

2013 LONG RANGE PROPERTY MANAGEMENT PLAN



Prepared for the:
**Successor Agency of the Brawley
Community Redevelopment Agency**
383 Main Street
Brawley, CA 92227
www.brawley-ca.gov

November 2013

**REVISED
MARCH 2014**

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2013 LONG RANGE PROPERTY MANAGEMENT PLAN

CITY COUNCIL/ SUCCESSOR AGENCY BOARD

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CITY STAFF

Rosanna Bayon Moore, *City Manager*

Ruby D. Walla, *Finance Director*



2013 LONG RANGE PROPERTY MANAGEMENT PLAN

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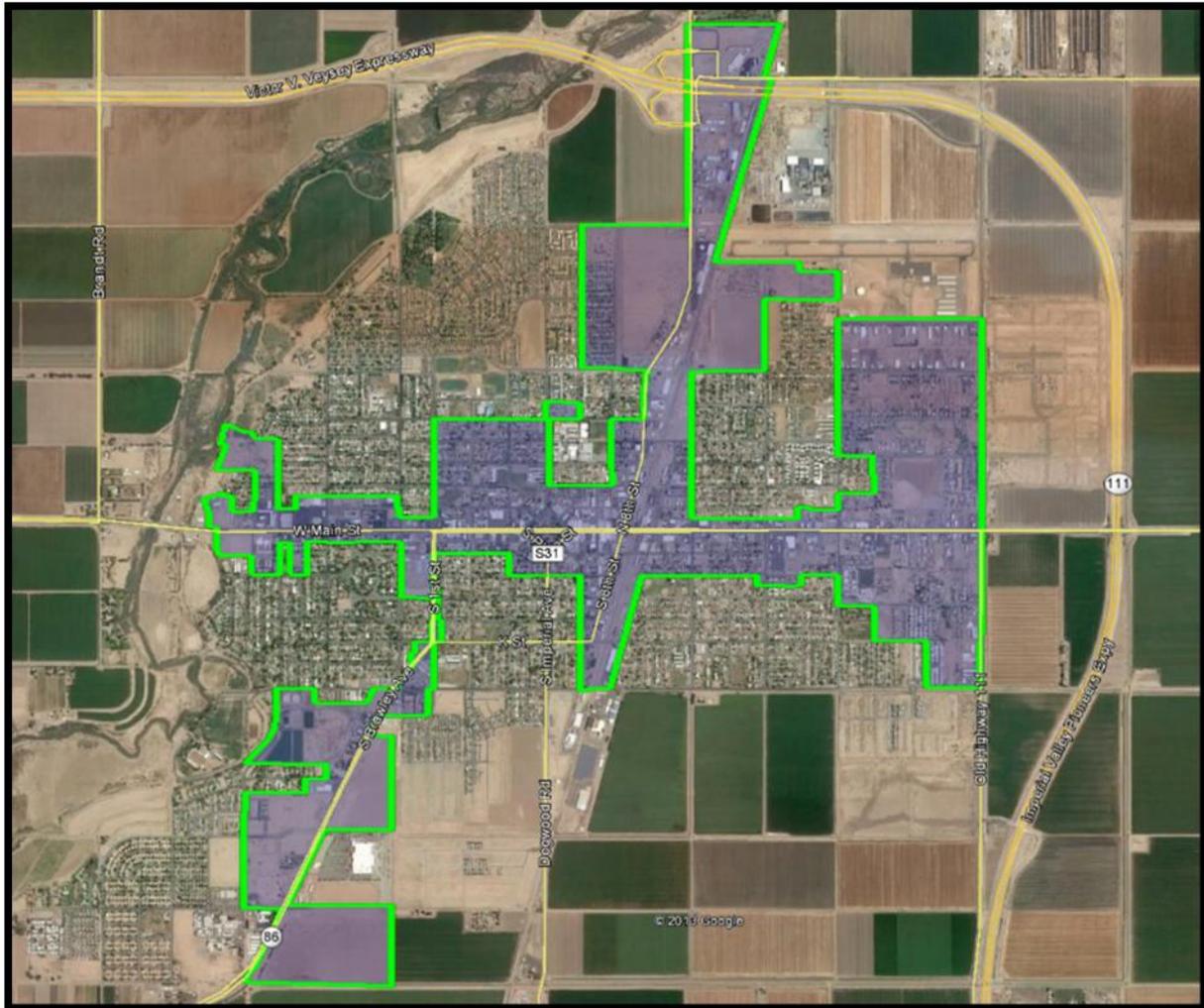
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I. Introduction

