOARD MEMBERS: None

RESOLUTION TO APPROVE AGREEMENT FOR TERMINATION OF EMBASSY SUITES, RETAIL COURT GROUND LEASE, ASSIGNMENT OF EASEMENTS AND CERTAIN RELATED ACTIONS

Following discussion, motion was made by Member Schweitzer and seconded by Member Forde to Adopt **Resolution No. OB 2015-08** of the Oversight Board to the Successor Agency to the Brea Redevelopment Agency Approving an Agreement Regarding Termination of Ground Lease and Assignment of Easements and Taking Certain Related Actions.

Motion carried as follows:

AYES: BOARD MEMBERS: Cave, Forde, Schweitzer, Vyas, Mason and Gallardo

NOES: BOARD MEMBERS: None

ABSENT: BOARD MEMBERS: Parker

ABSTAIN: BOARD MEMBERS: None

MEMBER REPORTS / ANNOUNCEMENTS

Community Development Director Crabtree informed the board of possible items coming to the board before the end of the year.

ADJOURNMENT

Chair Gallardo adjourned the meeting at 8:28 a.m.

Respectfully submitted,

The foregoing minutes are hereby approved this 19th day of November, 2015.

Crystal Martinez, Administrative Clerk II

William Gallardo, Chair

City of Brea

BOARD COMMUNICATION

TO: Honorable Chair and Board Members
FROM: David Crabtree, Community Development Director
DATE: 11/19/2015

SUBJECT: AMENDED LONG RANGE PROPERTY MANAGEMENT PLAN

RECOMMENDATION

Adopt resolution approving the attached Third Amendment to the Long Range Property Management Plan and submit the Plan to the State Department of Finance.

BACKGROUND

Pursuant to Assembly Bill 1484 all successor agencies are required to prepare a Long Range Property Management Plan (LRPMP), which will govern the disposition and use of the former Agency's non-housing properties and interests in real properties. The LRPMP must be approved by the Oversight Board (OB) and then submitted to the State Department of Finance (DOF) for review.

The Successor Agency approved the staff prepared LRPMP on November 19, 2013 and the OB approved the document on December 3, 2013. During their review, the DOF stated they would not approve the plan unless the property at the corner of Date Street and Brea Boulevard was recommended to be sold. Thus the plan was amended and the OB approved the first amended LRPMP on January 20, 2015 and the plan was resubmitted to DOF. While DOF was reviewing the amended plan, we learned that the former Agency's interest in the Gateway Shopping Center needed to be added to the plan. This was done and the second amendment to the LRPMP was approved by the OB on April 21, 2015. The DOF then asked that the section on the Gateway Center be expanded. During this time it also became apparent that the former

Agency's interest in the Brea Mall Easement Agreement should be included in the LRPMP. The attached plan, which is the third amended LRPMP, includes the expanded information on the Gateway Center and adds information on the non-exclusive public parking easement with the Brea Mall.

DISCUSSION

Item #5 in the LRPMP is the former Agency's interest in the Gateway Shopping Center, which is located at the northwest corner of Imperial Highway and Brea Boulevard. When this property was redeveloped to become the shopping center, the Agency retained an interest in the property and contractually continued to receive participation payments, which are secured by a deed of trust. The agreement regarding this property has not changed since the OB reviewed the LRPMP in April of this year. The only thing that has changed in this section of the LRPMP is that at DOF's request, staff has slightly expanded the descriptions on this item. As the plan now explains in the Use/Disposition of Property section, "the Successor Agency does not have fee title to the property and can only take action with respect to the property in accordance with the terms of the Deed. Upon termination of the Brea Successor Agency (anticipated 2036), the City shall receive the participation payments and in turn pay the County to be allocated to the taxing entities. Currently, the County of Orange is reviewing information from the property owner and will affirm their participation when their evaluation is completed." The City and Successor Agency cannot control when that evaluation will be completed.

New to this version of the LRPMP is Item #6, which is the Brea Mall Easement Agreement. The Successor Agency interest is in the form of a non-exclusive public parking easement agreement, which has no monetary value nor can it be sold. The purpose of this easement, which was recorded in 1993, was to provide free overflow parking for city sponsored events at the Civic and Cultural Center, which is adjacent to the Mall. The owners of Brea Mall hold the fee title to the Mall property.

