RESOLUTION NO. 2013-13

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

WHEREAS, the Oversight Board of the Successor Agency to the Hawthorne Community Redevelopment Agency ("Oversight Board") has been established to direct the Successor Agency to the Hawthorne Community Redevelopment Agency ("Successor Agency") to take certain actions to wind down the affairs of the Hawthorne Community Redevelopment Agency in accordance with the Dissolution Act (enacted by Assembly Bills 26x (Statutes of 2011, First Extraordinary Session) and 1484 (Statutes of 2012), as codified in the California Health and Safety Code); and

WHEREAS, among the duties of successor agencies under the Dissolution Act is the preparation of a Long-Range Property Management Plan that addresses the disposition and use of the real properties of the former redevelopment agency for consideration by a local oversight board and California Department of Finance ("DOF") for purposes of administering the wind-down of financial obligations of the former redevelopment agency; and

WHEREAS, the Long-Range Property Management Plan shall be submitted to the Oversight Board and DOF within six months after receiving a Finding of Completion from DOF; and

WHEREAS, the Successor Agency received their Finding of Completion on April 26, 2013, making the six month deadline to file the Long Range Property Management Plan October 26, 2013; and

WHEREAS, the Long-Range Property Management Plan shall include an inventory of all properties in the Community Redevelopment Property Trust Fund ("Trust"), which was established to serve as the repository of the former redevelopment agency's real properties; and

WHEREAS, the proposed Long-Range Property Management Plan, attached hereto as Exhibit "A", has been prepared by staff and consultants consistent with the provisions of the Dissolution Act, Health and Safety Code Section 34191.5, and the guidelines made available by DOF; and

WHEREAS, the Oversight Board desires to approve the Long-Range Property Management Plan and transmit it to DOF as required. ${}^{\sim}$

NOW, THEREFORE, THE OVERSIGHT BOARD TO THE HAWTHORNE SUCCESSOR AGENCY

- Section 1. The Recitals set forth above are true and correct and incorporated herein by reference.
- Section 2. The Oversight Board hereby approves and adopts the Long-Range Property Management Plan, in substantially the form attached hereto as Exhibit A, as required by Health and Safety Code Section 34191.5.
- Section 3. The City Manager or his/her designee is hereby authorized and directed to transmit a copy of the Long Range Property Management Plan to the DOF.

PASSED AND ADOPTED by the Oversight Board at a meeting held on the 26th day of September, 2013.

CHAIR, OVERSIGHT BOARD

ATTEST:

SECRETARY, OVERSIGHT BOARD

STATE OF CALIFORNIA

COUNTY OF Los Angeles) SS

CITY OF Hawthorne)

I, Monica Dicrisci, Secretary to the Oversight Board, hereby certify that the foregoing resolution was duly adopted at a meeting of the Oversight Board, held on the 26th day of September, 2013.

AYES:

BOARD MEMBERS: Fernandez, Talleda, Vogel, Chairman McClain.

NOES:

None.

ABSENT:

BOARD MEMBERS: Higdon, Kosmont, McElroy.

SECRETARY, OVERSIGHT BOARD

EXHIBIT A

SUCCESSOR AGENCY TO THE HAWTHORNE REDEVELOPMENT AGENCY LONG RANGE PROPERTY MANAGEMENT PLAN

LONG-RANGE PROPERTY MANAGEMENT PLAN

City of Hawthorne Successor Agency

September 26, 2013

INTRODUCTION

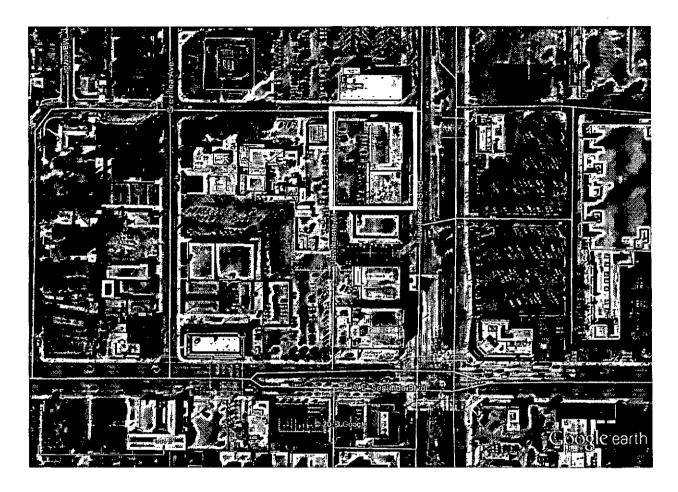
Assembly Bill (AB) 1484, enacted in June of 2012, requires all successor agencies for former redevelopment agencies that owned property as of the time of redevelopment dissolution in 2011 to prepare a Long Range Property Management Plan (LRPMP). The LRPMP governs the disposition and use of property held by the former redevelopment agency pursuant to legal requirements, as detailed in the next section.

