

I. Introduction

A key component of the dissolution of redevelopment agencies is the requirement that all successor agencies prepare a Long Range Property Management Plan (LRPMP) that governs the disposition and use of the non-housing properties owned by the former redevelopment agency. This document is the LRPMP for the Successor Agency to the former Redevelopment Agency of the City of Seaside (Successor Agency). The Successor Agency has prepared the LRPMP in accordance with Health and Safety Code (HSC) §34191.5.

A. LRPMP Requirement

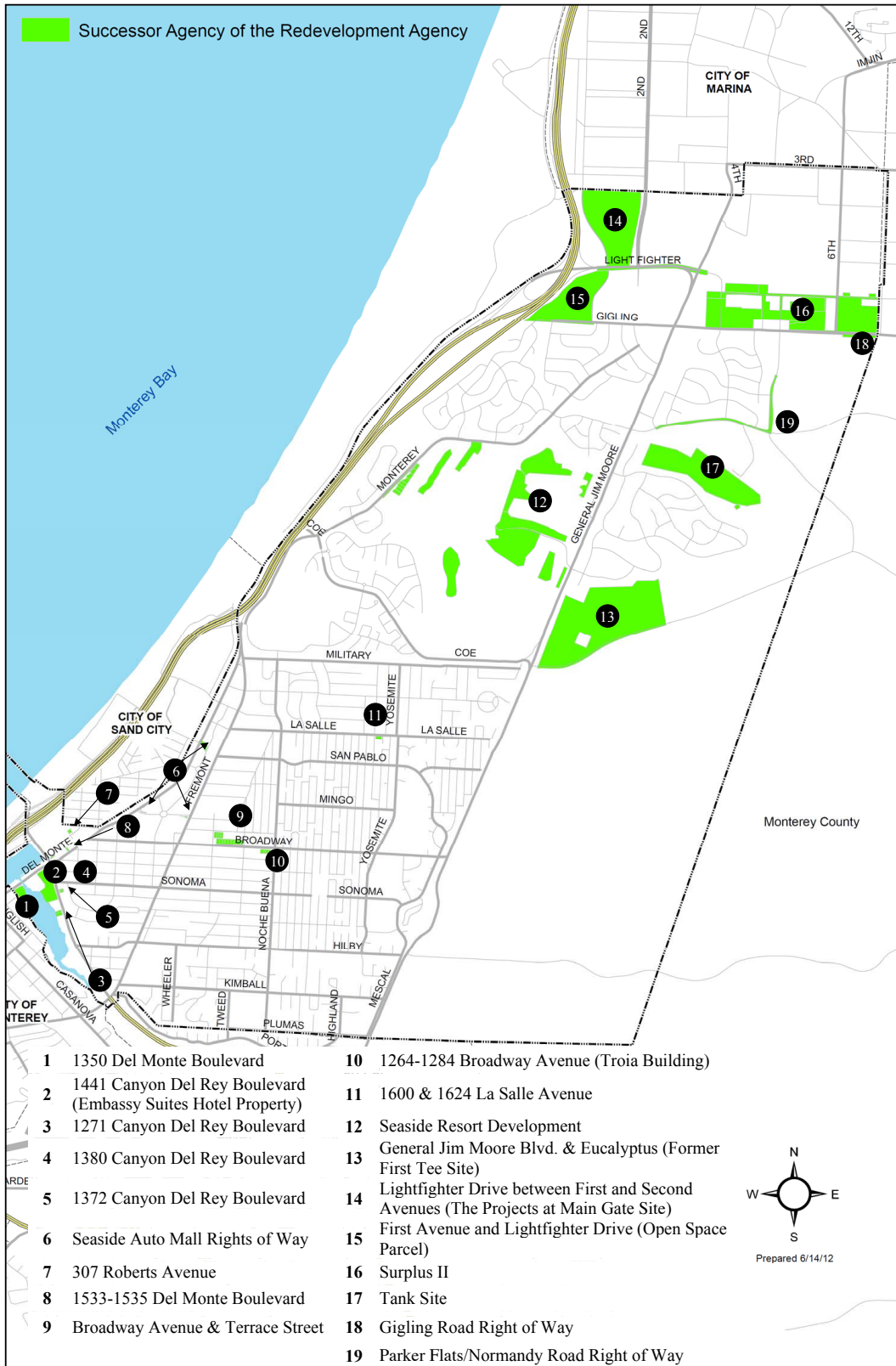
The former Seaside Redevelopment Agency (former RDA) was dissolved on February 1, 2012, pursuant to ABx1 26, as amended by AB 1484. The redevelopment dissolution statutes govern the former RDA dissolution, which includes the disposition of the former RDA's real property. At dissolution, the Redevelopment Agency of the City of Seaside owned properties located at 19 sites. The properties are located within the boundaries of the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and the City Center Revitalization Redevelopment Area (Merged Project Area), or the Seaside-Fort Ord Project Area. The properties are subject to the provisions of the Redevelopment Plans for these Project Areas, and the City's zoning and land use regulations, as set forth in City of Seaside (City) codes and ordinances. The Seaside-Fort Ord Project Area is also subject to the Fort Ord Base Reuse Plan. Figure 1 provides a general location map of the properties.

Pursuant to HSC §34179.7, a Successor Agency is required to submit the LRPMP to its Oversight Board and the State of California Department of Finance (DOF) not later than six months following DOF's issuance of the Finding of Completion (FOC) to the Successor Agency. DOF approved the FOC for the Successor Agency on March 28, 2014. Thus, the LRPMP is due to DOF by September 28, 2014.

Upon receipt of the FOC, the Successor Agency is responsible for disposition of the properties in accordance with the procedures and requirements of the Redevelopment Dissolution Statutes, and the first step is to prepare the LRPMP. Upon approval by Oversight Board and DOF, the LRPMP will govern and supersede all other provisions relating to the disposition and use of the Agency's real property assets. Please note, the dissolution laws do not specify a statutory deadline for DOF to complete its review of the LRPMP.

In accordance with HSC §34191.5(c), this LRPMP contains specific information related to the properties, and sets forth the proposed plan for disposition and use of the properties. Accompanying this LRPMP is the information checklist requested by the DOF and the DOF Property Management Tracking Worksheet.

Figure 1
Location of Properties of the Former Redevelopment Agency of the City of Seaside



Compensation Agreements and Properties to Be Retained for Future Development

The City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities after it accept title to properties to be retained for future development and prior to the City's disposition of such properties to third parties for development unless the properties are sold at or above fair market value. The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sales of the properties would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. The provisions of this paragraph regarding compensation agreements will not be operative if a court order or decision, legislation or Department of Finance policy eliminates the need for any compensation agreements.

B. LRPMP Organization

The LRPMP is organized as follows:

I. Introduction

II. Property Inventory and Disposition and Use

A. Properties to be Transferred to City and Retained for Governmental Use

- 1380 Canyon Del Rey Boulevard [No. 4]
- 1372 Canyon Del Rey Boulevard [No. 5]
- Seaside Auto Mall Rights of Way (ROW) [No. 6]
- Gigling Road Right of Way (ROW) [No. 18]
- Parker Flats/Normandy Road Rights of Way (ROW) [No. 19]

B. Properties to be Used to Fulfill Enforceable Obligation

- 1441 Canyon Del Rey Boulevard (Embassy Suites Hotel Property) [No. 2]
- Seaside Resort Development [No. 12]

C. Properties to be Transferred to City and Retained for Future Development

- 1350 Del Monte Boulevard [No. 1]
- 1271 Canyon Del Rey Boulevard [No. 3]
- Broadway Avenue and Terrace Street [No. 9]
- General Jim Moore Boulevard and Eucalyptus (Former First Tee Site) [No. 13]
- Lightfighter Drive between First and Second Avenues (The Projects at Main Gate Site) [No. 14]
- First Avenue and Lightfighter Drive (Open Space Parcel) [No. 15]
- Surplus II Planning Area [No. 16]
- Tank Site [No. 17]

D. Properties to be Sold

- 307 Roberts Avenue [No. 7]
- 1533-1535 Del Monte Boulevard [No. 8]
- 1264-1284 Broadway Avenue (Troia Building) [No. 10]

- 1600 and 1624 La Salle Avenue [No. 11]

Appendix A: DOF Property Management Tracking Worksheet

C. Background

During the 1910s, Seaside was an unincorporated suburb of Monterey, envisioned as a resort destination, and located only a mile from the famous Del Monte Hotel. In 1917, as the US entered World War I, the federal government established Fort Ord as a military training base for soldiers stationed in the nearby Presidio in Monterey. During World War II, the base was expanded, which encouraged economic growth in Seaside. After World War II ended, Seaside was still an unincorporated suburb with a population of fewer than 10,000. The City of Seaside incorporated in 1954, and by 1956 the population had more than doubled, to 21,750. Seaside annexed parts of Fort Ord in 1968, which increased its population to 32,000. Fort Ord was closed in 1994 as the result of a series of military base closures that occurred across California.

D. Redevelopment

Seaside has two redevelopment project areas: The Merged Redevelopment Project Area and the Seaside–Fort Ord Redevelopment Area.

1. Merged Project Area

The Merged Project Area encompasses a large portion of the community's original incorporated area, or "classic" Seaside, including most of the downtown commercial areas along Fremont and Del Monte Boulevards and Broadway Avenue. The Merged Project Area also includes many of Seaside's core residential neighborhoods both east and west of Fremont Boulevard.

Seaside adopted seven redevelopment project areas over a 31-year period beginning in 1960, when the first project area was adopted through 1991, when the seventh project area was adopted. The Project Areas were fiscally merged in 1996. The seven project areas (and their adoption dates) include the following:

Noche Buena Redevelopment Project Area (March 31, 1960)

Noche Buena is the oldest of the Project Areas and encompasses approximately 66 acres, bounded to the north by Broadway Avenue, to the east by Soto Street, to the South by Hilby Avenue, and to the west by Waring Street. The project was given first priority among several potential areas on the basis of having the greatest number of substandard and dilapidated structures. The goal of the Project Area was to rehabilitate or demolish substandard structures and to re-subdivide the area for uniform development.

Del Monte Heights Redevelopment Project (January 10, 1963)

Del Monte Heights Project Area is generally bounded by Soto Street to the west, La Salle Avenue to the north, Fort Ord to the east, and Hilby Avenue to the South. At the time of adoption, the area was primarily undeveloped, with approximately 28 percent of the developed area consisting of housing and a high school. The primary reason for adopting the Project Area was to re-subdivide and redevelop the area in accordance with building and planning standards.

Hannon Redevelopment Project Area (January 21, 1965)

The Hannon Project Area is generally bounded by Noche Buena to the west, La Salle Avenue to the north, Soto Street to the east, and Broadway Avenue to the south. At the time of adoption, the area was primarily built out. Substandard structures, inadequately sized lots, incompatible uses, and deficient infrastructure hindered the development of the area.

Gateway Redevelopment Project Area (January 22, 1970)

The Gateway Project Area is bounded by Del Monte Boulevard to the west, Playa Avenue to the north, Fremont Boulevard to the east, and to the south by the alley to the north of Broadway. The Project Area was zoned for commercial uses; however, at the time of adoption, the area was developed with a mix of commercial and residential uses. Development was hindered by obsolete subdivision patterns with small parcels and absentee ownership.

Laguna Grande Redevelopment Project Area (January 22, 1970)

The Laguna Grande Project Area is bounded by Laguna Grande Lake and the western shore of Roberts Lake to the west, the north shore of Roberts Lake and City boundaries to the north, and Fremont Boulevard to the south. The Project Area consists of three study areas that, at the time of adoption, consisted of underutilized parcels, substandard lots of inadequate size, and substandard building structures.

Gateway Auto Center Expansion Redevelopment Project (July 6, 1989)

The Gateway Auto Center Expansion Project Area is composed of approximately 14 acres located on the west side of Del Monte Boulevard, bordered by Fremont Boulevard to the north, Del Monte Boulevard to the east, Contra Costa Street to the south, and the City of Sand City and the Southern Pacific Railroad tracks to the west. The Project Area was primarily developed with heavy commercial and industrial uses, interspersed with a mix of non-conforming and substandard uses ranging from motels to warehouses. The objective for the area was to eliminate the mixed and incompatible uses.

City Center Revitalization Redevelopment Project Area (June 20, 1991)

The City Center Revitalization Project Area consists of approximately 157 acres and is developed with a mix of commercial and residential uses. The area is generally bounded by Broadway Avenue, Echo and La Salle Avenues to the north, Noche Buena and Fremont Boulevard to the east, Palm and Hilby Avenues to the south, and Del Monte Boulevard to the west. Buildings in the Project Area were in need of substantial rehabilitation and the commercial areas were old, underutilized, and in need of revitalization. Shallow parcel depths, small and irregularly shaped parcels, and inadequate infrastructure have been deterrents to development in the project area.

2. Seaside–Fort Ord Project Area

At its population and activity peak, Fort Ord maintained a large military population of 14,000 service members and 17,000 family members. The former military base also employed 3,800 civilians. Because of its proximity, Seaside had close economic ties to Fort Ord—the base created a demand for residential, retail, and local services. The federal government’s closure of the Fort Ord military base in 1994 left a void in Seaside’s economy.

The Fort Ord Base Reuse Plan (BRP) was adopted in 1997 and provides a framework for the reuse of approximately 45 square miles of land located on the former military base. The BRP identifies land uses, goals, and policies to transform the base into an integrated community and requires each land use jurisdiction within the Fort Ord Reuse Authority (FORA) to prepare and adopt amendments as necessary to their general plan to ensure consistency with the adopted BRP. Upon adoption of the BRP, the City adopted a General Plan and Zoning Code amendment for the Fort Ord Lands in August 1998 and commenced proceedings to develop the Redevelopment Plan for the Seaside–Fort Ord Redevelopment Project Area and completed a comprehensive General Plan Update in June 2004.

The former RDA adopted the Seaside–Fort Ord Redevelopment Project Area (Project Area) on April 18, 2002. The Project Area comprises an estimated 3,937 acres of the former Fort Ord military base along either side of General Jim Moore Boulevard inside the Seaside City limits. The Project Area follows the southern boundary of the former military base to First Street to the north, and to the east of General Jim Moore Boulevard between Third Street to the north and Plumas Street to the south.