One other development has resulted in a change to this version of the LRPMP and that is the passage of Senate Bill 107 (SB107). Under this legislation, successor agencies may now retain as a governmental use property parking lots used for public parking for city facilities. Therefore,

Item # 1 is now back to being recommended to be retained by the Successor Agency. This is the lot at the corner of Brea Boulevard and Date Street, which is used for public parking for City Hall Park. Staff asked our DOF representative if this would be their interpretation of SB107 and they said it most likely would be.

FISCAL IMPACT

The sale proceeds from the properties owned by the Successor Agency will be dependent upon the final sales price for each property less listing costs and escrow fees. These proceeds will be distributed to the various taxing entities including Brea Olinda School District, North Orange County Community College District, County of Orange, Orange County Sanitation District, and City of Brea.

SIGNATURE BLOCK

Respectfully Submitted: David Crabtree, Community Development Director

Prepared by: Kathie DeRobbio, Economic Development Manager

Attachments

Resolution No. OB 2015-09
Exhibit A

RESOLUTION NO. OB 2015-09

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE BREA REDEVELOPMENT AGENCY, APPROVING A THIRD AMENDMENT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN

A. RECITALS:

(i) Pursuant to AB X1 26 (enacted in June 2011) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the former Brea Redevelopment Agency (the "Former Agency") was dissolved as of February 1, 2012; the Successor Agency to the Brea Redevelopment Agency (the "Successor Agency"), as the successor to the Former Agency, was constituted; and an Oversight Board to the Successor Agency (the "Oversight Board") was established;

(ii) AB 1484 (which became effective in June 2012) amended and supplemented the provisions of AB X1 26 (together, AB X1 26 and AB 1484 being referred to herein as the "Dissolution Act");

(iii) Pursuant to Section 34175(b) of the California Health and Safety Code ("HSC"), all assets, properties, and contracts of the Former Agency transferred to the control of the Successor Agency by operation of law;

(iv) Pursuant HSC 34191.5(b), the Successor Agency must prepare a long-range property management plan which addresses the disposition and use of the real properties (and interests in real property) of the Former Agency;

(v) The long-range property management plan must be submitted to the Oversight Board and the State Department of Finance (the “DOF”) for approval no later than six months following the issuance by DOF to the Successor Agency of a finding of completion pursuant to HSC Section 34179.7;

(vi) Pursuant to HSC Section 34179.7, DOF issued a finding of completion to the Successor Agency on July 9, 2013;

(vii) On December 3, 2013, the Oversight Board adopted Resolution No. OB 2013-09, approving a long-range property management plan (the “Original LRPMP” submitted by the Successor Agency;

(viii) The Original LRPMP, as approved by the Oversight Board, was submitted to the DOF for review;

(ix) As the result of discussions with the DOF Staff, the Successor Agency made revisions to the Original LRPMP (as revised, the “First Amended LRPMP”) and submitted the First Amended LRPMP to the Oversight Board;

(x) On January 20, 2015, the Oversight Board adopted Resolution No. OB 2015-01, approving the First Amended LRPMP;

(xi) The First Amended LRPMP was submitted to the DOF;

(xii) Based on comments from the DOF, Successor Agency Staff prepared and submitted to the Oversight Board the “Second Amendment” to the LRPMP (the First

Amended LRPMP, as supplemented by the Second Amendment, being referred to below as the “LRPMP”),

(xiii) The Second Amendment pertains to a Subordinated Deed of Trust and Assignment of Rents, made on August 4, 1995, by Brea Gateway Center L.P. (together with its successors and assigns, the “Gateway Center Entity”), in favor of the Former Agency, which was recorded in the Official Records of the County of Orange as Document No. 95-0349470 (the “Gateway Deed of Trust”) on August 14, 1995;

(xiv) The Gateway Deed of Trust relates to certain real property, known as the “Brea Gateway Center,” located in the downtown area of the City of Brea as described in the Deed;

(xv) The Gateway Deed of Trust secures in favor of the Former Agency (and now, the Successor Agency, as successor to the Former Agency) certain payments by the Gateway Entity (the “Gateway Annual Participation Payments”);