The City of Brawley (the “City”) incorporated on April 6, 1908, and encompasses 7.68 square miles. It is located in Imperial County and is 13 miles north of El Centro, 70 miles west of Yuma, AZ, 95 miles southeast of Palm Springs, and 130 miles east of San Diego. The California Department of Finance (the “DOF”) reports the City’s population to be 25,906 as of January 1, 2013.

Former Redevelopment Agency



The former Brawley Community Redevelopment Agency of the City of Brawley (the “Agency”) was organized in 1976, pursuant to §33000 *et seq.* of the California Health and Safety Code (the “HSC”) and was responsible for the administration of redevelopment activities within the City. The Redevelopment Plan for the City of Brawley Redevelopment Project Area (the “Project Area”) was adopted on July 19, 1976, and amended on July 16, 1990 and on July 17, 2007. The Project Area, as amended, consists of approximately 1,306 acres and is designated primarily for residential and commercial uses.



*Successor Agency to the Brawley
Community Redevelopment Agency
November 2013
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The Redevelopment Plan is summarized as follows:

Plan Chronology and Key Data			
	Original Project Area	1990 Amendment	2007 Amendment
Plan Adoption			
Date of Adoption	July 19, 1976	July 16, 1990	July 17, 2007
Ordinance Number	680	90-14	2007-04
Number of Years Plan is Effective	40 + 1 (SB 1045)	40 + 1 (SB 1045)	35
Project Area Size in Acres	335	971	110
Time Limits			
For Commencement of Eminent Domain	Expired	Expired	Not Authorized
For Establishment of Indebtedness	Eliminated	Eliminated	July 17, 2027
For Effectiveness of Plan	July 19, 2017	July 16, 2031	July 17, 2037
For Repayment of Indebtedness	July 19, 2027	July 16, 2041	July 17, 2052
Financial Limits			
Maximum Amount of Tax Increment	\$185,000,000 (combined Original Plan and 1990 Amendment)		
Maximum Bonded Debt Outstanding	\$235,000,000 (combined for all areas)		
Amendments/Legislative Compliance Mandatory Actions			
SB 53 Compliance (Yes/No):	No		No
SB 1809 (Yes/No):	N/A		N/A
AB 987 Compliance (Yes/No):	No		No
AB 1389 Compliance (Yes/No):	Yes		Yes
Discretionary Actions			
SB 211 (Yes/No):	Yes		Yes
Date	June 6, 2006		June 6, 2006
Ordinance No.	2006-05		2006-05
SB 1045 (Yes/No):	Yes		Yes
Date	June 6, 2006		June 6, 2006
Ordinance No.	2006-05		2006-05
SB 1096 (Yes/No):	No		No

Dissolution of Redevelopment Agencies

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

Further, on June 27, 2012, the Governor signed budget trailer bill AB 1484 into law, resulting in further procedural and substantive changes to the duties of and procedures to be followed by successor agencies, oversight boards, county auditor-controllers and the California Department of Finance (the “DOF”). This



includes, but is not limited to, the manner in which the Successor Agency disposes of real property assets. Specifically, AB 1484 added HSC §34191.5 that requires the Successor Agency to prepare a Long Range Property Management Plan (the “LRPMP”) as a prerequisite to the disposition of real property assets.