The goals of the Redevelopment Plan for the Seaside–Fort Ord Project Area are to:

- A. Provide an effective set of legal and financial tools and programs that will enable the Agency to rebuild the former Fort Ord into an integral part of the community of Seaside.*
- B. Removal of existing vacant, abandoned, obsolete, and/or deteriorated sites and buildings.*
- C. Mitigate the economic and social degradation caused by the closure or realignment of military bases.*
- D. Eliminate the physical and economic blight conditions existing in the Project Area.*
- E. Assembly and subdivision of land into parcels suitable for modern residential, commercial, office, retail, and visitor-serving development with proper vehicular and pedestrian circulation.*
- F. Eliminate buildings and roadways for recycling of land where economics do not support the investment to upgrade deteriorated, dilapidated, or obsolete facilities.*
- G. Participate in the revitalization and redevelopment of properties by members of the community and the private sector.*
- H. Improve the infrastructure of the proposed Project Area, including but not limited to development of sanitary and storm drain systems; water, gas and electrical improvements; streets, curbs, and gutters; sidewalks, signing, street lighting, signalization, telecommunications, public facilities, recreation facilities and preservation of open space.*
- I. Increase and improve the supply of affordable housing for very low, low-and moderate-income persons and families by assisting in the development rehabilitation of housing meeting all income needs.*
- J. Develop new employment opportunities.*
- K. Ameliorate the current housing-jobs imbalance by the creation of additional and varied housing opportunities, along with appropriate recreation opportunities and expansion of small businesses.*
- L. Cooperate and assist in the elimination of soil and ground water contamination, including the removal and elimination of hazardous and dangerous material.*

M. Protect endangered species consistent with the FORA Reuse Plan and appropriate state and federal regulations.¹

Environmental Information

As a former military installation, the use and disposal of hazardous materials, including but not limited to, automotive oils and chemicals, military munitions, asbestos-containing material, lead-based paint, and other materials associated with on-going military operations at Fort Ord has been extensive. Due to the historical use of hazardous materials, numerous environmental hazards have been documented throughout Fort Ord. As part of the base closure and realignment process, the issue of hazardous materials usage and disposal has been the subject of extensive evaluation as part of ongoing remediation efforts conducted by the US Army. Due to the extent of hazardous materials usage and associated presence of hazardous waste, the former Fort Ord was added to the US Environmental Protection Agency's National Priorities List of Hazardous Waste Sites (commonly referred to as "Superfund" List) in February 1990.

The US Army, as part of the Superfund process, is responsible for completing remediation activities at the former Fort Ord prior to the final conveyance of property to local jurisdictions. The identification, remediation, and disposal of hazardous waste associated with the Superfund cleanup process was initiated as part of a Federal Facility Agreement. The Federal Facility Agreement is meant to "ensure that the environmental impacts associated with past and present activities at the site [former Fort Ord] are thoroughly investigated and appropriate remedial actions are taken as necessary to protect the public health, welfare, and the environment." The Federal Facility Agreement was also intended to develop requirements for the performance of Remedial Investigations/Feasibility Studies (RI/FS) to determine the nature and extent of the threat to the public health and the environment caused by the release of hazardous substances, pollutants, or contaminants at the site, in addition to the fulfillment of remediation requirements pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and applicable State law.

A base-wide RI/FS was conducted in 1995 to evaluate environmental contamination. This process consisted of a review and evaluation of past investigative and removal actions, and made recommendations for future response actions deemed necessary to protect human health and the environment. The regulatory agencies party to the Federal Facility Agreement approved the base-wide RI/FS and a subsequent Record of Decision (ROD) identified the US Army as responsible for the long-term monitoring and cleanup of Fort Ord. According to the information contained in the base-wide RI/FS, individual sites were classified based on site characteristics and the potential for hazardous conditions. The 43 sites identified in the RI/FS were subsequently classified into three categories: 1) Base-wide Remedial Investigation (RI) sites; 2) Interim Action (IA) sites; and 3) No Action (NoA) sites.

All of the former Fort Ord sites have undergone or will undergo extensive study and remediation as necessary. For all former Fort Ord properties, the Army issues a Finding of Suitability to Transfer when there is a land transfer demonstrating that the property is either uncontaminated, necessary remediation is complete, or land use restrictions apply. Land Use Covenants are included in the Grant Deed or Quitclaim Deed for each property. The Deeds include warnings

¹ Source: *Seaside-Fort Ord Redevelopment Plan*. Part IV, Goals and Objectives. p. 6.

regarding lead-based paint, asbestos and the former storage, release, or disposal of hazardous substances on the property.

Restrictions on Disposition of Former RDA Seaside–Fort Ord Properties

Under the 1994 Authority Act (SB 899 and AB 1600), as codified at (i) Government code Title 7.85, Chapters 1 through 7, commencing with Section 67650, and (ii) selection provision of the California Redevelopment Law, including Health and Safety Code Sections 33492 et seq. and 33492.70 et seq., and the Implementation Agreement described below, all revenues—including land sale revenues—received by the Fort Ord Reuse Authority (FORA) and/or the Jurisdiction (City/former RDA) are to be divided equally between FORA and the Jurisdiction. FORA is required to use its portion of the revenues received to remove abandoned barracks and buildings. Building permits cannot be issued by the City of Seaside until FORA acknowledges receipt of all required land sale revenue and development fees.

In addition, the City is to require the recordation of deed restrictions and covenants that state that any development of the property will be, and is subject to, the provisions of the Base Reuse Plan, the City’s general plan and land use ordinances, and compliance with the California Environmental Quality Act.

The City of Seaside and FORA entered into the Implementation Agreement, including “Exhibit F” Deed Restrictions and Covenants, in May 2001.

3. Requirements Related to Properties Purchased with Federal CDBG Funds

As further described in Section II, certain Successor Agency properties were transferred to the former RDA from the City of Seaside. The City purchased three of these properties (1264-1284 Broadway Avenue (Troia Building), 1271 Canyon Del Rey Boulevard, and 1441 Canyon Del Rey Boulevard), whole or in part, with federal Community Development Block Grant (CDBG) funds. According to CDBG regulations, gross income generated from the disposition of properties acquired with CDBG funds is required to be returned to the City as program income in proportion to the amount of CDBG funds used to acquire and/or develop the property.² Furthermore, any income from disposed properties transferred to the Agency acquired all or in part with CDBG funds need to be appropriately distributed back to the City for CDBG program usage. The Department of Housing and Urban Development (HUD), which administers the CDBG program, maintains other regulations related to the disposition of property.³

E. Public Rights of Way within Larger Properties

Three of the Fort Ord properties include public roadway rights of way that will need to be retained by the City for governmental use so that they can continue to be used for public roads. The City of Seaside will maintain the public roadways. The rights of way are within the Main Gate, Open Space, and Surplus II Planning Area properties, and are as follows.

² See 24 CFR 570.201(b) Basic Eligible Activities. Disposition of property occurs through sale, lease, donation, or otherwise.

³ For a description of other requirements related to property disposition, see the “Community Development Block Grant Program – Guide to National Objectives and Eligible Activities for Entitlement Communities.”

Rights of Way Lightfighter Drive Between First and Second Avenues (The Projects at Main Gate Site) [No. 14]

Lightfighter Drive

Length = 2,623' Width = 122' Area = 320,006 sf (7.35 acres)

First Avenue (Lightfighter to north city limit)

Length = 1,980' Width = 60' Area = 118,800 sf (2.73 acres)

First Avenue and Lightfighter Drive (Open Space Parcel) [No. 15]

Gigling (First Avenue to west city limit)

Length = 1,667' Width = 60' Area = 100,020 sf (2.30 acres)

First Avenue (Gigling to Lightfighter)

Length = 1,323' Width = 60' Area = 79,380 sf (1.82 acres)

Rights of Way Surplus II [No. 16]

Colonel Durham

Length = 3,778' Width = 60' Area = 226,680 sf (5.20 acres)

Malmedy

Length = 869' Width = 60' Area = 52,140 sf (1.2 acres)

Parker Flats

Length = 578' Width = 60' Area = 34,680 sf (0.80 acres)

Arnhem

Length = 583' Width = 60' Area = 34,908 sf (0.80 acres)

Sixth Avenue

Length = 803' Width = 60' Area = 48,180 sf (1.11 acres)

F. Property Inventory and Disposition

As set forth in AB 1484, the LRPMP must include a plan that addresses the use or disposition of each property and an inventory of all properties and property interests.

Property Disposition Categories

AB 1484 sets forth the following permissible uses or disposition under the LRPMP process:

- A. Retention of the property for governmental use pursuant to HSC §34181(a)
- B. Use of the property to fulfill an enforceable obligation
- C. Retention of the property for future development
- D. Sale of the property

Property Inventory Information

The inventory must contain the following information for each property:

Parcel Data

- Assessor parcel number
- Address
- Lot size

- Current zoning (in Redevelopment Plan or Specific, Community or General Plan)
- Current use

Current Value and Revenue Generation

- Estimate of current value
- Date/value basis for estimate (appraisal information if available)
- Estimate of any lease, rental or other revenues generated by the property
- Description of any contractual requirements regarding the disposition of such revenues
- RDA Project area (if applicable)

Acquisition Information

- Date of acquisition
- Purpose for which the property was acquired
- Value of the property at time of acquisition
- Purchase price

Environmental Information

- History of environmental contamination/remediation
- Designation as a brownfield site
- Summary of related environmental studies
- History of remediation efforts

Development Plans and Activity

- History of previous development proposals and activity for the property

Potential for Transit Oriented Development and Advancement of Planning Objectives

Property Disposition

- Proposed disposition or use of property

II. Property Inventory and Disposition and Use

This section presents the required inventory and disposition information for each property. The properties have been organized by their disposition category.

A. Properties to be Transferred to City and Retained for Governmental Use

- 1380 Canyon Del Rey Boulevard [No. 4]
- 1372 Canyon Del Rey Boulevard [No. 5]
- Seaside Auto Mall Rights of Way (ROW) [No. 6]
- Gigling Road Right of Way (ROW) [No. 18]
- Parker Flats/Normandy Road Right of Way (ROW) [No. 19]

B. Properties to be Used to Fulfill Enforceable Obligation

- 1441 Canyon Del Rey Boulevard (Embassy Suites Hotel Property) [No. 2]
- Seaside Resort Development [No. 12]

C. Properties to be Transferred to City and Retained for Future Development

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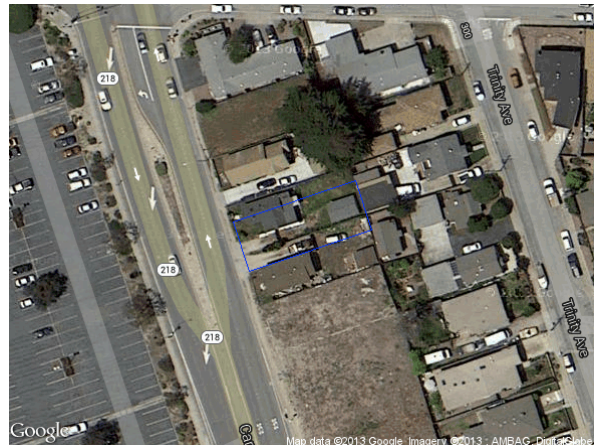
D. Properties to be Sold

- 307 Roberts Avenue [No. 7]
- 1533-1535 Del Monte Boulevard [No. 8]
- 1264-1284 Broadway Avenue (Troia Building) [No. 10]
- 1600 and 1624 La Salle Avenue [No. 11]

Properties to be Transferred to City and Retained for Governmental Use

1380 Canyon Del Rey Boulevard [No. 4]

To be Transferred to the City and Retained for Governmental Use



Summary

In 2010, the former RDA acquired 1380 Canyon Del Rey from BAC Home Loan Services, LP, a subsidiary of Bank of America. The former RDA purchased the vacant, foreclosed, single family residence with the intention of implementing the proposed Canyon Del Rey Boulevard plan line and the future development of a linear park as part of the West Broadway Urban Village Specific Plan. The building is currently vacant.

Property Inventory Information

Parcel Data

APN	011-345-027-000
Address	1380 Canyon Del Rey Boulevard
Lot Size	0.093 Acres
Current Zoning	Parks and Open Space (POS-WBUV)
Current Use	Vacant Single Family Residence

Current Value and Revenue Generation

Estimate of Current Value	\$325,000
Date/Value Basis for Estimate	April 30, 2014 Broker Opinion
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not applicable
RDA Project Area	Laguna Grande Redevelopment Project Area

Acquisition Information

RDA Acquisition Date	July 30, 2010
Acquisition Purpose	Governmental Use
Value at Time of Acquisition	\$180,575

History of Environmental Contamination/Remediation

There is no known record of environmental contamination at the site.

History of Development Proposals and Activity

The two-bedroom, one-bath, single family residence was built in 1934 and has historically been used for residential purposes. The former RDA acquired the property with non-housing tax increment revenue as part of its Canyon Del Rey Boulevard plan line. The plan line proposes the improvement and widening of Canyon Del Rey Boulevard to improve public safety, bicycle lanes and pedestrian access. The parcel was also acquired for future development of a linear park.

The proposed plan line would widen the roadway and allow installation of curbs, gutters, sidewalks, and a Class II bike lane along both sides of Canyon Del Rey Boulevard from the corner of Harcourt Avenue up to Del Monte Boulevard and a center left turn lane for safer access to the restaurant and hotel to the south side of Canyon Del Rey Boulevard. The proposed plan line would require approximately 10 feet of right of way from 1380 Canyon Del Rey.

The remainder of the parcel would be used for the future development of a linear park to the north side of Canyon Del Rey Boulevard between Sonoma Avenue to the west and Harcourt Avenue to the east. A pedestrian path would wind through the park, facilitating the connection between Seaside City Hall, south of the Specific Plan Area on Harcourt Avenue, and the West Broadway Urban Village (the City's downtown commercial core). The public park would cater to both residents and visitors to Seaside and would exhibit environmentally sustainable features, including a storm water retention system and native landscaping. This new public open space would also provide the City with an opportunity to develop additional amenities such as a community garden, water-wise demonstration garden, and/or an interpretive history path.⁴

The preparation and implementation of the plan line is listed as a project in the City's draft Six Year Capital Improvement Program 2008/09 through 2013/14.⁵

Transit Oriented Development Potential and Advancement of Planning Objectives

1380 Canyon Del Rey is located in proximity to Monterey-Salinas Transit's 8, 12, 20, 21, and 55 bus lines.

Prior to purchasing 1380 Canyon Del Rey, the former RDA had acquired the adjacent property 1372 Canyon Del Rey, as a part of the same Canyon Del Rey Boulevard plan line and linear neighborhood park.

The Planning Commission determined that the acquisition of 1380 Canyon del Rey for the proposed Canyon Del Rey Boulevard plan line and the future development of a linear park conformed with the General Plan.

Canyon Del Rey Boulevard is identified as key regional roadway that traverses the City's local circulation system. The purchase and sale agreement for the acquisition of the subject property will further facilitate the City's ability to expand and improve both vehicular and alternative

⁴ West Broadway Urban Village Specific Plan, City of Seaside, January 21, 2010, page 29.

⁵ Authorization to Execute Purchase Agreement for 1380 Canyon Del Rey Boulevard, City of Seaside City Council and Redevelopment Agency Staff Report, July 15, 2010.

transportation within the City and throughout the Monterey Peninsula and enhance the development of active recreational opportunities with the creation of a linear neighborhood park with the remainder of the land being purchased.... The installation of curb, gutter, and sidewalk would facilitate and enhance storm water drainage within the public right-of-way.⁶

The Planning Commission determined that the acquisition of 1380 Canyon Del Rey for the purpose of implementing street and bike lane improvements and the future development of a linear neighborhood park would conform with the General Plan's Circulation Element and Conservation/Open Space Element.⁷

Circulation Element

Goal C-1: Provide and maintain a City circulation system that promotes safety and satisfies the demand created by new development and redevelopment in Seaside.