(xvi) The LRPMP (with the incorporation of the Second Amendment) will provide that the Successor Agency shall retain the Gateway Deed of Trust, which is an interest in real property, and that moneys derived from the Gateway Annual Participation Payments will continue to be revenues to the Successor Agency for use on enforceable obligations;

(xvii) On April 21, 2015, the Oversight Board adopted Resolution No. OB 2015 - 04, approving the Second Amended LRPMP;

(xviii) The Second Amended LRPMP was submitted to the DOF;

(xix) Based on the passage of Senate Bill 107 and other developments, the LRPMP was amended a third time and is hereby submitted to the Oversight Board the pages attached hereto as Exhibit A (the “Third Amendment”) for addition to Second Amended LRPMP (the First and Second Amended LRPMP, as supplemented by the Third Amendment, being referred to below as the “LRPMP”),

(xx) HSC Section 34191.3 provides that once the DOF has approved the LRPMP, the LRPMP will govern, and supersede all other provisions of the Dissolution Act relating to, the disposition and use of real property assets of the Former Agency and the Successor Agency;

B. RECITALS:

NOW, THEREFORE, be it found, determined and resolved by the Oversight Board to the Successor Agency to the Brea Redevelopment Agency, as follows;

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

2. The Oversight Board hereby approves the Third Amendment, in the form attached hereto as Exhibit A, and approves the LRPMP, with the incorporation of the Third Amendment.

3. The members of this Oversight Board and the staff of the Successor Agency are hereby authorized, jointly and severally, to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution and the LRPMP.

APPROVED AND ADOPTED this day of , 2015.

Chair

ATTEST:

City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was passed at a regular meeting of the Oversight Board for the Successor Agency to the Brea Redevelopment Agency, held on the day of , 2015, by the following vote:

- AYES: BOARD MEMBERS:
- NOES: BOARD MEMBERS:
- ABSENT: BOARD MEMBERS:
- ABSTAIN: BOARD MEMBERS:

Dated: _____

City Clerk

EXHIBIT A

Third Amended:
Long Range Property Management Plan

(see attached)



AMENDED

LONG RANGE PROPERTY MANAGEMENT PLAN

Successor Agency to the Brea Redevelopment Agency

November 2015

Long Range Property Management Plan for Successor Agency of the Brea Redevelopment Agency

Introduction

In June of 2012, Governor Brown signed into law Assembly Bill 1484, a budget trailer bill that made substantial changes to the redevelopment agency dissolution process implemented by AB 1X 26. One major component of this bill required all successor agencies to develop a long-range property management plan that governs the disposition and use of the former redevelopment agency property. This document serves as the Long-Range Property Management Plan (LRPMP) for the Successor Agency of Brea Redevelopment Agency (Successor Agency).

The approved LRPMP will serve to determine if the properties should be:

1. Retained for governmental use;
2. Retained for future development;
3. Retained to fulfill an enforceable obligation; or
4. Sold

Sequence for Approvals and Disposition

Prior to approval of a final LRPMP and subsequent disposition of real estate assets, the Successor Agency must comply with several requirements under AB 1484. Following the approval of a resolution by the Oversight Board, the Successor Agency will submit the LRPMP to the State Department of Finance (DOF) by January 9, 2014, which is 6 months from the date that the Successor Agency received the Finding of Completion from DOF.

Once the LRPMP is approved by DOF, the Successor Agency will send out a Request for Qualifications to real estate brokers in the area. A short list of the most qualified brokers, not less than three, will be interviewed by the Successor Agency staff and a recommendation for hiring a broker will be made to the Oversight Board. Proceeds from the sale will be used to cover broker and escrow fees, and the remaining proceeds will be distributed as property tax to the taxing entities.

Summary of the Real Property Owned by the Successor Agency

The four properties owned and controlled by the Successor Agency are the subject of this report. None of the four properties have buildings or other improvements other than asphalt paving, fencing, and curb and gutter. The properties formerly owned by the Brea Redevelopment Agency are shown on a map (Attachment A) and the following table:

Property #	Address	Square Feet
1	342 & 346 S. Brea Blvd.	16,635
2	112 W. Bracken St.	4,751
3	323 N. Brea Blvd.	19,044
4	340 N. Orange Ave.	10,752

Interests in Real Property

In addition to the four real properties, the Successor Agency has an interest in Brea Gateway Center (#5) and receives participation payments, which are used for enforceable obligations. The Successor Agency also holds a non-exclusive public parking easement within the privately owned by Brea Mall (#6).