Long Range Property Management Plan

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

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

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

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

The Successor Agency received its Finding of Completion from the DOF on May 24, 2013 (Exhibit “C”). The LRPMP was approved by Resolution of the Successor Agency on November 5, 2013 (Exhibit “D”) and by Resolution of the Oversight Board on November 8, 2013 (Exhibit “E”).

The Successor Agency and the Oversight Board originally approved the LRPMP on November 5, 2013, and November 8, 2013, respectively.

Revisions to the LRPMP are for the purpose of responding to DOF’s comments received via a letter from Justyn Howard dated February 21, 2014 (Exhibit “G”).

The Revised LRPMP was approved by Resolution of the Successor Agency on _____, 2014 (Exhibit “D”) and by Resolution of the Oversight Board on _____, 2014 (Exhibit “E”).



II. Summary of Successor Agency Properties

The Successor Agency has control of one (1) parcel which is located within the boundaries of the City of Brawley and is subject to the provision of the Agency's Project Area Redevelopment Plan and its subsequent December 1986, July 1990, December 1994, June 2006, and July 2007 amendments, the Agency's Five Year Implementation Plan 2009/2010 through 2013/2014, and the City's General Plan, Zoning Ordinance, and land use regulations.

<i>Summary of Successor Agency Properties</i>						
Site No.	Site Reference	Address	Assessor Parcel No.	Zone¹	Lot Size (acres)	Permissible Use
1	Jones Street Vacant Property	Jones St & 7 th St	047-050-021	M-1	9.82	Sell

¹ See Exhibit "F" for zoning map

M-1 – Light Manufacturing/Industrial



III. Property to be Sold





Site No. 1
Jones Street Vacant Property
Jones Street & 7th Street - APN 047-050-021



- A. **Permissible Use (HSC §34191.5(c)(2)):**
Site No. 1 is the Jones Street Vacant Property (the “Vacant Property”) and is proposed to be sold by the Successor Agency.
- B. **Acquisition of Property (HSC §34191.5 (c)(1)(A) and §34191.5(c)(1)(B)):**
The Vacant Property was acquired by the Agency from the City on August 29, 1996 as part of a 48-parcel land assemblage LMIHF housing project. The acquisition price for all 48 parcels was \$1,081,003.
- The estimated current value (the “ECV”) for Vacant Property is \$51,331.
- C. **Site Information (HSC §34191.5(c)(1)(C)):**
The Vacant Property consists of one (1) 9.82-acre parcel (APN 047-050-021) located at the southeast corner of Jones Street and 7th Street. The Vacant Property is zone Light Manufacturing/Industrial (M-1) within the City’s General Plan and Zoning Ordinance. Zone M-1 provides for the establishment of industrial uses, in an area in close proximity to residential and commercial zones, including the establishment of necessary public service facilities compatible with the requirements of this zone. Standards are provided to control the intensity and development of uses and to limit the performance of activities in the zone to levels permitting no objectionable or obnoxious influences such as smoke, noise, fumes, vibration, radiation, light or glare that might adversely affect the tenants and purposes of this zone or any adjacent zone.
- D. **Estimated Current Value (HSC §34191.5 (c)(1)(D)):**
In October 2013, the Agency submitted its LRPMP to the DOF. In response, on February 21, 2014, Justin Howard issued a letter to the City (Exhibit “H”) stating that the LRPMP is not approved since the Agency did not list an estimated current value (“ECV”) of the property as required by HSC Section 34191.5(c)(1)(A)(a).



Notwithstanding the above, the LRPMP addressed HSC Section 34191.5(c)(1)(A)(a) by stating that it was not possible to obtain an ECV and that an appraisal would be conducted as part of the implementation of the LRPMP. The LRPMP went on to explain that with the use of the National Data Collective subscription service, a search for comparable sales data was performed within a geographical radius of 15 miles from the Vacant Property, over a time frame of 48 months, and no data was located, thereby necessitating the need for an appraisal when the LRPMP is implemented.