Goal C-2: Provide a local circulation system that is integrated with the larger regional transportation system to ensure the economic well-being of the community.

Goal C-3: Promote the increased use of multi-modal transportation.

Policy C-1.1: Design roadway capacities and ensure transportation facilities that adequately serve planned land uses.

Policy C-1.3: Coordinate improvements to and maintenance of the City circulation system with other major transportation and infrastructure improvement programs.

Policy C-2.1: Coordinate planning, construction and maintenance of development projects and circulation improvements with adjacent jurisdictions and transportation agencies.

Policy C-3.4: Support alternative modes of transportation that encourage physical activity, such as biking and walking.

Conservation/Open Space Element

Goal COS-1: Provide and maintain a high quality parks and recreation system that meets the varying recreational needs of the community.

Policy COS-1.3: Maximize pedestrian, transit and bicycle access to parks and other local and regional activity centers as an alternative to automobile access.

Furthermore, the linear park is part of the West Broadway Urban Village Specific Plan and is identified in the Specific Plan's Public Realm Policies:

Policy PR-8. Pursue development of a new, linear park along Canyon Del Rey Boulevard south of Sonoma Avenue within the Specific Plan Area, and include a pedestrian pathway that runs north-south through the park, connecting Seaside City Hall to the Urban Village. Consider including amenities such as a community garden, a water-wise demonstration garden and/or an interpretive history path in the park's design.⁸

Restrictions on Disposition of the Property

There are no known restrictions on disposition of the property.

⁶ 1380 Canyon Del Rey Blvd. Real Property Acquisition, P.C. Resolution No. 10-12, June 30, 2010.

⁷ Ibid.

⁸ West Broadway Urban Village Specific Plan, City of Seaside, January 21, 2010, page 55.

Property Disposition

The Successor Agency recommends the property be transferred to the City for no consideration and retained for governmental use pursuant to HSC §34191.5(c)(2). Specifically, this property is currently held by the Successor Agency and will be transferred to the City as part of its Canyon Del Rey Boulevard plan line and the future development of a linear park as part of its West Broadway Urban Village Specific Plan. The City of Seaside will undertake and maintain the improvements.

This use will comply with the redevelopment goals, objectives and programs outlined in the Amended and Restated Redevelopment Plan for the Merged Redevelopment Projects, which states the following:

The goals and objectives of the Agency's redevelopment program for each constituent project in the Merged Project Area are set forth in the Implementation Plan adopted on December 1, 1994, by Agency Resolution No. 94012 GEN, which covers all of the Constituent Projects, including any areas added to any constituent project by amendment. The principal goal and objective of the Merged Project shall be to eliminate all remaining blight and complete all Agency-assisted redevelopment activities as quickly as possible consistent with the needs of the Constituent Projects and the availability of financial resources to fund them.

Redevelopment of the Merged Project Area pursuant to this Redevelopment Plan on the above goals and objectives will attain the purposes of the California Community Redevelopment Law by: ... (4) installation of new or replacement of existing public improvements, facilities and utilities in areas which are currently inadequately served with regard to such improvements, facilities and utilities...⁹

The Redevelopment Activities authorized by the Amended Redevelopment Plan include, among others, the following:

- *Acquisition of real property;*
- *Installation, construction, expansion, addition, extraordinary maintenance or re-construction of streets, utilities and other public facilities and improvements.¹⁰*

Furthermore, the purpose and intent of the Laguna Grande Redevelopment Project Area include the following objectives.

- *Encourage and ensure the building and development of the project area.*
- *Encourage and foster the economic revitalization of the project area.¹¹*

⁹ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 2.

¹⁰ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 4.

¹¹ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 17.

1372 Canyon Del Rey Boulevard [No. 5]

To be Transferred to the City and Retained for Governmental Use



Summary

In November 2008, the former RDA acquired 1372 Canyon Del Rey, a vacant single family residence built in 1934. The former RDA purchased the property with the intention of implementing the proposed Canyon Del Rey Boulevard plan line and the future development of a linear park as part of the West Broadway Urban Village Specific Plan. Subsequent to the purchase, the property was leased as a residence to a tenant. The former RDA entered into a rental agreement and based the monthly rent on the tenant’s income. This temporary use is a transitional use, which will continue until the Canyon Del Rey Boulevard plan line begins construction.

Property Inventory Information

Parcel Data

APN	011-345-026-000
Address	1372 Canyon Del Rey Boulevard
Lot Size	0.091 Acres
Current Zoning	Parks and Open Space (POS-WBUV)
Current Use	Temporary Use as Leased Single Family Residence

Current Value and Revenue Generation

Estimate of Current Value	\$325,000
Date/Value Basis for Estimate	April 30, 2014 Broker Opinion
Revenue Generated by Property	\$10,800 (\$900 per month)
Requirements for Revenue Use	Low and Moderate Income Housing Fund
RDA Project Area	Laguna Grande Redevelopment Project Area

Acquisition Information

RDA Acquisition Date	November 7, 2008
Acquisition Purpose	Governmental Use
Value at Time of Acquisition	\$299,000

History of Environmental Contamination/Remediation

There is no known record of environmental contamination at the site.

History of Development Proposals and Activity

The two-bedroom, one-bath, single family residence was built in 1934 and has historically been used for residential purposes. The former RDA acquired the property with non-housing tax increment revenue as part of its Canyon Del Rey Boulevard plan line. As described above, the plan line proposes the improvement and widening of Canyon Del Rey Boulevard, to improve public safety, bicycle lanes and pedestrian access. The parcel was also acquired for the future development of a linear park. In the interim, the house has been used as an affordable housing unit. The proposed plan line would require approximately 10 feet of right of way from 1372 Canyon Del Rey.

The remainder of the parcel would be used for the future development of a linear park on the north side of Canyon Del Rey Boulevard between Sonoma Avenue to the west and Harcourt Avenue to the east. A pedestrian path would wind through the park, facilitating the connection between Seaside City Hall and the West Broadway Urban Village (the City's downtown commercial core). The public park would cater to both residents and visitors to Seaside and would exhibit environmentally sustainable features, including a storm water retention system and native landscaping. This new open space would also provide the City with an opportunity to develop additional amenities such as a community garden, a water-wise demonstration garden, and/or an interpretive history path.¹²

The preparation and implementation of the plan line is listed as a project in the City's draft Six Year Capital Improvement Program 2008/09 through 2013/14.¹³

Transit Oriented Development Potential and Advancement of Planning Objectives

1372 Canyon Del Rey is located in proximity to Monterey-Salinas Transit's 8, 12, 20, 21, and 55 bus lines.

The Planning Commission determined that the acquisition of 1372 Canyon Del Rey, the proposed Canyon Del Rey Boulevard plan line, and the future development of a linear park conformed with the General Plan.

Canyon Del Rey Boulevard is identified as key regional roadway that traverses the City's local circulation system. The purchase and sale agreement for the acquisition of the subject property will further facilitate the City's ability to expand and improve both vehicular and alternative transportation within the City and throughout the Monterey Peninsula and enhance the development of active recreational opportunities with the creation of a linear neighborhood park with the remainder of the land being purchased...The installation of curb, gutter and sidewalk would facilitate and enhance stormwater drainage within the public right-of-way.¹⁴

The Planning Commission determined that the acquisition of 1372 Canyon Del Rey for the purpose of implementing street and bike lane improvements and the future development of a

¹² West Broadway Urban Village Specific Plan, City of Seaside, January 21, 2010, page 29.

¹³ 1372 Canyon Del Rey Blvd. Real Property Acquisition, P.C. Resolution No. 08-15, October 22, 2008.

¹⁴ 1372 Canyon Del Rey Blvd. Real Property Acquisition, P.C. Resolution No. 08-15, October 22, 2008.

linear neighborhood park would conform with the General Plan's Circulation Element and Conservation/Open Space Element:¹⁵

Circulation Element

- Goal C-1: Provide and maintain a City circulation system that promotes safety and satisfies the demand created by new development and redevelopment in Seaside.*
- Goal C-2: Provide a local circulation system that is integrated with the larger regional transportation system to ensure the economic well-being of the community.*
- Goal C-3: Promote the increased use of multi-modal transportation.*
- Policy C-1.1: Design roadway capacities and ensure transportation facilities that adequately serve planned land uses.*
- Policy C-1.3: Coordinate improvements to and maintenance of the City circulation system with other major transportation and infrastructure improvement programs.*
- Policy C-2.1: Coordinate planning, construction and maintenance of development projects and circulation improvements with adjacent jurisdictions and transportation agencies.*
- Policy C-3.4: Support alternative modes of transportation that encourage physical activity, such as biking and walking.*

Conservation/Open Space Element

- Goal COS-1: Provide and maintain a high quality parks and recreation system that meets the varying recreational needs of the community.*
- Policy COS-1.3: Maximize pedestrian, transit and bicycle access to parks and other local and regional activity centers as an alternative to automobile access.*

Furthermore, the linear park is part of the West Broadway Urban Village Specific Plan and is identified in the Specific Plan's Public Realm Policies:

Policy PR-8. Pursue development of a new, linear park along Canyon Del Rey Boulevard south of Sonoma Avenue within the Specific Plan Area, and include a pedestrian pathway that runs north-south through the park, connecting Seaside City Hall to the Urban Village. Consider including amenities such a community garden, a water-wise demonstration garden and/or an interpretive history path in the park's design.¹⁶

Restrictions on Disposition of the Property

There are no known restrictions on disposition of the property.

Property Disposition

The Successor Agency recommends the property be transferred to the City for no consideration and retained for governmental use pursuant to HSC §34191.5(c)(2). Specifically, this property is currently held by the Successor Agency and will be transferred to the City to be retained for the Canyon Del Rey Boulevard plan line project and the future development of a public linear park as part of City's West Broadway Urban Village Specific Plan. The City of Seaside will undertake and maintain the improvements.

¹⁵ Ibid.

¹⁶ West Broadway Urban Village Specific Plan, City of Seaside, January 21, 2010, page 55.

This use will comply with the redevelopment goals, objectives and programs outlined in the Amended and Restated Redevelopment Plan for the Merged Redevelopment Projects, which states the following:

The goals and objectives of the Agency's redevelopment program for each constituent project in the Merged Project Area are set forth in the Implementation Plan adopted on December 1, 1994, by Agency Resolution No. 94012 GEN, which covers all of the Constituent Projects, including any areas added to any constituent project by amendment. The principal goal and objective of the Merged Project shall be to eliminate all remaining blight and complete all Agency assisted redevelopment activities as quickly as possible consistent with the needs of the Constituent Projects and the availability of financial resources to fund them.

Redevelopment of the Merged Project Area pursuant to this Redevelopment Plan and the above goals and objectives will attain the purposes of the California Community Redevelopment Law by: ... (4) installation of new or replacement of existing public improvements, facilities and utilities in areas which are currently inadequately served with regard to such improvements, facilities and utilities...¹⁷

The Redevelopment Activities authorized by the Amended Redevelopment Plan include, among others, the following:

- *Acquisition of real property;*
- *Installation, construction, expansion, addition, extraordinary maintenance or re-construction of streets, utilities and other public facilities and improvements.¹⁸*

Furthermore, the purpose and intent of the Laguna Grande Redevelopment Project Area include the following objectives.

- *Encourage and ensure the building and development of the project area.*
- *Encourage and foster the economic revitalization of the project area.¹⁹*

¹⁷ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 2.

¹⁸ Ibid, p. 4.

¹⁹ Ibid, p. 17.

Seaside Auto Mall Rights of Way [No. 6] To be Transferred to the City and Retained for Governmental Use



Summary

The Seaside Auto Mall Right of Way properties consist of four parcels located near downtown Seaside. The former RDA acquired these parcels in 2007 in order to assist with street and circulation improvements around the Seaside Auto Mall. All four parcels have been developed into public rights-of-way.

Property Inventory Information

Parcel Data

APN(s)	(A) 011-523-012; (B) 011-542-002; (C) 011-543-021; (D) 011-523-015
Address	(A) East section of the right of way at intersection of Del Monte Blvd. and the Mall; (B) East section of the right of way at the intersection of Del Monte Blvd. and Clementina Ave.; (C) South section of the right of way at the intersection of Clementina Ave. and Fremont Blvd; (D) West section of the right of way at intersection of Del Monte Blvd. and The Mall
Lot Size	(A) 0.33 acres; (B) 0.05 acres; (C) 0.06 acres; (D) 0.08 acres
Current Zoning	Automotive Commercial (all)
Current Use	Public Right of Way (all)

Acquisition Information

RDA Acquisition Date	(A) 3/14/07; (B) 11/2/07; (C) 3/16/07 (D) 3/14/07
Value at Time of Acquisition	\$1,036,305
Acquisition Purpose	Auto center circulation improvements

Current Value and Revenue Generation

Estimate of Current Value	\$0
Date/Value Basis for Estimate	2014, Public Right of Way that cannot be further developed
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not applicable
RDA Project Area	Gateway Project Area

Environmental Information

As part of the entire Auto Center Mall renovation project, minor soil excavation was conducted on a portion of the site. Low levels of soil contamination were found on the former Wester Dodge dealership site at the time of demolition of the service area building. No contamination was found when the site was retested after excavation. Portions of APNs 011-523-012 and 011-523-015 were part of the former Wester Dodge dealership site.

History of Development Proposals and Activity

There are no known development proposals or activities on the sites and no known restrictions on the disposition of the properties, other than the need for it to remain as a public right of way.

Transit Oriented Development Potential and Advancement of Planning Objectives

Not applicable, as the site will continue to be used as a public roadway Right of Way.

Restrictions on Disposition of the Property

Given that the property will continue as a public right of way, the Fort Ord statutory requirements regarding revenue sharing and property development are not applicable. (Refer to the Introduction of this report for background).

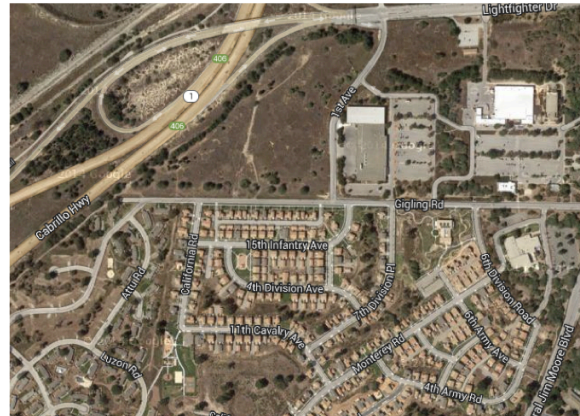
Property Disposition

The Successor Agency recommends the properties be transferred to the City for no compensation and retained for governmental use pursuant to HSC §34191.5(c)(2). Specifically, these parcels are currently held by the Successor Agency and will be transferred to the City so that they can continue to be used as public rights of way.