Remainder of Report and Contact Information

The following report provides detailed information on each real property and interests in real property owned by the Successor Agency to the former Brea Redevelopment Agency as required by Health and Safety Code Section 34191.5

Any questions or information requests related to this report should be directed to:

Kathie DeRobbio
Economic Development Manager
City of Brea
kathied@cityofbrea.net
(714) 671-4403

Parcel #1

342 + 346 South Brea Boulevard, Brea

Parcel Information:

342 South Brea Boulevard

Assessor Parcel No.: 284-233-07

Acquisition Date: 12/5/2008

346 South Brea Boulevard

Assessor Parcel No.: 284-233-08

Acquisition Date: 12/5/2008

Value at Purchase:
(Purchase Price, including closing costs)

\$1,425,767

Purpose of Acquisition:

Blighted former Kentucky Fried Chicken restaurant purchased and demolished for general redevelopment if consolidated with adjacent properties, and for public parking for City Hall Park.

Lot Size:

342 6,720 sq. ft.
346 9,915 sq. ft.
Total = 16,635 sq. ft.

Current Zoning:

Mixed Use III

Property Type:

Paved parking lot for public use

Permissible Uses:

Parking, mixed use/housing/commercial/office



Parcel #1

342 + 346 South Brea Boulevard, Brea

Estimate of Current Property Value

Estimate of current value of the parcel including, if available, any appraisal information

Estimated Current Value:	No current appraisals exist. Based on recent proposals for similar properties, estimated land values range from \$40 to \$45/sq. ft, giving an estimated value of \$706,988.
Proposed Sale Value:	Retain for governmental use
Proposed Sale Date:	Not applicable

Estimate of Any Lease, Rental, or Any Other Revenues

Estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds

These lots serve as free public parking for visitors to City Hall Park; therefore there are no lease or rental revenues generated by the parking lots.

Environmental Contamination History

History of environmental contamination, including designation as a Brownfield site, any related environmental studies, and history of any remediation efforts

Brownfield Status:	Not applicable
Studies Conducted:	Asbestos sampling and analysis of building completed on May 28, 2009.
Remediation Efforts:	Asbestos containing material identified in building and removed with the demolition of the building.

Transit-Oriented Development Potential

Description of the property's potential for transit-oriented development

No potential for transit oriented development.

Parcel #1

342 + 346 South Brea Boulevard, Brea

Planning Objectives of Successor Agency

Description of the advancement of the planning objectives of the successor agency

This parcel is too small of a site to adequately meet the zoning requirements of a Mixed Use III development. The Brea Successor Agency will retain the site for governmental use as public parking for City Hall Park. The Park was built in 1929 and only has 55 onsite parking spaces. It is the site of the Concert in the Park series drawing over 1,000 people to each concert. It also includes the Brea Municipal Plunge (swimming pool), which hosts a wide variety of aquatic programs including swim lessons and supervised recreation swim. This summer program is extremely popular with hundreds of participants daily. The Brea Museum and Heritage Center is located in the park and in addition to being open to the public for self-guided tours, the museum offers school tours and numerous special events. City Hall Park also includes an outdoor basketball court, play equipment and picnic areas all popular with the community and consistently drawing a large number of participants. The park is bordered by Brea Boulevard on one side which does not allow parking and residential streets on the other three sides with very limited parking. A parking lot serving City Hall Park is critical to this neighborhood when events are being held at the Park.

History of Development Proposals and Activities

Brief history of previous development proposals and activity, including the rental or lease of the property

None received to date.

Use/Disposition of Property

Identify the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforcement obligation

The Successor Agency intends to retain the properties for governmental use as public parking for City Hall Park pursuant to subdivision (a) of Section 34181. The parking lot exists today and provides free public parking for City Hall Park users.