However, in complying with the DOF's request to include an ECV, on February 25, 2014, another National Data Collective search for sales comparable data was performed within a geographical radius of 25 miles from the Vacant Property, over a time frame of 14 years. This search resulted in an ECV of \$51,331.

It is not possible to determine the local factors that will affect land values obtained from the National Data Collective. Therefore, an actual estimated value of the Vacant Property can only be determined through an appraisal. The ECV is only a planning number and may not be relied upon as a basis for actual value.

The ECV is only a rough estimate that was obtained from an on-line source where only comparable sales data are available. It is not possible to include environmental issues or any other special or unique factors into simple ECV calculations, as such data are not available from the source. As noted in the LRPMP, the real value of the property cannot be determined without an appraisal.

Once the LRPMP is approved, and as part of its implementation, an appraisal of the Vacant Property will then be obtained.

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

There are no site revenues generated from the Vacant Property.

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

There is no known history of environmental contamination.

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

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

Selling the Vacant Property advances the Successor Agency's and City's planning objectives for the Project Area by developing and revitalizing this area of the community through job creation, development of underutilized property, a perceivable reduction in blight through new construction and infrastructure, and an increase in the City's manufacturing base.

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

The Vacant Property was acquired by the Agency from the City in 1996 along with 48 other parcels for an LMIHF project. The Vacant Property was not developed for housing, remained vacant, and subsequently rezoned to M-1.

I. Sale of Property:

The City proposes to sell the Vacant Property in accordance with the Successor Agency's policies and procedures for property disposition as shown in Section I. Purchase and Sale Procedures located in Exhibit "A."

The estimated current value of the Vacant Property is \$51,331.

Date of estimated current value – February 2014

Value Basis – The estimated current value of the Vacant Property is \$51,331.

It is not possible to determine the local factors that will affect land values obtained from the National Data Collective. Therefore, the actual estimated value of the Vacant Property can only be determined through an appraisal. The ECV is only a planning number and may not be relied upon as a basis for actual value.

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



Proposed sale value – TDB and subject to a fair market appraisal conducted by a licensed appraiser.

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

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

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



Assessor Parcel Map

WEBSTER SUB. NO.1 & TRACT 74 & POR TRACT 72, SEC 28, T13S R14E
FM 25-97

Tax Area Code
1-006
1-016

47-05



- 9-25-07 MF
- 9-19-07 MF
- 8-01-07 MF
- 6-04-07 MF
- 7-25-95 DP
- 1-26-95 LS
- 10-27-94 LS
- 2-9-93 DP
- 10-3-91 DP
- 8-20-93 LS
- 8-6-94 PM
- 9-6-11 MF
- 6-1-11 MF
- 1-7-00 MF

DISCLAIMER:
 THIS IS NOT AN OFFICIAL MAP.
 THIS MAP WAS CREATED FOR THE IMPERIAL COUNTY
 ASSESSOR, FOR THE SOLE PURPOSE OF AIDING IN
 THE PERFORMANCE OF THE DUTIES OF THE ASSESSOR.
 ANY ERRORS OR OMISSIONS IN THIS MAP ARE NOT
 THE RESPONSIBILITY OF THE COUNTY OF IMPERIAL.



IV. Property Inventory per HSC §4191.5(C)(1)

Site No.	Property Type	HSC 34191.5 (c)(2)	HSC 34191.5 (c)(1)(A)					Sale of Property		HSC 34191.5 (c)(1)(B)	HSC 34191.5 (c)(1)(C)				HSC 34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)		HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)		HSC 34191.5 (c)(1)(H)
		Permissible Use	Date Acq'd	Value When Acq'd ¹	Est. Current Value (ECV)	Value Basis	Date of ECV	Sale Value	Sale Date	Purpose Acq'd	Address	APN	Lot Size (ac)	Zoning	ECV ¹	Est. of Income / Revenue (Annual)	Contract req'd for use of income / revenue	History Envrn Contamination	TOD	Adv of SA Planning Objectives	Previous develop. proposals / activities
1	RP (Fee)	Sell	August 1996	\$1,081,003	\$51,331	Sales Comps	Feb 2014	TBD	TBD	LMIH	Jones St & 7 th St	047-050-021	9.82	M-1	\$51,331	none	None	None	No	Yes	None

¹This acquisition price was for 48 parcels that were purchased for an LMIHF housing project.