The City of Seaside currently maintains the properties and will continue to do so upon transfer.

Gigling Road Right of Way [No. 18]

To be Transferred to the City and Retained for Governmental Use



Summary

The 4.14-acre Gigling Road Right of Way (ROW) is located on the former Fort Ord military base. It is the portion of Gigling Road ROW that passes through the Seaside–Fort Ord Project Area. This segment of the Gigling Road ROW runs east-west for approximately 1.5 miles, beginning at 7th Avenue, at the eastern boundary of the Seaside–Fort Ord Project Area and running west until Gigling Road dead ends at a point between Noumea Road and the Cabrillo Highway (Highway 1).

Property Inventory Information

Parcel Data

APN	031-151-049-000
Address	Not applicable
Lot Size	4.140 Acres
Current Zoning	Not applicable
Current Use	Public roadway Right of Way

Current Value and Revenue Generation

Estimate of Current Value	\$0
Date/Value Basis for Estimate	2014, Public Right of Way that cannot be further developed
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not applicable
RDA Project Area	Seaside–Fort Ord Project Area

Acquisition Information

RDA Acquisition Date	December 28, 2006
Acquisition Purpose	Governmental Use as a public right of way
Value at Time of Acquisition	Value not determined at time of transfer

History of Environmental Contamination/Remediation

As with all Seaside–Fort Ord Project Area sites, the Gigling Road Right of Way has undergone extensive study and remediation, as needed. For all former Fort Ord properties that face a land transfer, the Army issues a Finding of Suitability to Transfer, which demonstrates that the property is either uncontaminated, that any necessary remediation is complete, and/or that land use restrictions apply. Land Use Covenants are included in the Grant Deed or Quitclaim Deed for each property. The Deeds include warnings regarding Lead-Based Paint, Asbestos, and the former storage, release, or disposal of hazardous substances on the property. The Army issued a Finding of Suitability to Transfer for the Gigling Road Right of Way, demonstrating that the property is either uncontaminated or necessary remediation is complete.

Parcels in the Gigling Road ROW area are under the following environmental ground water restrictions:

- No construction of wells.
- No disturbance or creation of recharge area.
- Filing of annual monitoring reports.

History of Development Proposals and Activity

The site was developed as a Fort Ord roadway. The site is used, and will continue to be used, as a public roadway Right of Way.

Transit Oriented Development Potential and Advancement of Planning Objectives

Not applicable, as the site will continue to be used as a public roadway Right of Way.

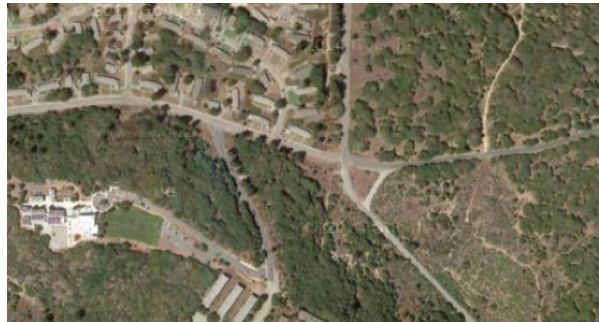
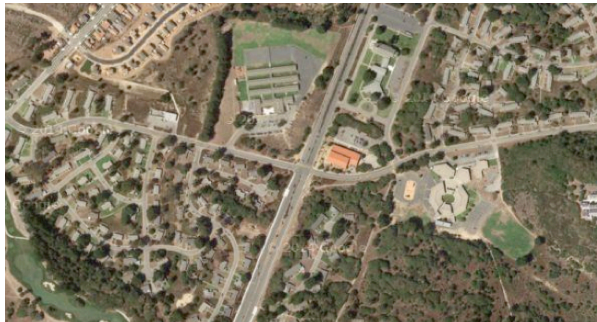
Restrictions on Disposition of the Property

Given that the property will continue as a public right of way, the Fort Ord statutory requirements regarding revenue sharing and property development are not applicable. (Refer to the Introduction of this report for background).

Property Disposition

The Successor Agency recommends that Gigling Road Right of Way be transferred to the City for no compensation and retained for governmental use pursuant to HSC §34191.5(c)(2) so that it can continue to function as a public road Right of Way.

Parker Flats/Normandy Road Rights of Way [No. 19] To be Transferred to the City and Retained for Governmental Use



Summary

The 6.22-acre Parker Flats/Normandy Road Rights of Way are located on the former Fort Ord military base. Located entirely within Seaside–Fort Ord Project Area, Normandy Road runs east-west, starting to the east at the Parker Flats road convergence, and continuing west to Monterey Road. The segments of Parker Flats Road Rights of Way within the Seaside–Fort Ord Project Area consist of three branches of the roadway. The branches each begin at the eastern point of Normandy Road and run north-south, east-west, and northwest-southeast. The segment running to the north terminates at Colonel Durham Street. The segments running to the east and to the southeast terminate at the eastern boundary of the Seaside–Fort Ord Project Area.

Property Inventory Information

Parcel Data

APN	031-151-051-000
Address	Not applicable
Lot Size	6.220 Acres
Current Zoning	Not applicable
Current Use	Public roadway Right of Way

Current Value and Revenue Generation

Estimate of Current Value	\$0
Date/Value Basis for Estimate	2014, Public Right of Way that cannot be further developed
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not applicable
RDA Project Area	Seaside–Fort Ord Project Area

Acquisition Information

RDA Acquisition Date	December 13, 2006
Acquisition Purpose	Governmental Use as a public Right of Way
Value at Time of Acquisition	Value not determined at time of transfer

History of Environmental Contamination/Remediation

As with all Seaside–Fort Ord Project Area sites, the Parker Flats/Normandy Road Right of Way has undergone extensive study and remediation, as needed. For all former Fort Ord properties that face a land transfer, the Army issues a Finding of Suitability to Transfer, which demonstrates that the property is either uncontaminated, that any necessary remediation is complete, and/or that land use restrictions apply. Land Use Covenants are included in the Grant Deed or Quitclaim Deed for each property. The Deeds include warnings regarding Lead-Based Paint, Asbestos, and the former storage, release, or disposal of hazardous substances on the property. The Army issued a Finding of Suitability to Transfer for the Parker Flats/Normandy Road Right of Way, demonstrating that the property is either uncontaminated or necessary remediation is complete.

History of Development Proposals and Activity

The site was developed as a Fort Ord roadway. The site is used, and will continue to be used, as a public roadway Right of Way.

Transit Oriented Development Potential and Advancement of Planning Objectives

Not applicable, as the site will continue to be used as a public roadway Right of Way.

Restrictions on Disposition of the Property

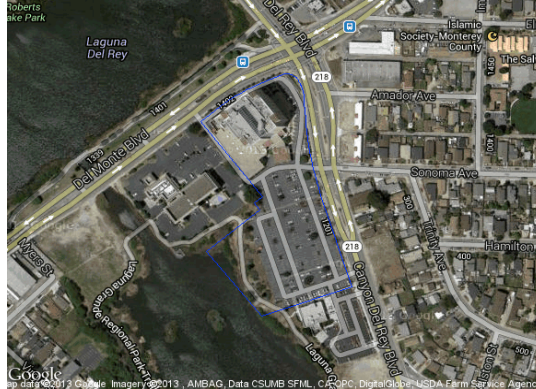
Given that the property will continue as a public right of way, the Fort Ord statutory requirements regarding revenue sharing and property development are not applicable. (Refer to the Introduction of this report for background.)

Property Disposition

The Successor Agency recommends that Parker Flats/Normandy Road Rights of Way be transferred to the City for no compensation and retained for governmental use pursuant to HSC §34191.5(c)(2) so that they can continue to function as a public road and related Right of Way.

Properties to be Used to Fulfill Enforceable Obligation

1441 Canyon Del Rey Boulevard (Embassy Suites Hotel Property) [No. 2] To be Used to Fulfill Enforceable Obligation



Summary

The City assembled parcels making up this brownfield site in 1971, 1974, 1975, and 1976, and subsequently conveyed the property to the former RDA in 1986. Located in the Laguna Grande Project Area, the site was acquired for the purpose of fostering economic revitalization by encouraging visitor-serving development at this prime gateway location. In 1989, the former RDA entered into a Disposition and Development Agreement (DDA) and a ground lease with a developer to facilitate the construction of a hotel. In late 1995, the Embassy Suites Laguna Grande Seaside Hotel opened with a 225-room hotel and ancillary commercial facilities. A surface parking lot was developed on the remainder of the site.

Property Inventory Information

Parcel Data

APN	011-401-031-000
Address	1441 Canyon Del Rey Boulevard
Lot Size	5.662 Acres
Current Zoning	Regional Commercial (CRG)
Current Use	Ground Lease with Embassy Suites Hotel and Parking Lot

Current Value and Revenue Generation

Estimate of Current Value	\$2,500,000
Date/Value Basis for Estimate	April 30, 2014 Broker Opinion
Revenue Generated by Property	Ground lease generated \$101,500 in FY 2013/14
Requirements for Revenue Use	Ground lease revenue is deposited into City's CDBG program income revenue account, as required by CDBG program requirements.
RDA Project Area:	Laguna Grande Project Area

Acquisition Information

RDA Acquisition Dates

July 28, 1971 and April 8, 1986

The City transferred property to the former RDA through two transactions. The first transaction consisted of the transfer of one parcel on July 28, 1971 (Grant Deed G19916 Reel 711 Page 318) for \$105,000. The second transaction involved the City's acquisition of several parcels and their subsequent consolidation, with transfer of the consolidated parcel from the City to the former RDA on April 8, 1986 (Grant Deed 16799 Reel 1943 page 666) for \$1,751,478. CDBG funds were the source of funds for land acquisition. The former RDA subsequently consolidated the two parcels into one large parcel for development.

Value at Time of Acquisition

The book value of the first transfer in 1971 is stated as \$105,000. The book value of the second transfer in 1986 is stated as \$1,751,478.

Acquisition Purpose

The property was acquired by the City and transferred to the former RDA to facilitate the development of visitor-serving lodging uses at this prime gateway located in close proximity to Highway 1.

History of Environmental Contamination/Remediation

From 1959 to 1964, a portion of the property was occupied by an automobile junkyard. In 1964, junk cars, scrap, and debris were removed from the site, and a retail plumbing, electrical, and sheet metal shop and lumberyard were located on the former junkyard area.

Contaminants on the site include lead and other metals as well as total petroleum hydrocarbons (TPH-waste oils). Groundwater other than drinking water and soil potential media were affected by the contaminants. On January 9, 1997, the County Recorder recorded the covenant entered into by the former RDA and the State Department of Toxic Substances Control (DTSC). The covenant states that the hazardous substances and wastes on the property are contained by a placement of a cap consisting of fill, building foundation, and asphalt pavement covering the entire property. The covenant requires that the property must be used in such a manner as to avoid potential harm to persons or property that might result from any hazardous substance remaining on the property. The restrictions run with the land and are enforceable by the DTSC. The covenant continues in effect in perpetuity. In the covenant, the DTSC acknowledged and agreed that so long as the owner and leasee complied with the covenant, including maintenance of the cap, no further action is required on the property. The covenant requires that any sale, lease, or other conveyance of the property requires a 30-day advance notification to the DTSC.

History of Development Proposals and Activity

As part of the implementation of the Laguna Grande Area Redevelopment Plan, the City and RDA entered into a DDA with Tri Coastal Development Corporation, on August 1, 1985. Subsequently, on August 15, 1989, an Amended and Restated DDA was entered into with Seaside Laguna Limited. The DDA provided for the construction, development, and operation of a hotel of not less than 200 guest rooms, conference rooms, banquet facilities, a restaurant, retail

space, and attendant facilities. The DDA included as an exhibit a 99-year ground lease, which was entered into on September 8, 1989.

As part of this development project, the former RDA of the City of Seaside entered into the ground lease with Seaside Laguna Limited on September 8, 1989. Through the ground lease, the former RDA leased the property for 99 years. The base rent for the site was \$100,000 per year for the first 28 annual lease payments, and \$250,000 for each annual payment thereafter. The first rent payment was to be due and payable on March 1, 1996, and, commencing with the March 1, 1997 annual lease payment, the tenant was to pay an additional rent amount equal to the base rent times the percentage increase in the San Francisco/Oakland CPI for the immediately preceding 12-month period, without any compounding from prior periods. However, the fourth amendment to the DDA revised the ground lease to provide that the initial rent payment would be due and payable on September 1, 2001, and the additional rent payment would commence with the September 1, 2002 payment.

The City's contractual obligation to continue the ground lease to hotel operations runs through August 30, 2100.

Although the City, former RDA, and developer entered into the ground lease in 1989, and the site was cleared, the parcel remained vacant for several years due to delays with project approvals and downturns in the economy and hotel industry. In November 1995, the Embassy Suites Laguna Grande Seaside Hotel opened as a 225-suite, 12-story atrium hotel with 13,000 square feet of meeting space, restaurant, lounge, and other services.

Transit Oriented Development Potential and Advancement of Planning Objectives

The 1441 Canyon Del Rey site is located at the Del Monte/Canyon Del Rey stop on the MST bus transit system. Bus lines 12, 19, and 20 service this station.

The site is zoned Regional Commercial, which is intended for large scale commercial development with retail, entertainment, and/or service uses, business parks of a scale and function to serve a regional market.

Currently, the site is developed with the Embassy Suites Laguna Grande Seaside Hotel and parking lot with a long-term ground lease.

Restrictions on Disposition of the Property

Future disposition and use of the property must be accordance with the DTSC and former RDA covenant described above, as well as with the ground lease requirements. Also, as portions of the site are located within the California Coastal Zone Boundary, additional development would require a Coastal Development Permit.

Because the City purchased the property with CDBG funds, the annual ground lease revenues generated by the property are allocated to the City's CDBG program income account. Were the property to be sold, sales proceeds must be considered program income and would be required to be re-invested in the community and re-programmed for CDBG eligible activities.

Property Disposition

The Successor Agency recommends the property be retained to fulfill existing enforceable obligations pursuant to HSC §34191.5(c)(2). The property is currently owned by the Successor Agency and will be transferred to the City to continue to fulfill existing enforceable obligation, which is in the form of a ground lease that obligates the City and former RDA to lease the property to the Embassy Suites Hotel. Given that the covenant runs with the land, the possible uses and disposition of the property is significantly reduced. A pro-rata share of proceeds from any sale of the property would be restricted by the requirements of the CDBG program and would not be available for distribution to taxing entities.

Retaining the property as an enforceable obligation would comply with the redevelopment goals, objectives, and programs outlined in the Amended and Restated Redevelopment Plan for the Merged Redevelopment Projects, which states the following:

Retaining the property as an enforceable obligation would comply with the redevelopment goals, objectives, and programs outlined in the Amended and Restated Redevelopment Plan for the Merged Redevelopment Projects, which states the following:

The goals and objectives of the Agency's redevelopment program for each constituent project in the Merged Project Area are set forth in the Implementation Plan adopted on December 1, 1994, by Agency Resolution No. 94012 GEN, which covers all of the Constituent Projects, including any areas added to any constituent project by amendment. The principal goal and objective of the Merged Project shall be to eliminate all remaining blight and complete all Agency assisted redevelopment activities as quickly as possible consistent with the needs of the Constituent Projects and the availability of financial resources to fund them.