Parcel #2

112 West Bracken Street, Brea

Parcel Information

Assessor Parcel No.:	296-332-17
Acquisition Date:	8/31/1992
Value at Purchase: (Purchase Price, including closing costs)	\$151,153
Purpose of Acquisition:	Blighted former residential property purchased and demolished for general redevelopment if consolidated with adjacent properties.
Lot Size:	4,751 sq. ft.
Current Zoning:	Mixed Use I
Property Type:	Vacant paved parking lot used as public parking for nearby businesses.
Permissible Use:	This zoning district provides areas for intense, mixed-use urban environments.



Parcel #2

112 West Bracken Street, Brea

Estimate of Current Property Value

Estimate of current value of the parcel including, if available, any appraisal information

Estimated Current Value: \$85,000 (Based on the appraised value reported August 10, 2012 using \$18/sq. ft.)

Proposed Sale Value: Same as above

Proposed Sale Date: To be determined based on DOF approval of the LRPMP.

Estimate of Any Lease, Rental, or Any Other Revenues

Estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds

Estimate of Lease/Rental/Other: None

Contractual Requirements for Use of Income/Revenue: None

Environmental Contamination History

History of environmental contamination, including designation as a Brownfield site, any related environmental studies, and history of any remediation efforts

There are no known environmental conditions.

Transit-Oriented Development Potential

Description of the property's potential for transit-oriented development

No potential for transit oriented development.

Parcel #2

112 West Bracken Street, Brea

Planning Objectives of Successor Agency

Description of the advancement of the planning objectives of the successor agency

The zoning does allow mixed-use urban environments that offer opportunities for people to live, work, shop, and recreate without having to use their vehicles. This parcel is very small for development on its own, so the adjacent property owner may be an interested buyer. A short list of the most qualified brokers will be interviewed by the Successor Agency staff and a recommendation for hiring a broker will be made to the Oversight Board.

History of Development Proposals and Activities

Brief history of previous development proposals and activity, including the rental or lease of the property

None received to date.

Use/Disposition of Property

Identify the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforcement obligation

The Successor Agency intends to sell the property pursuant to Section 34191.5(c)(2) of the Health and Safety Code. Proceeds from the sale will be distributed as property tax to the appropriate entities.

Parcel #3

323 North Brea Boulevard, Brea

Parcel Information

Assessor Parcel No.:	296-301-02
Acquisition Date:	10/31/2001
Value at Purchase: (Purchase Price, including closing costs)	\$603,917
Purpose of Acquisition:	Acquired blighted medical office building, demolished and held for general redevelopment purposes when consolidated with adjacent parcels.
Lot Size:	19,044 sq. ft.
Current Zoning:	Mixed Use I
Property Type:	Currently an undeveloped, vacant lot
Permissible Use:	This zoning district provides areas for intense, mixed-use urban environments.



Parcel #3

323 North Brea Boulevard, Brea

Estimate of Current Property Value

Estimate of current value of the parcel including, if available, any appraisal information

Estimated Current Value: \$810,000 (Based on appraised value reported August 10, 2012, a unit rate of \$40 to \$45/sq. ft. of land area resulted in the rounded value)

Proposed Sale Value: Same as above

Proposed Sale Date: To be determined based on DOF approval of the LRPMP.

Estimate of Any Lease, Rental, or Any Other Revenues

Estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds

Estimate of Lease/Rental/Other: None

Contractual Requirements for Use of Income/Revenue: None

Environmental Contamination History

History of environmental contamination, including designation as a Brownfield site, any related environmental studies, and history of any remediation efforts

There are no known environmental conditions.

Transit-Oriented Development Potential

Description of the property's potential for transit-oriented development

No potential for transit oriented development.

Parcel #3

323 North Brea Boulevard, Brea

Planning Objectives of Successor Agency

Description of the advancement of the planning objectives of the successor agency

The zoning does allow mixed-use urban environments that offer opportunities for people to live, work, shop, and recreate without having to use their vehicles. A short list of the most qualified brokers will be interviewed by the Successor Agency staff and a recommendation for hiring a broker will be made to the Oversight Board.

History of Development Proposals and Activities

Brief history of previous development proposals and activity, including the rental or lease of the property

None received to date.

Use/Disposition of Property

Identify the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforcement obligation

The Successor Agency intends to sell the property pursuant to Section 34191.5(c)(2) of the Health and Safety Code. Proceeds from the sale will be distributed as property tax to the appropriate entities.