N/A – Not applicable

RP – Real Property

TBD – To be determined



Exhibit A – Successor Agency/City Property Disposition Procedures

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

I. PURCHASE AND SALE PROCEDURES

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



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

II. REQUEST FOR PROPOSAL PROCEDURES

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

A) INTENT AND PURPOSE

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

B) PROPOSAL SUBMITTAL

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



C) PROPOSAL REVIEW

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

D) NEGOTIATING AGREEMENTS

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

E) ALTERNATIVE METHODS OF DISPOSITION

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

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

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



Exhibit B – Health & Safety Code

HSC §34191.1, reads as follows:

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

HSC §34191.3, reads as follows:

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

HSC §34191.4, reads as follows:

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

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

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

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

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

(C) Twenty percent of any loan repayment shall be deducted from the loan repayment amount and shall be transferred to the Low



and Moderate Income Housing Asset Fund, after all outstanding loans from the Low and Moderate Income Housing Fund for purposes of the Supplemental Educational Revenue Augmentation Fund have been paid.

- (c) (1) Bond proceeds derived from bonds issued on or before December 31, 2010, shall be used for the purposes for which the bonds were sold.
- (2) (A) Notwithstanding Section 34177.3 or any other conflicting provision of law, bond proceeds in excess of the amounts needed to satisfy approved enforceable obligations shall thereafter be expended in a manner consistent with the original bond covenants. Enforceable obligations may be satisfied by the creation of reserves for projects that are the subject of the enforceable obligation and that are consistent with the contractual obligations for those projects, or by expending funds to complete the projects. An expenditure made pursuant to this paragraph shall constitute the creation of excess bond proceeds obligations to be paid from the excess proceeds. Excess bond proceeds obligations shall be listed separately on the Recognized Obligation Payment Schedule submitted by the City.

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

HSC §34191.5, reads as follows:

- (a) There is hereby established a Community Redevelopment Property Trust Fund, administered by the City, to serve as the repository of the former redevelopment agency's real properties identified in subparagraph (C) of paragraph (5) of subdivision (c) of Section 34179.5.
- (b) The City shall prepare a long-range property management plan that addresses the disposition and use of the real properties of the former redevelopment agency. The report shall be submitted to the oversight board and the Department of Finance for approval no later than six months following the issuance to the City of the finding of completion.

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

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

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

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

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

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

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

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

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

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

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



enforceable obligation. With respect to the use or disposition of all other properties, all of the following shall apply:

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

(B) If the plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill

an enforceable obligation or other than that specified in subparagraph (A), the proceeds from the sale shall be distributed as property tax to the taxing entities.

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

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



Exhibit C – DOF Finding Of Completion



DEPARTMENT OF
FINANCE

EDMUND G. BROWN JR. ■ GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 24, 2013

Ms. Rosanna B. Moore, City Manager
City of Brawley
383 North Main Street
Brawley, CA 92227

Dear Ms. Moore:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Brawley 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. Ruby Walla, Finance Director, City of Brawley
Mr. Douglas R. Newland, Auditor-Controller, County of Imperial
California State Controller's Office



Exhibit D – Resolution of the Oversight Board

RESOLUTION NO. 2013- 04-OB

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

~~WHEREAS, the Brawley Community Redevelopment Agency was dissolved February 1, 2012; and~~

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

WHEREAS, on May 24, 2013, the Successor Agency of the Brawley Community Redevelopment Agency ("Successor Agency") received its Finding of Completion (the "FOC") from the California Department of Finance (the "DOF") pursuant to HSC § 34179.7; and