This document is the LRPMP for the Successor Agency to the Hawthorne Community Redevelopment Agency (Successor Agency). Once this LRPMP is approved by the Hawthorne Oversight Board (Oversight Board), it will be transmitted to the State Department of Finance (DOF) for final approval. Prior to reviewing the LRPMP, the DOF must issue a Finding of Completion (FOC) to the Successor Agency. A FOC is issued by the DOF after the Successor Agency submits a FOC request and can demonstrate that both the Housing and Non Housing Due Diligence Reviews (DDRs) have been completed and all identified unencumbered funds of the former Community Redevelopment Agency have been returned to the county auditor controller for redistribution to the affected taxing entities. The Successor Agency received their FOC on April 26, 2013.

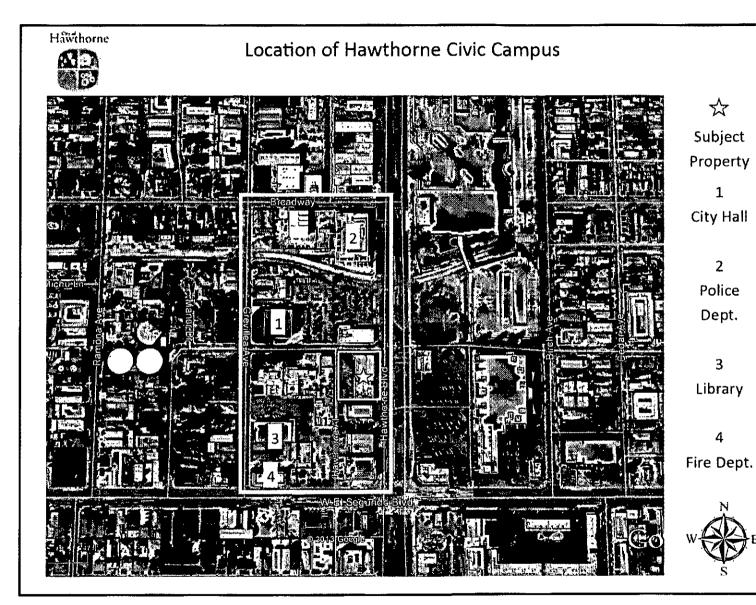
EXECUTIVE SUMMARY

The former Hawthorne Community Redevelopment Agency (Redevelopment Agency) was the owner of record on the title for one (1) property in the City of Hawthorne (City). This property is located at 12601 Hawthorne Boulevard. The LRMPM designates this property to be transferred back to the City as a government use property. The table below provides a summary of all LRPMP property categories:

Hawthorne Successor Agency Summary of Property Disposition Categories		
Permissable Use Under AB 1484	# of Properties	
Government Use Properties	1	
Sale of Property	0	
Fulfill an Enforceable Obligation	0	
Retain for Future Development	0	
TOTAL		



The property is being categorized for transfer back to the City as a government use property because the City originally acquired this property for the ultimate construction of more parking for the Civic Campus which includes the Hawthorne City Hall, Hawthorne Police and Fire Departments, and a branch of the County Library. The Civic Campus currently suffers from a lack of parking in part because the Police Department building does not currently have a dedicated parking lot or parking areas. Employees and visitors to the Police Department currently have to park on the streets in surrounding neighborhoods. This parking area has been identified some time in various City planning documents. Once the Successor Agency is able to transfer the property identified in the LRPMP back to the City, the City can commence with the demolition of the exiting building and construct the parking lot for the benefit of the aforementioned and adjacent public uses.. The map on the following page outlines the larger area that would be affected by these parking improvements.



LEGAL REQUIREMENT

Pursuant to Health and Safety Code section 34191.5, within six months after receiving a Finding of Completion from the DOF, each successor agency is required to submit for approval to the oversight board and DOF, a LRPMP that addresses the disposition and use of the real properties of the former redevelopment agency.