Parcel #4

340 North Orange Avenue, Brea

Parcel Information

Assessor Parcel No.:	296-303-17
Acquisition Date:	December 1986
Value at Purchase: (Purchase Price, including closing costs)	\$350,000 (This property was purchased in conjunction with other nearby properties, which have since been developed. As part of their development, some lot lines were adjusted. Therefore, it is difficult to break out exactly how much of the original purchase price was paid for this lot.)
Purpose of Acquisition:	The property was acquired by the Agency to eliminate the blighted conditions and consolidate property in this area. A job center run by the city occupied this lot for several years.
Lot Size:	10,752 sq. ft.
Current Zoning:	M-2 General Industrial
Property Type:	Vacant lot with deteriorated asphalt surface currently rented by nearby auto mechanic repair business to store cars needing repair.
Permissible Use:	The zoning is appropriate for heavy industrial uses, including manufacturing, repairing, and warehousing of many types of goods.



Parcel #4

340 North Orange Avenue, Brea

Estimate of Current Property Value

Estimate of current value of the parcel including, if available, any appraisal information

Estimated Current Value: \$290,000 (Based on the appraised value reported August 10, 2012, a unit rate of \$26 to \$28/sq. ft. of land area resulted in the rounded value)

Proposed Sale Value: Same as above

Proposed Sale Date: To be determined based on DOF approval of the LRPMP.

Estimate of Any Lease, Rental, or Any Other Revenues

Estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds

Estimate of Lease/Rental/Other: \$1,000/mo. – month-to-month

Contractual Requirements for Use of Income/Revenue: Rental agreement with Tony's Muffler and Transmission, which may be terminated with a 14 day verbal or written notice.

Environmental Contamination History

History of environmental contamination, including designation as a Brownfield site, any related environmental studies, and history of any remediation efforts

Brownfield Status: Not applicable

Studies Conducted: Phase I Site Assessment completed November 1, 1991, which did not reveal any issues of concern.

Remediation Efforts: Not applicable

Transit-Oriented Development Potential

Description of the property's potential for transit-oriented development

No potential for transit oriented development.

Parcel #4

340 North Orange Avenue, Brea

Planning Objectives of Successor Agency

Description of the advancement of the planning objectives of the successor agency

The M-2 Zone is appropriate for heavy industrial uses, including manufacturing, repairing, and warehousing of many types of goods. A short list of the most qualified brokers will be interviewed by the Successor Agency staff and a recommendation for hiring a broker will be made to the Oversight Board.

History of Development Proposals and Activities

Brief history of previous development proposals and activity, including the rental or lease of the property

None received to date.

Use/Disposition of Property

Identify the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforcement obligation

The Successor Agency intends to sell the property pursuant to Section 34191.5(c)(2) of the Health and Safety Code. Proceeds from the sale will be distributed as property tax to the appropriate entities.

#5 Interest in Real Property

Brea Gateway Center Deed of Trust

Background

In 1994 the Brea Redevelopment Agency leased Agency owned property to Watt-Craig Development Company with an option to purchase within the first seven years. Then in 1995, Watt-Craig exercised that option and purchased the property. The property was sold by the Agency with the condition that participation payments payable pursuant to the terms of the Disposition and Development Agreement (DDA) would continue to be paid to the Agency until 2048; and that the participation payments would be secured by a deed of trust, which was recorded August 14, 1995. The amount of the participation payments fluctuate and are equal to 25% of the Center's net spendable income (defined as gross income less allowable expenses). There is also a provision that allows the property owner to subtract the cost of tenant improvements from the payments. All revenue from these participation payments are used to fulfill enforceable obligations.

Parcel Information

Assessor Parcel No: 296-376-02

Value at Purchase: Not applicable as private property owner has fee title.

Purpose of Acquisition: To secure continuation of participation payments to former Redevelopment Agency.

Lot Size: Approximately 22 acres

Current Zoning: C-G

Property Type: Commercial and retail stores with parking lot

Permissible Use: General Commercial

#5 Interest in Real Property

Brea Gateway Center Deed of Trust



Estimate of Current Property Value

Estimate of current value of the parcel including, if available, any appraisal information

Not applicable as the Successor Agency does not own fee title to the property.