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

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

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

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

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

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

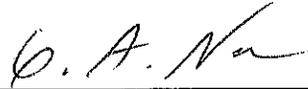
NOW, THEREFORE, BE IT RESOLVED by the Oversight Board for the Successor Agency of the Brawley Community Redevelopment Agency, as follows:

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

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

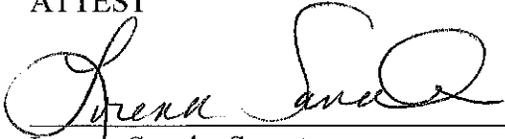
Section 3. This Resolution shall take effect upon the date of its adoption.

PASSED, APPROVED AND ADOPTED this 8 day of November 2013.



George A. Nava, Chairman

ATTEST



Lorena Savala, Secretary

CERTIFICATION:

I, Lorena Savala, Secretary of the Oversight Board for the Successor Agency of the Brawley Community Redevelopment Agency, do hereby certify that the foregoing Resolution No. 2013-04-OB was duly adopted by the Oversight Board for the Successor Agency of the Brawley Community Redevelopment Agency at a meeting thereof held on the 8 day of November 2013, by the following vote:

AYES: Bayon Moore, Curry, Kruger, Lau, Nava, Rutherford

NOES: None

ABSENT: Smith

ABSTAIN: None



Secretary



Exhibit E – Resolution of the Successor Agency Board

RESOLUTION NO. 2013-59

RESOLUTION OF THE SUCCESSOR AGENCY OF THE BRAWLEY COMMUNITY REDEVELOPMENT AGENCY APPROVING THE LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34191.5 AND APPROVING CERTAIN RELATED ACTIONS.

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

WHEREAS, on January 17, 2012, the City Council of the City of Brawley elected to serve as the Successor Agency to the Brawley Community Redevelopment Agency (the "Successor Agency") pursuant to part 1.85 of the California Health and Safety Code (the "HSC"); and

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

WHEREAS, on May 24, 2013, the Successor Agency received its Finding of Completion (the "FOC") from the California Department of Finance (the "DOF") pursuant to HSC § 34179.7; and

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

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

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

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

WHEREAS, consistent with the applicable provisions of the HSC, it is recommended that the Successor Agency approve the attached LRPMP; and

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

NOW, THEREFORE, BE IT RESOLVED by the Successor Agency of the Brawley Community Redevelopment Agency, as follows:

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

- Section 2.** The Long-Range Property Management Plan attached to this Resolution as Exhibit "A" is hereby approved.
- Section 3.** The City Manager, as Executive Director of the Successor Agency, or designee, is hereby authorized to transmit the Long-Range Property Management Plan attached to this Resolution as Exhibit "A" to the Oversight Board for their review and consideration.
- Section 4.** Subsequent to the approval of the Long-Range Property Management Plan by the Oversight Board, the City Manager, as Executive Director of the Successor Agency, or designee, is hereby authorized and directed to transmit the Long-Range Property Management Plan to the California Department of Finance and to take such actions and execute such documents as are necessary to implement the Long-Range Property Management Plan and to effectuate the intent of this Resolution.
- Section 5.** This Resolution shall take effect upon the date of its adoption.

APPROVED, PASSED AND ADOPTED at a regular meeting of the Brawley City Council held on November, 2013.

CITY OF BRAWLEY, CALIFORNIA


Sam Couchman, Chairman

ATTEST:


Alma Benavides, Secretary

STATE OF CALIFORNIA]
COUNTY OF IMPERIAL]
CITY OF BRAWLEY]

I, ALMA BENAVIDES, City Clerk of the City of Brawley; California, DO HEREBY CERTIFY that the foregoing Resolution No. 2013-59 was passed and adopted by the City Council of the City of Brawley, California, at a regular meeting held on the 5th day of November, 2013, and that it was so adopted by the following roll call vote: m/s/c Nava/Wharton 5-0