The LRPMP shall do all the following:

- 1. Include an inventory of all properties in the Community Redevelopment Property Trust Fund (Trust), which was established to serve as the repository of the former redevelopment agency's real properties. The inventory shall consist of all of the following information:
 - The date of acquisition of the property and the value of the property at that time, and an estimate of the current value of the property.
 - The purpose for which the property was acquired.
 - Parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.
 - An estimate of the current value of the parcel including, if available, any appraisal information.
 - An estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.
 - The history of environmental contamination, including designation as a brownfield site, and related environmental studies, and history of any remediation efforts.
 - A description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency
 - A brief history of previous development proposal and activity, including the rental or lease of property.
- 2. Address the use or disposition of all the properties in the Trust. Permissible uses include:
 - the retention of the property for governmental use pursuant to subdivision (a) of Section 34181
 - the retention of property for future development
 - the sale of the property, or
 - the use of the property to fulfill an enforceable obligation.

- 3. The LRMPM shall separately identify and list properties in the Trust dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties, all the following shall apply:
 - If the plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the city, county, or city and county.
 - If the plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or other than that specified in the bullet directly above, the proceeds from the sale shall be distributed as property tax to the taxing entities.
 - Property shall not be transferred to a successor agency, city, county, or city and county, unless the LRPMP has been approved by the oversight board and DOF.

PROPERTY INVENTORY

Property No. 1

Parcel Number	4041-014-914	
Address	12601 Hawthorne Boulevard, Hawthorne, CA	
Lot Size	15,501 sq/ft	
Property Type (DOF Category)	Government Use	
Zoning	C-3 General Commercial	
Date of Acquisition	9/16/2009	
Value of Property at time of acquisition	\$1,695,000	
Estimated current property value	\$1,100,000	
Value Basis	Comp Analysis	
Date of Estimated Value	9/1/13	
Original Purpose of acquisition	Parking lot for Civic Campus	
Estimated income/revenue	\$0	
Contractual obligations for	None	
income/revenue	INOTIC	
Environmental contamination	Unknown	
Potential for TOD	Limited given small size of property.	
Advancement of planning objectives of	Ensure Civic Campus has adequate parking.	
Successor Agency	Linsure Civic Campus has adequate parking.	
History of previous development	None	
proposals and activity	None	
Use or disposition of property	Transfer to City as Government Use	

PROPERTIES DEDICATED TO GOVERNMENTAL USE PURPOSES

Pursuant to HSC Section 34181 (a) the Oversight Board may "direct the Successor Agency to transfer ownership of properties that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, and local agency administration buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset." The following are these properties:

• Property # 1 located at 12601 Hawthorne Boulevard, Hawthorne, CA

Given the inadequate levels of parking at the Civic Campus, the City initially utilized redevelopment non housing funds to acquire this property for the construction of additional parking. Currently, visitors to and employees of City Hall, the Police and Fire Departments, and County Library must park on busy major thoroughfares or in surrounding residential neighborhoods when the limited existing parking areas are full. By transferring this property to the City as a Government Use Property, the Successor Agency and City will be able to realize the initial plan to construct more parking at the Civic Campus.

PROPERTIES RETAINED FOR FUTURE DEVELOPMENT

At this time, there are no properties designated as being retained for Future Development.

PROPERTIES TO BE MARKETED FOR SALE

At this time, there are no properties designated as being Marketed for Sale.

Hawthorne Successor Agency Long-Range Property Management Plan

PROPERTIES RETAINED FOR PURPOSES OF FULFILLING AN ENFORCEABLE **OBLIGATION**

At this time, there are no properties designated as being retained for Fulfilling and Enforceable Obligation.

APPENDIX

Hawthorne Successor Agency Finding of Completion



EDMUND G. BROWN JR. . GOVERNOR

918 L BTORET E SACRAMENTO CA E 95814-3706 E WWW.DDC.CA.GOV

April 26, 2013

Ms. Lani Emmich, Finance Manager City of Hawthorne 4455 West 126th Street Hawthorne, CA 90250

Dear Ms. Emmich:

Subject: Request for a Finding of Completion

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

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

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

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

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

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

Sincerely,

STEVE SZALAY

Local Government Consultant

cc: Ms. Felise Lopez, Accounting Supervisor, City of Hawthorne
Ms. Kristina Burns, Manager, Los Angeles County Auditor-Controller's Office
California State Controller's Office