Redevelopment of the Merged Project Area pursuant to this Redevelopment Plan and the above goals and objectives will attain the purposes of the California Community Redevelopment Law by: (1) elimination of areas suffering from economic dislocation and disuse; (2) replanning, redesign and/or redevelopment of areas which are stagnant or improperly utilized, and which could not be accomplished by private enterprise acting along without public participation and assistance; (3) protecting and promoting sound development and redevelopment of blighted areas and the general welfare of the citizens of the City by remedying such injurious conditions through the employment of appropriate means...²⁰

The Redevelopment Activities authorized by the Amended Redevelopment Plan include, among others, the following:

Providing for the retention of controls and establishment of restrictions or covenants running with the land so that property will continue to be used in accordance with this Plan.²¹

The acquisition and development of 1441 Canyon Del Rey Boulevard falls under the redevelopment of stagnant or improperly utilized areas, and the ground lease established a control on the property such that the Embassy Suites Hotel's presence on the property would

²⁰ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 2.

²¹ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 4.

continue for an extended period. Furthermore, the land acquisition and development of the Embassy Suites Hotel is consistent with specific programs identified in the Redevelopment Plan for and Merger of the Seaside Redevelopment Project Areas including Economic Development Program and Land Assembly Programs:

Economic Development Program–

Through this program, the Agency hopes to encourage infill development that will establish new commercial areas within the Merged Project. In addition, the Agency proposes to promote the development of visitor lodging uses in close proximity to Highway 1, capitalizing on the accessibility to visitors in the area...

Land Assembly Program–

The two tiers of the Land Assembly Program are aimed at increasing the availability of parking and consolidating marketable development sites...²²

The goals of the Laguna Grande Redevelopment Plan listed in the 1994 Five Year Implementation Plan are as follows:²³

- *Eliminate conditions of blight.*
- *Ensure, as far as possible, that causes of the blighting conditions will either be eliminated or protected against.*
- *Encourage and ensure the building and development of the Project Area.*
- *Encourage and foster the economic revitalization of the Project area.*
- *Redevelop and rebuild public improvements and facilities in the Project Area, as necessary.*
- *Provide for appropriate participation for property owners in the Project Area, in accordance with the Sixth Amended and Reinstated Redevelopment Plan and the Agency's adopted Rules for Business Preference and Owner Participation.*

The Five Year Implementation Goals and Objectives for the Laguna Grande Project Area are as follows:²⁴

- *Capitalize on development underway in the Project.*
- *Develop visitor-oriented commercial uses.*
- *Rehabilitation Laguna Grande and Roberts Lake.*
- *Improve infrastructure where deficiencies exist.*

The 1994 Five Year Implementation Plan Redevelopment Activities states that the former RDA has been involved in the development of the Embassy Suite hotel.²⁵

²² Amendments Including the Merger of the Seaside Redevelopment Projects, Report to City Council, February 22, 1996. Page 8.

²³ Implementation Plan for January 1, 1995 through December 31, 1999, Seaside Redevelopment Agency, adopted December 1, 1994, pp. 8-9.

²⁴ Ibid, page 16.

²⁵ Ibid, p. 11.

Seaside Resort Development [No. 12]

To be Used to Fulfill Enforceable Obligation



Summary

The Seaside Resort Development site is located in the City of Seaside on approximately 70 undeveloped acres of the former Fort Ord military base, at the northwest corner of General Jim Moore Boulevard and Coe Avenue. The property, which consists of 19 parcels, is adjacent to the Bayonet and Black Horse Golf Courses and is surrounded by: residential neighborhoods to the south; residential neighborhoods, former military facilities, and Highway 1 to the west and north, and; open space and residential neighborhoods to the east. The site is in the former Seaside-Fort Ord Project Area, which covered the entire area of the former Fort Ord military base within the jurisdiction of the City of Seaside and was a key focus of the former RDA's redevelopment efforts on the former base. In 2005, the former RDA entered into a Disposition and Development Agreement (DDA) with Seaside Resort Development, LLC (SRD). Under the DDA, the Successor Agency is required to sell the property to SRD, which has agreed to buy the property subject to the DDA conditions.

Property Inventory Information

Parcel Data

APN	19 parcels ²⁶
Address	2 McClure Way (NW corner of General Jim Moore Blvd. and Coe Ave.)
Lot Size	70.09 acres total
Current Zoning	Visitor-Serving Commercial (V-FO)
Current Use	Undeveloped land

²⁶ 031-051-030, 031-051-031, 031-051-032, 031-051-033, 031-051-034, 031-051-035, 031-051-036, 031-051-037, 031-051-038, 031-051-041, 031-052-031, 031-052-032, 031-052-033, 031-052-034, 031-052-035, 031-052-036, 031-052-037, 031-052-038, and 031-052-039.

Current Value and Revenue Generation

Estimate of Current Value	\$7,000,000
Date/Value Basis for Estimate	October 1, 2013
Revenue Generated by Property	\$0

The Seaside Resort Project includes hotel, timeshare, and residential components. The residential component consists of 125 residential lots situated along the Bayonet and Black Horse Golf Courses. Section 8.3 of the Amended DDA provides that the Agency receives 20 percent of the profits generated from the residential component of the Project, after accounting for all development costs and gross cash receipts associated with the development of the residential component and after the developer achieves an Internal Rate of Return (profit) of 20 percent. An example of the calculation of the Profit Participation determination is included in Attachment No. 16 to the Amended DDA. If the Agency realizes any income from this provision, it is not likely to occur until the later stages of development of the residential component.

Requirements for Revenue Use The Amended DDA does not limit the former RDA's use of any profit participation revenues it may receive.

RDA Project Area Seaside–Fort Ord Project Area

Acquisition Information

RDA Acquisition Date	July 7, 2005
Acquisition Purpose	Blight elimination and Seaside Resort Development
Value at Time of Acquisition	City purchased for \$1,841,903 from the U.S. Army; transferred to former RDA at no cost.

History of Environmental Contamination/Remediation

The Seaside Resort site required no remediation, and the purchase occurred after the base closure in a private transaction between the former RDA and the Army.

History of Development Proposals and Activity

Relevant goals of the Redevelopment Plan applicable to the Seaside Resort Development include:²⁷

- Removal of existing vacant, abandoned, obsolete and/or deteriorated sites and buildings.
- Mitigate the economic and social degradation caused by the closure or realignment of military bases.

²⁷ *Implementation Plan 2007-2012 for the Seaside–Fort Ord Redevelopment Project Area*, Redevelopment Agency of the City of Seaside, January 17, 2008, p. 13-14.

- Assembly and subdivision of land into parcels suitable for modern residential, commercial, office, retail and visitor-serving development with proper vehicular and pedestrian access.
- Improve the infrastructure of the proposed Project Area, including but not limited to development of sanitary and storm drain systems; water, gas and electrical improvements; streets, curbs, and gutters; sidewalks, signing, street lighting, signalization, telecommunications, public facilities, recreation facilities and preservation of open space.
- Develop new employment opportunities.

The *2007-2012 Implementation Plan for the Seaside–Fort Ord Redevelopment Project Area* identified the Seaside Resort Development as a priority project to be continually supported throughout the five-year period.²⁸

The former RDA entered into a DDA with SRD on August 10, 2005. The DDA set forth the terms of the land acquisition between the former RDA and the developer. Development plans on the site called for a 330-room hotel, 125 residential lots, and 175 time-share units. The DDA was amended in 2007 and 2009. The developer acquired and developed 30 lots and formulated plans for a 275-room hotel. The architectural plans and construction drawings for the hotel were 90 percent complete and substantially approved by former RDA and City staff. However, the developer did not obtain building permits as a result of changed economic conditions that made financing infeasible. To date, the developer has completed infrastructure improvements on the site and in 2009 released for sale the first 30 residential lots at the “Enclave at Cypress Grove.”

On January 24, 2014, the State’s Department of Finance (DOF) approved action 13-14 of the Seaside Oversight Board, approving an Amended and Restated DDA with SRD. Recent changes to the original DDA include:

- The former RDA’s original land sale prices will be maintained, along with the former RDA’s 20 percent profit participation in the residential development.
- The former RDA’s obligations totaling \$13.7 million will be dropped in exchange for the SRD receipt of equal credits toward land purchases.
- Hotel development will be done in several phases—with a 40-room hotel completed by September 2017.

A Final Environmental Impact Report for the Seaside Resort Project (FEIR) was prepared and certified by the City and former RDA on July 7, 2005. On March 21, 2013, the Successor Agency Board approved a Second Addendum to the FEIR that was prepared in connection with the Amended and Restated DDA.

Transit Oriented Development Potential and Advancement of Planning Objectives

The site has limited potential for transit oriented development, as currently no regional trains and limited bus lines service the area. With a bus stop at the corner of General Jim Moore Boulevard and Golf Club Road, Route 12–Dunes of Monterey-Salinas Transit is the only bus line easily within a half mile from the site. This route has limited service and only runs on weekdays.

²⁸ *Implementation Plan 2007-2012 for the Seaside–Fort Ord Redevelopment Project Area*, Redevelopment Agency of the City of Seaside, January 17, 2008, p. 15.

Future development of the site would further the City's planning objectives and help achieve the FORA BRP's goals. The property's zoning designation is Fort Ord Visitor-Serving Commercial District (V-FO) and allows for a variety of uses, including hotels, conference centers, restaurants, and golf courses. Conditional uses within the V-FO district include residential, timeshare, and employee housing. The site is well located and suited for a visitor-serving commercial uses. The V-FO zone implements and is consistent with the Recreational Commercial (RC) land use designation of the General Plan.

Restrictions on Disposition of the Property

The City is to require the recordation of deed restrictions and covenants that state that any development of the property will be, and is subject to, the provisions of the Base Reuse Plan, the City's general plan and land use ordinances, and compliance with the California Environmental Quality Act.

Property Disposition

The Agency recommends the property be transferred to the City, in accordance with the suggestion made by the DOF in its approval letter described below, in order to fulfill existing enforceable obligations pursuant to HSC §34191.5(c)(2). Specifically, the Agency recommends that the property be sold to the developer SRD, as required by the Amended and Restated DDA.

Retain Property to Fulfill Existing Enforceable Obligation [HSC §34191.5(c)(2)]

This property is currently owned by the Successor Agency and will be retained by the City to fulfill an enforceable obligation. In addition, retaining the property as an enforceable obligation would comply with the redevelopment goals, objectives and programs outlined in the Seaside-Fort Ord Redevelopment Plan.

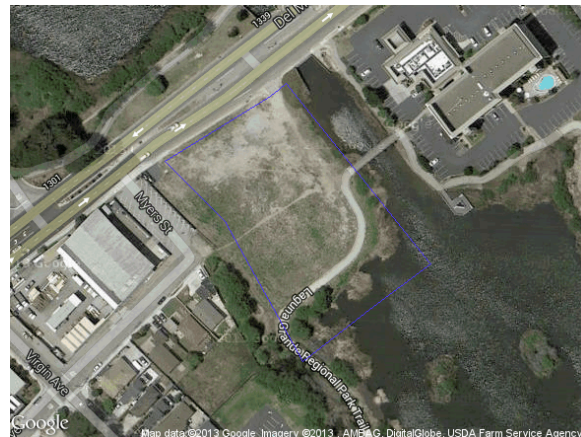
The enforceable obligation is in the form of a DDA that obligates the former RDA, and this obligation has been included and approved by DOF on the Agency's Recognized Obligation Payment Schedules (ROPS). Specifically this obligation is for the Seaside Resort Development DDA. The DDA contract was executed on July 7, 2005, and the contract termination date is December 31, 2027. As stated above, the DOF approved the Seaside Oversight Board action amending and restating DDA with SRD in January 2014. In its approval letter, DOF encouraged the Agency and Oversight Board to seek options to expeditiously wind down its affairs as required under HSC §34177(h). DOF presented a potential option of assigning administration of the project and transferring the land to the sponsoring entity (City).

As stated above, under the DDA, the Agency is required to sell the property to the developer, SRD, who has agreed to buy the property subject to the DDA conditions. The developer has the right to acquire residential and timeshare phases, which are conditioned upon the progress of the hotel phase. SRD must close and purchase all property in accordance with the Schedule of Performance. The last date for the Developer to acquire all of the Residential Phase land and Timeshare Phase land is April 19, 2023.

Properties to be Transferred to City and Retained for Future Development

1350 Del Monte Boulevard [No. 1]

To be Transferred to City and Retained for Future Development



Summary

This property is a vacant parcel located on the southeast side of Del Monte Boulevard facing Roberts Lake to the north-northwest, and bordered by Laguna Grande Regional Park trail and lake to the southeast. Formerly the location of an automobile wrecking yard, the site is zoned as Regional Commercial. Since its purchase in 1974 by the former RDA, the focus of the site's development has been the attraction of new regional and visitor-serving commercial businesses. The former RDA transferred the property to the City by a Corporation Grant Deed in 1982. In July 2010, the City transferred the property back to the former RDA at no cost for the purpose of developing it with a visitor-serving/regional commercial restaurant use.

Property Inventory Information

Parcel Data

APN	011-401-023-000
Address	1350 Del Monte Boulevard
Lot Size	2.19 acres
Current Zoning	Regional Commercial (CRG)
Current Use	Vacant parcel

Current Value and Revenue Generation

Estimate of Current Value	\$1.54 million
Date/Value Basis for Estimate	February 2014 Appraisal
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not applicable
RDA Project Area	Fort Ord Project Area

Acquisition Information

RDA Acquisition Date

On November 6, 1974, the former RDA purchased the property, which was a salvage/wrecking yard, through a private transaction (Recorded in Reel 943, at Page 724 Official Records of Monterey County). The former RDA later transferred the property to the City as a Corporation Grant Deed in October 25, 1982 (Reel 1585, at Page 1240, Official Records of Monterey County). In July 2010, the City transferred the property back to the former RDA at no cost for the purpose of developing it with a visitor-serving/regional commercial use as a restaurant (Recorded July 21, 2010; Instrument No. 2010039615).

Acquisition Purpose

Since its purchase in 1974 by the former RDA, the focus of the site's development has been the attraction of new regional and visitor serving commercial businesses. In July 2010, the property transferred from the City back to the former RDA for future development as a restaurant serving a regional market.

Value at Time of RDA Acquisition The property was valued at \$1.4 million at the time of RDA acquisition in 2010. An updated February 2014 appraisal valued the site at \$1.54 million.