AYES: Campbell, Couchman, Miranda, Nava, Wharton
NOES: None
ABSTAIN: None
ABSENT: None

DATED: November 5, 2013

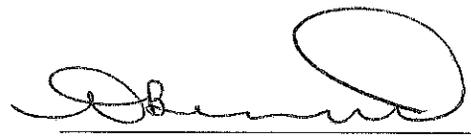

Alma Benavides, Secretary



Exhibit F – Zoning Information

City of Brawley

Official Zoning Map

Updated February 2013
City of Brawley
Planning Department



LEGEND

- | | | | |
|--|--------------------------------|--|---------------------------------|
| | R-A Residential Agriculture | | G-P Service and Professional |
| | R-E Residential Estates | | C-1 Neighborhood Commercial |
| | R-1 Residential Single Family | | C-2 Medium Commercial |
| | R-2 Residential Low Density | | C-3 Heavy Commercial |
| | R-3 Residential Medium Density | | M-1 Light Manufacturing |
| | MHP Mobilehome Park | | M-2 Heavy Manufacturing |
| | R Recreation | | P-F Public Facilities |
| | A-1 Light Agriculture | | P-D Planned Development* |
| | | | M-U Mixed Used Overlay District |

* The zoning within a Planned Development Zone may vary somewhat from the Zoning Ordinance standards. These variances, if any, may be found in the Planned Development's respective Specific Plan.

- Parcels
- City Lot
- Rail Road
- Rivers
- City Boundary

Downtown Specific Plan

Regulating Plan: Building Frontages

- West Village Main Street (WM)
- East Village Main Street (EM)
- West Village Neighborhood (WN)
- East Village Neighborhood (EN)
- Civic Center Main Street (CM)
- East Village Enterprise (EE)
- Civic Center Neighborhood (CN)
- Downtown Civic (DC)

La Paloma Specific Plan Zoning Map

LEGEND

- SF-4 Single Family 4000 Sq. Ft. Minimum Lots
- SF-5 Single Family 5000 Sq. Ft. Minimum Lots
- SF-6 Single Family 6000 Sq. Ft. Minimum Lots
- TH-12 Townhome Maximum 12 Units/Acre
- MF-17 Multi-Family Maximum 17 Units/Acre
- C Commercial
- I Industrial
- P-F Public Facilities
- S School

NOTE:
For properties outside the municipal boundary of the City of Brawley, zoning is controlled by the County of Imperial. All zoning for such properties shown on this map is pre-zoning (i.e., zoning that is applied only when the properties are annexed to the City of Brawley). For the present zoning of properties outside the Brawley municipal boundary, contact the County of Imperial.