Estimate of Any Lease, Rental, or Any Other Revenues

Estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds

Estimate of Lease/Rental/Other:	\$20,960 per month based on the last 5 year average (Subject to fluctuations from year to year as described above)
Contractual Requirements for Use of Income/Revenue	No contractual requirements for the use of income/revenue exists.

Environmental Contamination History

History of environmental contamination, including designation as a Brownfield site, any related environmental studies, and history of any remediation efforts

There are no known environmental conditions; property fully developed.

#5 Interest in Real Property

Brea Gateway Center Deed of Trust

Transit-Oriented Development Potential

Description of the property's potential for transit-oriented development

No potential for transit oriented development.

Planning Objectives of Successor Agency

Description of the advancement of the planning objectives of the successor agency

Not applicable as Successor Agency does not own fee title.

History of Development Proposals and Activities

Brief history of previous development proposals and activity, including the rental or lease of the property

None received.

Use/Disposition of Property

Identify the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforcement obligation

The Successor Agency intends to retain the Deed of Trust and Assignment of Rents through the end of the term, which is 2048 and use the moneys derived from the participation payments to fulfill enforceable obligations. The participation payments are secured by the Deed of Trust. The Successor Agency does not have fee title to the property and can only take action with respect to the property in accordance with the terms of the Deed. Upon termination of the Brea Successor Agency (anticipated 2036), the City shall receive the participation payments and in turn pay the County to be allocated to the taxing entities. Currently, the County of Orange is reviewing information from the property owner and will affirm their participation when their evaluation is completed.

#6 Interest in Real Property

Brea Mall Easement Agreement

Parcel Information

Assessor Parcel No: 319-101-37, 319-101-44, 319-101-73, 319-101-26, 319-101-76, 319-101-79, 319-101-80, 319-101-71, 319-101-63, 319-101-41, 319-321-02

Easement recorded: February 26, 1993

Value at Purchase: Not applicable as Retail Property Trust owns fee title to this private property. The Brea Successor Agency has an interest in real property in the form of a non-exclusive public parking easement agreement, which has no monetary value.

Purpose of Easement: To provide free overflow parking for city sponsored events at the Civic and Cultural Center, which is adjacent to the Brea Mall.

Lot Size: Approximately 77 acres

Current Zoning: C-C

Property Type: Commercial and retail stores with parking lot

Permissible Use: General Commercial



#6 Interest in Real Property

Brea Mall Easement Agreement

Estimate of Current Property Value

Estimate of current value of the parcel including, if available, any appraisal information

Not applicable as property owner has fee title.

Estimate of Any Lease, Rental, or Any Other Revenues

Estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds

Estimate of Lease/Rental/Other:

None

Contractual Requirements for Use of
Income/Revenue

Not applicable as no income is
generated as parking is
provided fee.

Environmental Contamination History

History of environmental contamination, including designation as a Brownfield site, any related environmental studies, and history of any remediation efforts

There are no known environmental conditions; property fully developed.

Transit-Oriented Development Potential

Description of the property's potential for transit-oriented development

No potential for transit oriented development.

#6 Interest in Real Property

Brea Mall Easement Agreement

Planning Objectives of Successor Agency

Description of the advancement of the planning objectives of the successor agency

Not applicable as the Successor Agency does not own fee title. Successor Agency has interest in real property due to the parking easement agreement.

History of Development Proposals and Activities

Brief history of previous development proposals and activity, including the rental or lease of the property

None received.

Use/Disposition of Property

Identify the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforcement obligation

The Successor Agency intends to transfer this governmental use property to the City of Brea by an assignment of the easement agreement.

Conclusion

The contents of this LRPMP meet the state requirements for disposition of properties and interests in properties owned by the formed Brea Redevelopment Agency. The plan was presented and approved by the Successor Agency to the Brea Redevelopment Agency and by Brea's Oversight Board. Once DOF's approval is received, the Successor Agency will commence selling of three properties and retain the property at 342 and 346 South Brea Boulevard. The Brea Gateway Center Deed of Trust will be retained using the participation payments to fulfill enforceable obligations. The Brea Mall Easement will be transferred to the City of Brea by an assignment of the easement agreement.

Any questions or information requests related to this report should be directed to:

Kathie DeRobbio
Economic Development Manager
City of Brea
kathied@cityofbrea.net
(714) 671-4403