History of Environmental Contamination/Remediation

The site's soil and groundwater have been impacted by its past use as an automobile salvage yard. Site assessment conducted in the mid-1990s documented the presence of potentially hazardous substances. Specifically, low levels of motor oil-range hydrocarbons and lead were found in fill soils at the site, and trace levels of gasoline and motor oil-range hydrocarbons were detected in groundwater. The Monterey County Health Department Environmental Health Division (EHD) requested supplemental assessment to verify that site conditions had not changed substantially. In 2009/2010 additional testing at the site was done, and a technical report was prepared as part of the required environmental review of the proposed restaurant. It was concluded that soil and groundwater contamination had not spread, and in fact contamination levels were slightly lower.

To prevent further spreading of identified pollutants, the site will require encapsulation through construction of impervious surfaces, such as buildings and surface parking lots. Any major site grading, excavation, and other land disturbing activities would require approval from Monterey County Environmental Health and Safety. This requirement, in addition to a high water table, prevents subterranean development, such as an underground parking area, on the site.

History of Development Proposals and Activity

Identification of Project in Redevelopment Documents

The 1350 Del Monte Site is located in the Laguna Grande Redevelopment Project Area, which was merged with six other Project Areas in 1996. The Amended and Restated Redevelopment Plan for the Merged Redevelopment Projects states the following:

The goals and objectives of the Agency's redevelopment program for each constituent project in the Merged Project Area are set forth in the Implementation Plan adopted on December 1, 1994, by Agency Resolution No. 94012 GEN, which covers all of the Constituent Projects, including any areas added to any constituent project by amendment. The principal goal and objective of the Merged Project shall be to eliminate all remaining blight and complete all Agency assisted redevelopment activities as quickly as possible consistent with the needs of the Constituent Projects and the availability of financial resources to fund them.

Redevelopment of the Merged Project Area pursuant to this Redevelopment Plan on the above goals and objectives will attain the purposes of the California Community Redevelopment Law by: (1) elimination of areas suffering from economic dislocation and disuse; (2) replanning, redesign and/or redevelopment of areas which are stagnant or improperly utilized, and which could not be accomplished by private enterprise acting along without public participation and assistance; (3) protecting and promoting sound development and redevelopment of blighted areas and the and the general welfare of the citizens of the City by remedying such injurious conditions through the employment of appropriate means...²⁹

The 1994 Implementation Plan (referenced in the above citation) sets forth the purpose and intent of redevelopment in the Laguna Grande Project as follows:

1. *Eliminate the conditions of blight.*
2. *Ensure, as far as possible, that causes of the blighting conditions will be either eliminated or protected against.*
3. *Encourage and ensure the building and development of the Project Area.*
4. *Encourage and foster the economic revitalization of the Project Area.*
5. *Redevelop and rebuild the public improvements and facilities in the project area, as necessary.*
6. *Provide appropriate participation for property owners in the project area, in accordance with the Redevelopment Plan and the Agency's adopted Rules for Business Preference and Owner Participation.³⁰*

The 1350 Del Monte Site is located in Study Area I of the Laguna Grande Project Area. The key objective for Study Area I is as follows:

To develop the properties along Del Monte Boulevard as a shopping center with adjoining compatible uses. Many of the land uses in this area were incompatible. The redevelopment of these parcels was hindered by substandard lots of inadequate size. The restoration of Roberts Lake not only as a public facility but as an amenity to attract development was a priority for this area.³¹

The Redevelopment Activities authorized by the Amended Redevelopment Plan include, among others, the following:

...

2. *Acquisition of real property;*

²⁹ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p.2.

³⁰ Implementation Plan for the Redevelopment Plans for the Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Redevelopment Projects, Seaside Redevelopment Agency, adopted December 1, 1994 (Resolution 94-12 Gen), pp.8-9.

³¹ Report to Council on the Proposed Amendments to the Redevelopment Plans, December 29, 1995, p.28.

3. *Management of property under the ownership and control of the Agency;*

...

5. *Demolition or removal of buildings and improvements;*

...

7. *Disposition of property for uses in accordance with this Plan;*

8. *Redevelopment of land by private enterprise and public agencies for uses in accordance with this Plan;*³²

All of these Redevelopment Plan activities apply to the disposition of the 1350 Del Monte site. The objective of the acquisition and disposition of 1350 Del Monte Boulevard was to redevelop stagnant areas. The 1995 Report to Council for the Amendments to and Merger of the Redevelopment Projects documented blighting conditions in the Laguna Grande Project Area that included excessive vacant lots.³³ Although a prime catalyst site, the property suffered from disuse and contributed to the condition of excessive vacant lots.

The 1994 Implementation Plan states that following:

*Despite Agency efforts, the Laguna Grande redevelopment project has not developed as a regional oriented visitor center as the Agency envisioned, rather there had been very little development and rehabilitation in the area. The Agency is focusing on efforts attracting commercial and in particular visitor oriented commercial uses to the area. As part of this effort the Agency will monitor and rehabilitate Roberts Lake and the lagoons fronting on Canyon Del Rey to ensure that they do not deteriorate but maintain their current quality as rehabilitated by the Agency. The Agency also proposed projects that would provide incremental redevelopment in the area. These projects include assembling sites for the development of restaurants that would be consistent with visitor-oriented development.*³⁴

The 1994 Implementation Plan cited the following activities:

*Canyon Del Rey and Del Monte Boulevard Commercial Development Project. In the area of the intersection of Canyon Del Rey and Del Monte Boulevard the Agency is proposing to assemble land for commercial/visitor oriented commercial development.*³⁵

Specific Redevelopment Projects and Programs included in the 1995 Report to Council included the encouragement of infill development that would establish new commercial areas within the Merged Project, and the promotion of the development of visitor lodging uses in close proximity to Highway 1, capitalizing on the accessibility to visitors to the area.³⁶

The 1995 Report to Council specifically cited the acquisition of the 2.2-acre site near the Embassy Suites Hotel, for development of a restaurant or hotel.³⁷

³² Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p.4.

³³ Report to Council on the Proposed Amendments to the Redevelopment Plans, December 29, 1995, p.4.

³⁴ Implementation Plan, adopted December 1, 1994 (Resolution 94-12 Gen), p.14.

³⁵ Implementation Plan, adopted December 1, 1994 (Resolution 94-12 Gen), p.20.

³⁶ Report to Council, December 29, 1995, p.8.

³⁷ Report to Council on the Proposed Amendments to the Redevelopment Plans, December 29, 1995, p.31.

The 2005/06-2009/10 Implementation Plan specifically refers to the 1350 Del Monte Site:

PROJECTS, EXPENDITURES AND BLIGHT ELIMINATION, Commercial Development: Del Monte Hotel Project:

Includes the development of 130 to 140-room hotel on City-owned property at 1350 Del Monte Boulevard. On April 7, 2005, the Agency Board authorized staff to solicit proposal to develop a hotel. The Agency Board is anticipated to select the preferred firm in July 2005. The Agency owns the site that has been vacant for an extended period. The development of the site will eliminate the blighting conditions of excessive vacant lots in an area developed for urbanized uses and served by utilities, and alleviate conditions of impaired investments by facilitating development of a prime commercial location.³⁸

The July 2010 Five Year Implementation Plan FY 2010/11-2014/15 specifically refers to the 1350 Del Monte Site under the section on former RDA's Accomplishments FY 2005/06-FY 2009/10, Major Development Projects:

1350 Del Monte Boulevard Site Development

- Negotiation and execution of ENA with Hampton Inn to develop a hotel (2005).*
- Negotiation and execution of ENA with C.W. Clark to develop 95-room Marriott Spring Hill Suites (2007-2009).*
- RFP issued to solicit hotel development team (April 2007 and April 2009).*
- Negotiation and execution of ENA with In-N-Out to develop 3,700 square foot restaurant and related facilities (October 2009).³⁹*

The July 2010 Five Year Implementation Plan also includes a \$400,000 expenditure for redevelopment project costs associated with the proposed restaurant on Del Monte Boulevard.⁴⁰

History of Development Proposals

The former RDA cleared the site in anticipation of development. Over the past 15 years, three types of development have been considered on the site: a 5-story commercial office building; multiple hotel proposals; and an 83-seat restaurant. A brief description of each type of use is outlined below.

Commercial Office Building. In the mid 1980s, the City of Seaside proposed, and approved entitlements for a 5-story office building. The California Coastal Commission granted a Coastal Development Permit approval for the project. The City chose not to proceed with the project.

Hotel Development. In the past, the former RDA issued multiple Requests for Proposals (RFP) soliciting a hotel development on the site. The initial proposal considered in the late 1990's was for a 250-room, full service Marriott Hotel. Subsequent RFPs in 2003 and 2005 sought a 130- to 140-room select or limited service hotel. The 2007 RFP resulted in the former RDA entering into an Exclusive Negotiating Agreement (ENA) for the development of a 98-room Marriott Spring Hill Suites. Due to the economic downturn and the inability to obtain project financing, the applicant withdrew its proposal. In 2009, the former RDA released a final RFP to solicit

³⁸ Five Year Implementation Plan FY 2010/11-FY 2014/15, Seaside Redevelopment Agency, 2005, p. 16.

³⁹ Five Year Implementation Plan FY 2010/11-FY 2014/15, Seaside Redevelopment Agency, July 2010, p. I-5.

⁴⁰ Ibid, p. II-9.

proposals for a 98-room select or limited service hotel. At the close of the submittal period only one incomplete proposal was received.

83-Seat Restaurant. In 2009, former RDA received a unsolicited proposal from In-N-Out Burgers for an 83-seat restaurant and drive-through facilities. In October 2009, the former RDA entered into an ENA with In-N-Out. Complete applications were submitted and an Environmental Impact Report was prepared and certified by the City Council in July 2011. The project did not move forward because the ENA between the former RDA and the applicant was allowed to expire in June 2011 by the former RDA Board. Therefore, the project could not continue to the next step of completing the processing of entitlements and environmental review.

Recent Activity

The Successor Agency continued to seek development on this site as it is a major undeveloped property at the gateway of Seaside. On May 3, 2013, the Successor Agency issued an RFP for restaurant development proposals for the site. On June 5, 2013, In-N-Out Burgers (INO) responded to the Successor Agency's RFP for the development of an 83-seat restaurant at 1350 Del Monte Boulevard.

The 2013 proposal is a re-submission of the 2009 INO proposed project. At its August 15, 2013 meeting, the Successor Agency Board directed staff to negotiate an ENA with INO, with final ENA approval contingent on Oversight Board approval and DOF review and approval. The Successor Agency Board approved the ENA at its October 3, 2013 meeting. The term of the ENA is for 12 months (through October 3, 2014). On October 28, 2013, the Oversight Board approved the ENA and directed staff to forward it to DOF for consideration with a recommendation of approval. On December 19, 2013, DOF approved the Oversight Board's action adopting Resolution No. 2013-13, which gave Oversight Board approval for the ENA. This will allow the Successor Agency to proceed to process project entitlements and to establish the terms and conditions of property disposition.

The ENA requires the developer to deposit \$25,000 to reimburse the Successor Agency and City for costs associated with the application processing and the negotiation of the Disposition and Development Agreement (DDA). These costs include staff time and legal fees. The Successor Agency and City will bill the developer monthly for reimbursable costs to the ENA. INO has provided the required deposit of \$25,000. In addition, within six months of the effective date of the ENA, the developer must deposit with Successor Agency and City an additional \$15,000 to commence the required CEQA review of the proposed project.

Status

Since the ENA's execution, in January 2014, the Successor Agency has proceeded to update the 2010 appraisal. The 2014 updated appraisal established a current market value of \$1.54 million and business term negotiations are underway.

Transit Oriented Development Potential and Advancement of Planning Objectives

The 1350 Del Monte site is located between the Del Monte/Virgin and the Del Monte/Canyon Del Rey stops on the MST bus transit system. Bus lines 12, 19, and 20 service these stations. Thus, development on the site would be readily accessible by public transit.

The 2004 Seaside General Plan designates the site as Regional Commercial, intended for uses defined as large-scale commercial development with retail, entertainment, and or service uses of a scale and function to serve a regional market. The General Plan's economic development goals focus on the generation of a stable, long-term stream of revenue to fund city services through the attraction of new regional and visitor serving businesses. The City Zoning Code Title 17 designates the Site as Regional Commercial (CRG). The CRG zone is applied to areas of the City that are appropriate for large-scale commercial development with retail, entertainment, and/or service uses, business parks of a scale and function to serve a regional market. Allowable land uses may include hotels, restaurants, visitor-serving retail, and movie theaters.

Restrictions on Disposition of the Property

Portions of the site are located within the 100-year flood plain. Also, a portion of the project site—a 125-foot-wide buffer along the edge of Laguna Grande that borders the site and a 100-foot-wide buffer along the western boundary of the channel connecting Roberts Lake and Laguna Grande—is within the California Coastal Zone Boundary. Development within the Coastal Zone may not commence until a Coastal Development Permit (CDP) has been issued by the City under its certified Local Coastal Program (LCP). The California Coastal Commission still retains the authority to hear appeals of the City's CDP decisions, review and approve any amendments to the certified LCP, and review the LCP at least every five years to ensure proper implementation and continued compliance with the Coastal Act.

Property Disposition

The Successor Agency recommends the property be transferred to the City and retained for future development pursuant to HSC §34191.5(c)(2)(A).

Transfer to City and Retain Property for Project Identified in Approved Redevelopment Plan

The Successor Agency has identified a developer for this property and, with Oversight Board and DOF approval, has entered into an ENA to develop the site as an 83-seat quick service restaurant.

Disposition Process

The Successor Agency has already identified a developer and is currently negotiating the terms and conditions of disposition that would be incorporated into a DDA. Upon concluding business term negotiations, the developer will proceed to submit applications for City entitlements to be processed and the environmental review to be updated as required by the California Environmental Quality Act.

Disposition Timeline

Within three months of LRPMP approval, the property will be transferred to the developer under the terms of the DDA.

Transfer to City

Upon approval of the LRPMP, the Successor Agency will transfer the 1350 Del Monte Boulevard site to the City.

The City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities after it accept title to 1350 Del Monte Boulevard and prior to the City's

disposition of the site to third parties for development unless the property is sold at or above fair market value. The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sale of the property would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. The provisions of this paragraph regarding compensation agreements will not be operative if a court order or decision, legislation or Department of Finance policy eliminates the need for any compensation agreements.

1271 Canyon Del Rey Boulevard [No. 3]

To be Transferred to the City and Retained for Future Development



Summary

The 1271 Canyon Del Rey Boulevard site is currently an undeveloped parcel located adjacent to the Chili's restaurant on Canyon Del Rey Boulevard and abutting the Laguna Grande Regional Park. Previously, the Bay Paper Company Inc. and Armstrong Paper Company operated at the site. The Agency acquired the property in 1994 for the purpose of assembling vacant parcels for development pursuant to the goals and objectives of the Laguna Grande Redevelopment Plan. The property is zoned as regional commercial/visitor serving and is part of the Local Coastal Program's Laguna Grande Subarea.