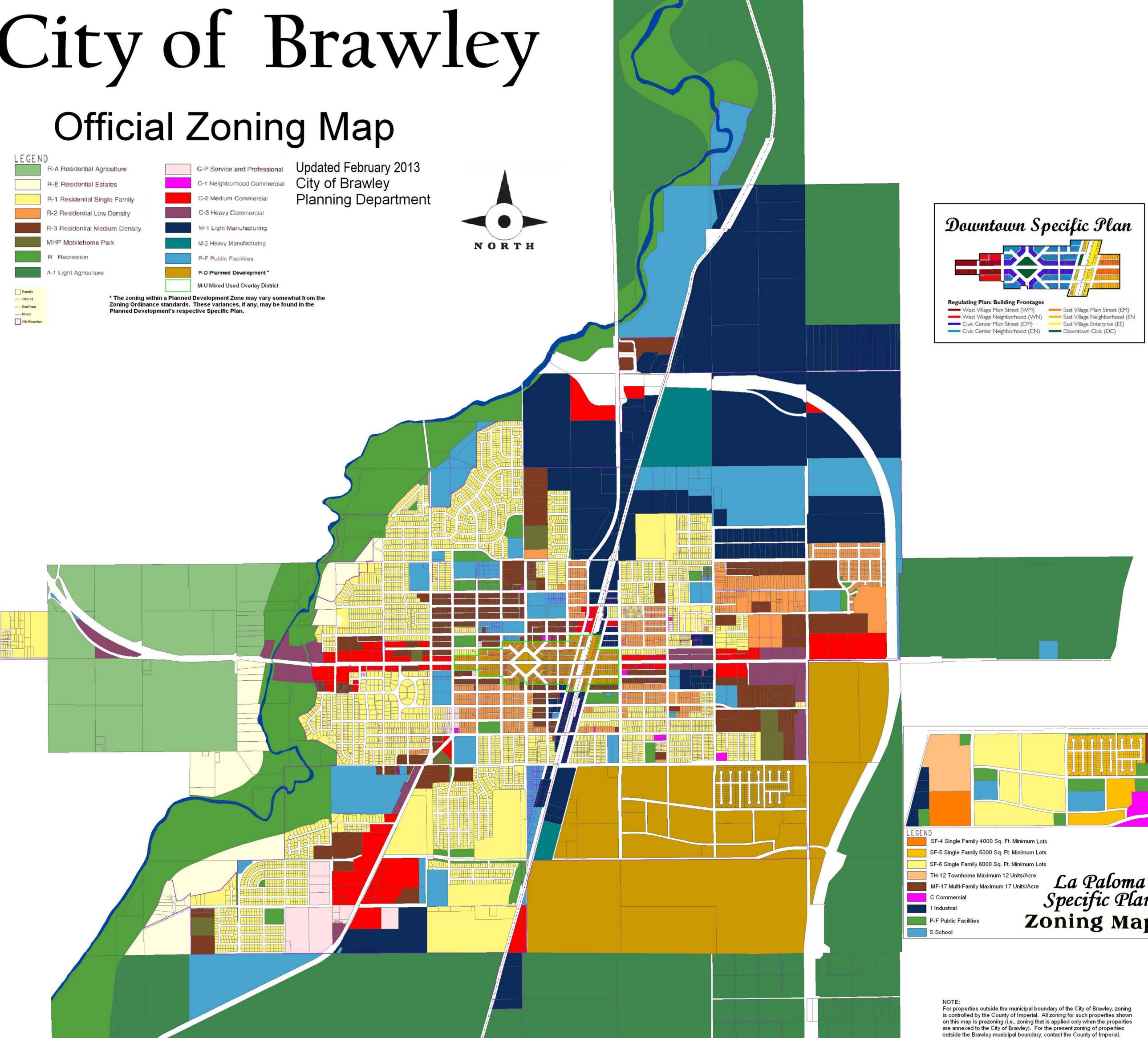




Exhibit G – DOF Correspondence



February 21, 2014

Ms. Rosanna B Moore, City Manager
City of Brawley
383 Main Street
Brawley, CA 92227

Dear Ms. Moore:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Brawley Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on November 12, 2013. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items.

HSC section 34191.5 defines the requirements of the LRPMP. Based on our review and application of the law, the Agency's LRPMP is not approved as follows:

- HSC section 34191.5 (c) (1) (A) (a) states that LRPMP shall include an estimate of the current value of the property. Review of the LRPMP shows that the Agency did not list an estimated current value for the property included in the LRPMP.

As authorized by HSC section 34191.5 (b), Finance is not approving the LRPMP. The Dissolution Act does not allow a meet and confer for Finance's review of the LRPMP. Therefore, the Agency should revise the LRPMP to address the issues noted above and resubmit an OB approved revised LRPMP to Finance for approval.

Please direct inquiries to Beliz Chappuie, Supervisor, or Todd Vermillion, Lead Analyst at (916) 445-1546.

Sincerely,

JUSTYN HOWARD
Assistant Program Budget Manager

cc: Ms. Ruby Walla, Finance Director, City of Brawley
Ms. Ann McDonald, Property Tax Manager, Imperial County
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California
State Controller's Office
California State Controller's Office