Property Inventory Information

Parcel Data

APN	011-371-005-000, 011-371-021-000, 011-371-022-000
Address	1271 Canyon Del Rey Boulevard
Lot Size	0.94 acres
Current Zoning	Regional Commercial (CRG)
Current Use	Undeveloped Parcel

Current Value and Revenue Generation

Estimate of Current Value	\$500,000
Date/Value Basis for Estimate	April 19, 2007
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not applicable
RDA Project Area	Laguna Grande Redevelopment Project Area

Acquisition Information

RDA Acquisition Date	January 27, 1994 and March 3, 1994
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Acquisition Purpose

The former RDA acquired the vacant land for development of a visitor-serving commercial center in accordance with the Laguna Grande Redevelopment Plan.⁴¹

Value at Time of Acquisition

January 27, 1994: \$480,000; March 3, 1994: \$129,740
CDBG per Reso 93-23

History of Environmental Contamination/Remediation

In August 2003, Giles Engineering Associates, Inc. prepared a Phase I Environmental Site Assessment for the then-proposed Chili's Grill and Bar, located on the northwest corner of the assembled parcels. Based on a site visit and database research, the Phase I report concluded that there is no evidence or known historical record of environmental contamination at the site. Soil and groundwater samples showed concentrations of DDT and TRPH that are considered de minimis.

History of Development Proposals and Activity

The parcel was previously developed as part of Bay Paper Company Inc. with Bay Paper Company Inc. and Armstrong Paper Company formerly operating at the site. On January 18, 2007, RDA staff presented two development options for 1271 Canyon Del Rey to the former RDA Board.

Option one was for the development of a mid-sized restaurant between 2,500 and 3,000 square feet in size that would complement the adjoining Chili's restaurant use. The City's Zoning Ordinance requires one parking space to be provided for each three seats in a restaurant. A 2,500 square foot restaurant on the vacant site could contain upwards of 80 seats, thus requiring approximately 30 parking spaces.

Option two was for the expansion of Laguna Grande Regional Park by constructing a larger and improved presentation stage and relocating the existing picnic area and parking lot to the vacant parcel. Amendments to the City's General Plan and Zoning Ordinance would be required to permit an expansion of the park. Additionally, the City would have to budget for the costs of such an expansion.

The Board of the former RDA directed staff to gather additional information on the costs, obstacles, and benefits of both options. As part of this effort, staff obtained an appraisal for the property. The appraisal indicated a market value of the fee simple interest in the property of \$500,000 as of April 19, 2007.

Private parties approached the former RDA to acquire the property in 2006 and 2008. Proposals included parcel swaps and restaurant uses.

Transit Oriented Development Potential and Advancement of Planning Objectives

1271 Canyon Del Rey is located in proximity to Monterey-Salinas Transit's 8, 12, 20, 21, and 55 bus lines.

⁴¹ City of Seaside, Resolution No. 93-23 Resolution Approving the Statement of Objectives and Use of Funds 1993-94 Community Development Block Grant Program, Page 7.

The property is zoned Regional Commercial, which is applied to areas of the City that are appropriate for large scale commercial development with retail, entertainment, and/or service uses, and business parks of a scale and function to serve a regional market.

Restrictions on Disposition of the Property

A portion of the parcel is located within the City's California Coastal Zone Boundary. Development within the Coastal Zone may not commence until a Coastal Development Permit (CDP) has been issued by the City under its certified Local Coastal Program (LCP). The California Coastal Commission retains the authority to hear appeals of the City's CDP decisions, review and approve any amendments to the certified LCP, and review the LCP at least every five years to ensure proper implementation and continued compliance with the Coastal Act. Future development on the site is subject to the policies and standard of the City's certified LCP, which require development to be set back a minimum of 50 feet from marsh or riparian vegetation. The requirements also restrict buildings to one story and a maximum height of 15 feet. The maximum floor area ratio per the Zoning Code is 1:1.

The former RDA purchased the property in part with CDBG funds, which are restricted federal grant funds. As such, the City is obligated to meet CDBG requirements for the use of proceeds from the sale of the property. Sales proceeds would be considered program income and would be required to be re-invested in the community and re-programmed for CDBG eligible activities.

Property Disposition

The Agency recommends the property be transferred to the City and retained for future development, pursuant to HSC §34191.5(c)(2)(A).

Transfer to City and Retain Property for Project Identified in Approved Redevelopment Plan

Development of the parcel for commercial use would alleviate blighting conditions associated with vacant parcels in the Laguna Grande Redevelopment Project Area and would meet the Project Area's purpose and intent of encouraging and fostering economic revitalization.⁴² In addition, commercial use would comply with the redevelopment goals, objectives, and programs outlined in the Amended and Restated Redevelopment Plan for the Merged Redevelopment Projects, which states the following:

The goals and objectives of the Agency's redevelopment program for each constituent project in the Merged Project Area are set forth in the Implementation Plan adopted on December 1, 1994, by Agency Resolution No. 94012 GEN, which covers all of the Constituent Projects, including any areas added to any constituent project by amendment. The principal goal and objective of the Merged Project shall be to eliminate all remaining blight and complete all Agency assisted redevelopment activities as quickly as possible consistent with the needs of the Constituent Projects and the availability of financial resources to fund them.

Redevelopment of the Merged Project Area...will attain the purposes of the California Community Redevelopment Law by: (1) elimination of areas suffering from economic dislocation and disuse; (2) replanning, redesign and/or redevelopment of areas which are stagnant or improperly utilized, and which could not be accomplished by private enterprise acting along without public participation

⁴² Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 17.

and assistance; (3) protecting and promoting sound development and redevelopment of blighted areas and the and the general welfare of the citizens of the City by remedying such injurious conditions through the employment of appropriate means; (4) installation of new or replacement of existing public improvements, facilities and utilities in areas which are currently inadequately served with regard to such improvements, facilities and utilities...⁴³

The Redevelopment Activities authorized by the Amended Redevelopment Plan include, among others,

2. Acquisition of real property;

...

7. Disposition of property for uses in accordance with this Plan.⁴⁴

Disposition Process

By retaining the property for future development, the City will be able to ensure that a project is developed that meets the City General Plan and zoning guidelines, and meets the objectives of the former RDA. In addition, by retaining the property, the City can identify a developer with the necessary experience and expertise to complete a development project in a realistic timeframe while avoiding a buyer who is interested in a more speculative real estate investment.

The City will dispose of the 1271 Canyon Del Rey site to a qualified developer who will acquire and develop the property in a timely manner and in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition between the City and the selected developer. The developer will be selected through an application process involving solicitation of interested prospective developers with a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means.

Disposition Timeline

While the timing of disposition and development of the property will depend on market conditions and interest of the private real estate development and financing community, it is currently anticipated that such disposition and development may occur generally in accordance with the following timeframe:

- Developer selection: within 18 months of LRPMP approval
- DDA Negotiation/Approval Approval Project Entitlements and Environmental review: within 12 months after developer selection
- Satisfaction of Conditions/Property Conveyance: within six months after DDA approval
- Commencement of Construction: within three months after property conveyance
- Completion of Construction: within two years after commencement of construction.

⁴³ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 2.

⁴⁴ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 4.

Disposition Proceeds

Because the property was purchased in part with CDBG funds, a pro-rata share of the proceeds from any sale of the property would be restricted by federal law and would be required to be re-invested in the community and re-programmed for CDBG eligible activities.

Transfer to City

Upon approval of the LRPMP, the Successor Agency will transfer the 1271 Canyon Del Rey site to the City.

The City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities after it accept title to 1271 Canyon Del Rey Boulevard and prior to the City's disposition of the site to third parties for development unless the property is sold at or above fair market value. The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sale of the property would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. The provisions of this paragraph regarding compensation agreements will not be operative if a court order or decision, legislation or Department of Finance policy eliminates the need for any compensation agreements.

Broadway Avenue and Terrace Street [No. 9]

To be Transferred to the City and Retained for Future Development



Summary

The former RDA owned 13 parcels located on the block bounded by Broadway Avenue, Terrace Street, Olympia Avenue, and San Lucas Street. Currently, two of the parcels are developed. A 3,272 square foot building is located at 1137 Broadway. The 45 year old building has been used for personal services, including a hair studio, and is currently partially leased. The 5,299-square-foot commercial building located at 1173 Broadway is currently vacant. The former RDA identified the need for revitalization and rehabilitation of the commercial and residential uses within the area and the City considers this site an opportunity for economic development. The former RDA assembled the parcels over a period of 16 years with the intention of blight elimination and future economic development.

Property Inventory Information

Parcel Data

APN	13 parcels ⁴⁵
Address	1104, 1116 & 1128 Olympia; 1125, 1137, 1173, 1193 Broadway Additional parcels on Broadway
Lot Size	2.57 Acres (total)
Current Zoning	Commercial Mixed Use (CMX)
Current Use	Vacant parcels, partially leased building, and a vacant building

Current Value and Revenue Generation

Estimate of Current Value	\$ 2,058,000
Date/Value Basis for Estimate	April 30, 2014 Broker Opinion
Revenue Generated by Property	\$1,167 per month from lease of 1137 Broadway
Requirements for Revenue Use	No Restrictions

⁴⁵ 012-191-001-000; 012-191-002-000; 012-191-003-000; 012-191-004-000; 012-191-013-000; 012-191-016-000; 012-191-017-000; 012-191-021-000; 012-191-023-000; 012-191-024-000; 012-191-025-000; 012-191-028-000; 012-191-029

Acquisition Information

RDA Acquisition Date(s)	The former RDA assembled the site through four different transactions.
June 29, 1988	The former RDA acquired eight parcels located at the northeastern corner of Broadway Avenue and Terrace Street and the southeastern corner of Terrace and Olympia Avenue, for \$511,000. (Note: the City acquired nine parcels, of which eight were transferred, and the other remains in the ownership of the City.)
May 29, 1993	The former RDA acquired one parcel (APN 012-191-028) for \$290,000.
May 29, 1998	The former RDA acquired two parcels at the northwestern corner of Broadway Avenue and San Lucas Street for \$275,000.
December 30, 2004	The former RDA purchased two parcels, for \$686,287.

Acquisition Purpose The former RDA purchased the parcels with the intention of future mixed use development including a new public library and a County services complex.

Value at Time of Acquisition The eight properties acquired in 1988 were appraised at \$1,358,000 in April 2002.

History of Environmental Contamination/Remediation

There is no known history of significant contamination on the parcels.

A 1993 soils test for 1137 Broadway revealed low level contamination of heavy metals, but the concentrations did not exceed the regulatory action level. The appraisal for the two parcels purchased in 2004 recommended completing a Phase 1 Study.

History of Development Proposals and Activity

The property was primarily developed as residential with several small homes and sheds. In 1978, the State of California purchased the property on Terrace Street between Broadway Avenue and Olympia Avenue with the intention of developing Employment Development Department’s offices on the site. However, the State did not go forward with the development. The City purchased the property from the State in 1988.⁴⁶

In 1993, the former RDA was considering developing the Terrace Landing project, which would have included the construction of two office buildings and approximately five single-family homes on the 2.4-acre vacant parcel east of the Seaside Post Office, at the corner of Broadway and Terrace Avenue. The former RDA contracted with Harding Lawson Associates to complete a site investigation for the property on Terrace Street between Broadway Avenue and Olympia Avenue. The study identified the presence of some heavy metals but at concentrations lower than regulatory limits.

⁴⁶ Harding Lawson Associates Engineering and Environmental Services, Site Investigation Report Terrace Landing Project Seaside, California HLA Project No. 24328 001. May 26 1993.

In a joint effort that began in 1996, the former RDA and Monterey County planned to construct a new County library on Broadway Avenue, and the former RDA agreed to contribute \$3 million of Redevelopment funds for the project. According to the General Plan Land Use Element, the State Office of Library Construction Review Panel noted that the existing library was inadequate to meet the need of the population due to inadequate space for all services and functions, inadequate telecommunications, inefficient energy use, poor lighting, non-conformance with Americans with Disability Act (ADA) codes, and problematic and inflexible functional spatial relationships.⁴⁷ The City identified the need to relocate the library and identified the corner of Broadway and Terrace Street as the relocation site.

In 1998, the Agency contracted with Noll & Tam to develop a City/Community Service Center master plan to include a new County library and potential facilities of the County Health and Social Services Departments, the Employment Development Department, Office of Employment Training, and other facilities agreed to by the Agency and County. The proposed site encompassed 2-blocks on the north side of Broadway Avenue from Terrace Street to Noche Buena Street.

At a Special City Council Meeting held November 13, 1999, Noll & Tam presented their findings. Noll & Tam recommended focusing on the Library project and setting aside the One-Stop Center for the time being due to increased costs associated with relocation expenses and property acquisition on the two-block site. Not all of the properties within this site were owned by the Agency at that time. The proposed Library project site was to be on former RDA-owned property located at the northeast corner of Broadway Avenue and Terrace Street. Noll & Tam completed a preliminary needs assessment and, after numerous community presentations, produced a conceptual site layout and design for the proposed Seaside Library at the Broadway and Terrace site. City Council, the County of Monterey, and the community approved the design.

In March 2000, California voters approved a \$350 million bond measure to construct new public libraries. At its February 2001 meeting, the California Public Library Construction and Renovation Board voted to allocate the funds in three cycles; a maximum of \$150 million in the first cycle, \$110 million in the second, and all remaining funds in the third cycle. In June 2001, the California Public Library Construction and Renovation Board adopted the application deadlines for each cycle as June 14, 2002, March 28, 2003 and January 16, 2004, respectively. The City of Seaside prepared and submitted applications for all three rounds. The City was not awarded funding.

On November 17, 2005, staff presented to the City Council for consideration a project update and funding options for the Seaside Library Project. With the unsuccessful attempts to obtain grant funding from the Proposition 14 Bond Act of 2000, staff informed the City Council of two possible funding options: Senate Bill 1161 (SB 1161) and General Obligation Bond Issue. Senate Bill 1161 was for a \$600 million State general obligation bond to construct and improve library facilities. The City Council elected not to pursue a General Obligation Bond at that time in the hope that voters would approve SB 1161. The Bond Measure failed in the June 2006 election.

The City continued to evaluate options and alternatives with regards to the proposed Seaside Library Project. It was determined that the proposed library would not require the square footage

⁴⁷ Seaside General Plan, Land Use Element, August 2004, LU 28.

as originally designed and that a new location within the city's downtown would be a catalyst for economic development. As part of the effort to revitalize its downtown, the City prepared the West Broadway Urban Village Specific Plan, which the City Council adopted in January 2010. The Specific Plan identifies the proposed site for the public library as the block between Hillsdale and Alhambra streets and Broadway and Olympia Avenues. Development at this downtown site is envisioned to include the public library, public parking structure, and a combination of retail, office, residential, and/or community space.

In 2008, the Police Department and the Police Activities Leagues (PAL) representatives proposed rehabilitating the existing structure at 1173 Broadway for a possible use as a studio for martial arts, dancing, tutoring, and related youth activities, along with accessory offices and storage. The proposed project would be permitted under the CMX zoning. In order to proceed with this proposed redevelopment, the building would have required significant renovation to bring it into general conformance with the construction code and to make it accessible to and safe for children. Updates would have included asbestos abatement, roof repairs, and upgrades to the HVAC system. At the time, the City and former RDA did not have sufficient available funding to commit to the proposed project.

The City's Housing Element Update 2009-2014 identifies this site as a location for future residential development. A conceptual site plan illustrated development that could include a multi-family apartment building, townhomes and a mixed use building.

Transit Oriented Development Potential and Advancement of Planning Objectives

According to the General Plan Urban Design Element, the development of the Broadway Terrace site is an integral component to revitalizing the Broadway Corridor.⁴⁸

The Broadway Corridor includes 47 acres of land along both sides of Broadway, north to approximately Olympia and south to Palm, between Del Monte Boulevard and Noche Buena... The Broadway Corridor is the central core of the community and is characterized by a mix of residential and commercial uses. Vacant lots are scattered throughout the area on both sides of Fremont and Broadway. Broadway, a four lane roadway, experiences heavy traffic in each direction.

Primary issues to consider in this area include possible roadway and other infrastructure improvements needed to improve the corridor and attract persons and businesses to the area, the need for revitalization and rehabilitation of the commercial and residential uses, opportunities for economic development, and compatibility between existing and proposed land uses.

In concert with the Broadway Avenue Improvement Plan, a variety of pedestrian-oriented mixed residential, and visitor serving and community commercial uses are recommended for this area. Specifically, high turnover sit-down restaurants with outdoor seating, high density residential uses above commercial and office, public parking, museums, galleries, a visitor center, coffee shops, bookstores, a family health center, and a library would be appropriate for this area. Pedestrian improvements should tie the hotels on Del Monte to this planned central business district.

Restrictions on Disposition of the Property

There are no known disposition restrictions on the property.

⁴⁸ Seaside General Plan, Urban Design Element, August 2004, UD-7.

Property Disposition

The Agency recommends the property be transferred to the City and retained for future development, pursuant to HSC §34191.5(c)(2)(A).

Transfer to City and Retain Property for Project Identified in Approved Redevelopment Plan

Retaining the parcels for future development would alleviate blighting conditions associated with vacant parcels in the City Center Redevelopment Project Area and meets the Project Area's purpose and intent of encouraging and fostering economic revitalization.⁴⁹ In addition, it would comply with the redevelopment goals, objectives, and programs outlined in the Amended and Restated Redevelopment Plan for the Merged Redevelopment Projects, which states the following:⁵⁰

The goals and objectives of the Agency's redevelopment program for each constituent project in the Merged Project Area are set forth in the Implementation Plan adopted on December 1, 1994, by Agency Resolution No. 94012 GEN, which covers all of the Constituent Projects, including any areas added to any constituent project by amendment. The principal goal and objective of the Merged Project shall be to eliminate all remaining blight and complete all Agency assisted redevelopment activities as quickly as possible consistent with the needs of the Constituent Projects and the availability of financial resources to fund them.

Redevelopment of the Merged Project Area...will attain the purposes of the California Community Redevelopment Law by: (1) elimination of areas suffering from economic dislocation and disuse; (2) replanning, redesign and/or redevelopment of areas which are stagnant or improperly utilized, and which could not be accomplished by private enterprise acting along without public participation and assistance; (3) protecting and promoting sound development and redevelopment of blighted areas and the and the general welfare of the citizens of the City by remedying such injurious conditions through the employment of appropriate means...

The Redevelopment Activities authorized by the Amended Redevelopment Plan include, among others:

...

2. *Acquisition of real property;*

...

8. *Redevelopment of land by private enterprise and public agencies for uses in accordance with this Plan.*

The 2010-2015 Five Year Implementation Plan's redevelopment program included the following program projects and activities, which would include development activity on the property:

Commercial and Mixed-Use Development—The Commercial Development category includes projects and activities to support existing and future commercial development, including neighborhood serving commercial uses and regional shopping centers. The Agency will continue to work proactively to attract, retain and expand local businesses to ensure a more active and economically

⁴⁹ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 17.

⁵⁰ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 2.

secure urban environment. This includes site preparation and assemblage activities throughout the Project Area.

Disposition Process

By retaining the property for future development, the City will be able to achieve the former RDA's plan for the site. The City will also be able to ensure that a project is developed that meets the City General Plan and zoning policies. In addition, by retaining the property, the City can identify a developer with the necessary experience and expertise to complete a development in a realistic timeframe while avoiding a buyer who is interested in a more speculative real estate investment.

The site will be disposed of to a qualified real estate developer to acquire (or ground lease) and develop the property in a timely manner in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition or ground lease between the City and the developer. The Developer will be selected through an appropriate selection process involving solicitation of interested prospective developers through a Request for Qualifications (RFQ), Request for Proposals (RFP), qualified bid or similar selection process.

Disposition Timeline

While the timing of disposition and development of the property will depend on market conditions and interest of the private real estate development and financing community, it is currently anticipated that such disposition and development may occur generally in accordance with the following timeframe:

- Developer selection: within 18 months of LRPMP approval.
- DDA Negotiation/Approval Approval Project Entitlements (Preparation of Master Plan) and Environmental review: within 12 months after developer selection.
- Satisfaction of Conditions/Property Conveyance: within six months after DDA approval.
- Commencement of Construction: within three months after property conveyance.
- Completion of Construction: within two years after commencement of construction.

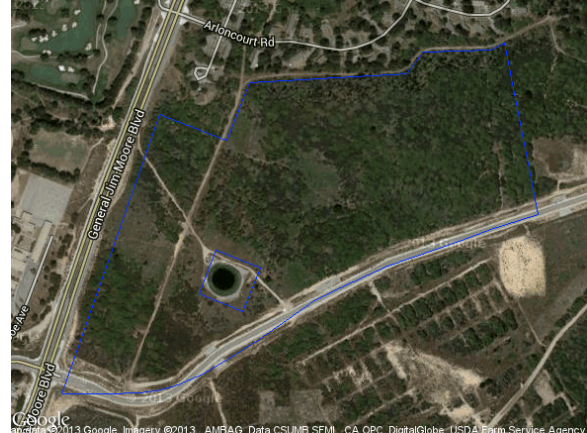
Transfer to City

Upon approval of the LRPMP, the Successor Agency will transfer the Broadway Avenue and Terrace Street site to the City.

The City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities after it accept title to Broadway and Terrace and prior to the City's disposition of the site to third parties for development unless the property is sold at or above fair market value. The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sale of the property would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. The provisions of this paragraph regarding compensation agreements will not be operative if a court order or decision, legislation or Department of Finance policy eliminates the need for any compensation agreements.

General Jim Moore Boulevard and Eucalyptus Road (First Tee Site) [No. 13]

To be Transferred to the City and Retained for Future Development



Summary

The First Tee site is approximately 83 undeveloped acres located on the former Fort Ord military base, at the northeast corner of General Jim Moore Boulevard and Eucalyptus Road. Generally speaking, the site is surrounded by the following uses: residential neighborhoods to the southwest; former military structures and a golf course to the northwest; open space and former military housing to the northeast; and open space to the southeast. The site is located in the former Seaside–Fort Ord Project Area, which covered the entire area of the former Fort Ord military base within the City of Seaside’s jurisdiction, and was a key component of redevelopment efforts on the base.

Property Inventory Information

Parcel Data

APN	031-151-059-000
Address	General Jim Moore Boulevard and Eucalyptus Road
Lot Size	82.887 acres
Current Zoning	Open Space Recreation (OSR)
Current Use	Undeveloped Parcel

Current Value and Revenue Generation

Estimate of Current Value	\$10,830,000
Date/Value Basis for Estimate	April 30, 2014 Broker Opinion
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not applicable
RDA Project Area	Seaside–Fort Ord Project Area

Acquisition Information

RDA Acquisition Date	July 7, 2005
Acquisition Purpose	Blight elimination and economic development
Value at Time of Acquisition	Transferred from Army via FORA to the former RDA as an Economic Development Conveyance for the cost of \$1

Environmental Information

Refer to Section 1 of this report for general environmental information on the former RDA Seaside–Fort Ord properties.

As an undeveloped area, the First Tee site required no remediation.

Development Plans and Activity

The 2004 City of Seaside General Plan designates the General Jim Moore and Eucalyptus (First Tee) site as Recreational Commercial (RC). To help guide development at the site, the City included the area within the proposed Seaside East Conceptual Master Plan (Master Plan), which was presented to the Seaside Planning Commission and City Council in 2010. The plan remains an advisory document meant to inform future land planning decisions. According to land use options presented in the Master Plan, the site would be designated under the Trade and Exposition Center District—thus furthering the possibility of developing a regional-serving facility designated to accommodate trade shows, conferences, and special events. As envisioned, the district would also include conference-related facilities such as hotels, restaurants, and other associated amenities. According to the Master Plan, development of a trade center on the site would “require approval of a master plan, such as an area plan, specific plan, or planned unit development, which focuses on the character, relationship of uses, public/private access, parking, pedestrian facilities, building form, integration with the roadways and pedestrian ways, public spaces, landscaping, and public amenities.”⁵¹

The former RDA included these plans for the site in its *Midterm Review of the Seaside–Fort Ord Redevelopment Project Area Five Year (2007-2012) Implementation Plan*. The Midterm Review states that the proposed center:

*... would be designed to meet the space requirements of events too large for the region's existing conference venues. These would in large part be new events that have been unable to stage activities on the Peninsula because of the lack of space in the region's existing conference facilities. The Central Coast needs an adequately sized convention, trade show and exposition complex that would complement and sustain the extensive hospitality infrastructure. A Convention Center district concept, including commercial and retail components, has emerged as a result of preliminary discussions. The overall project would ultimately be developed as part of a Trade and Exposition Center master plan. Based upon an evaluation of market and finance issues, a preliminary project size has been recommended as approximately 250,000 square feet.*⁵²

⁵¹ *Seaside East Conceptual Master Plan, Draft*, September 2010, City of Seaside, p. 38.

⁵² *Midterm Review of the Seaside–Fort Ord Redevelopment Project Area Five Year (2007-2012) Implementation Plan*, Redevelopment Agency of the City of Seaside, July 2010, p. B-2.

In order to evaluate the feasibility of building the Trade and Expo center, the former RDA funded a market and feasibility study. Completed in 2008 (Phase I) and 2009 (Phase II), the studies concluded that it would be feasible to build such a facility on that site. Under Phase III, the former RDA formed and coordinated a Blue Ribbon advisory committee. This committee was to make recommendations related to the location, conceptual design, financing as well as facility management and governance of the proposed trade and expo center. The advisory committee convened with the goal of extensive multi-jurisdictional cooperation⁵³.

In addition, the former RDA had selected a planning and architectural firm to prepare a Specific Plan for the Trade and Convention Center District. However, because of redevelopment dissolution, the contract was not executed and all plans and development activities were put on hold. As such, the site remains undeveloped and improvement plans are still pending.

Potential for TOD and Advancement of Planning Objectives

The site has some potential for transit oriented development as limited bus lines service the area. Monterey-Salinas Transit bus service is within ½ mile of the site and includes two commuter lines: 12 Dunes-NSP and 77 Presidio-Seaside. Both of these lines have limited service and only operate on weekdays.

Future development of the site would further the City's planning objectives and help achieve FORA's goals. The property's zoning designation is Open Space-Recreation (OSR) and allows for a variety of uses, including hiking/riding trails and parks or playgrounds, and—via discretionary use permit— conference/convention facilities, golf courses, public amphitheaters, hotels, and utilities. The site is well located and suited for a regional conference/convention center. Residential development is not allowed within the OSR zone. The OSR zone implements and is consistent with the Recreational Commercial (RC) land use designation of the General Plan.

Restrictions on Disposition of the Property

For all Seaside–Fort Ord sites, the City is to require the recordation of deed restrictions and covenants stating that any development of the property is, and will be, subject to the provisions of the Base Reuse Plan, the City's general plan and land use ordinances, and compliance with the California Environmental Quality Act.

As described in Section I of this report, state law governs the use of all revenues—including land sale revenues—received by the Fort Ord Reuse Authority (FORA) and/or the Jurisdiction (City/Successor Agency) are to be divided equally between FORA and the Jurisdiction.

⁵³ *Midterm Review of the Seaside–Fort Ord Redevelopment Project Area Five Year (2007-2012) Implementation Plan*, Redevelopment Agency of the City of Seaside, July 2010, p. B-2.

Property Disposition

The Agency recommends the property be transferred to the City and retained for future development pursuant to HSC §34191.5(c)(2)(A).

Transfer to City and Retain Property for Project Identified in Approved Redevelopment Plan

As stated above, the *Midterm Review of the Seaside–Fort Ord Redevelopment Project Five Year (2007-2012) Implementation Plan* identified the General Jim Moore and Eucalyptus Road site as a key component of redevelopment efforts on the former Fort Ord military base. The proposed trade/convention center on the site would meet the following redevelopment goals and objectives identified in the Seaside–Fort Ord Redevelopment Plan:

- *Mitigate the economic and social degradation caused by the closure or realignment of military bases*
- *Assemble and subdivide land into parcels suitable for modern residential, commercial, office, retail and visitor-serving development with proper vehicular and pedestrian access*
- *Improve the infrastructure of the proposed Project Area, including but not limited to development of sanitary and storm drain systems; water, gas and electrical improvements; streets, curbs, and gutters; sidewalks, signing, street lighting, signalization, telecommunications, public facilities, recreation facilities and preservation of open space.*
- *Develop new employment opportunities.*

The development of the site as a master planned development will effectuate the former RDA's plans to develop a high quality recreational commercial project at this location as specified in the Redevelopment Plan and 2007-2012 Implementation Plan for the Seaside–Fort Ord Project Area. Development of the site as a master planned development will also eliminate the following blighting conditions that were identified in the Redevelopment Plan, as described in the Implementation Plan 2007-2012:

- *Inadequate improvements*
- *Deficient roadways*
- *Inadequate utilities*

Disposition Process

By retaining the property for future development, the City will be able to achieve the former RDA's plans for the site. The City will also be able to ensure that a project is developed that meets the City General Plan and zoning guidelines, the objectives of the BRP, as well as the goals described in the proposed Seaside East Conceptual Master Plan. In addition, by retaining the property, the City can identify a developer with the necessary experience and expertise to complete a development project in a realistic timeframe while avoiding a buyer who is interested in a more speculative real estate investment.

The First Tee site will be disposed of to a qualified developer who will acquire and develop the property in a timely manner in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition between the City and the selected developer. The developer will be selected through an application process involving solicitation of interested prospective developers with a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means.

Disposition Timeline

While the timing of disposition and development of the property will depend on market conditions and interest of the private real estate development and financing community, it is currently anticipated that such disposition and development may occur generally in accordance with the following timeframe:

- Developer selection: within 12 months of LRPMP approval
- DDA Negotiation/Approval of Project Entitlements (Preparation of Master Plan) and Environmental review: within 18 months of developer selection
- Satisfaction of Conditions/Property Conveyance: within six months of DDA approval
- Commencement of Construction: within three months of property conveyance
- Completion of Construction: within two years of commencement of construction.

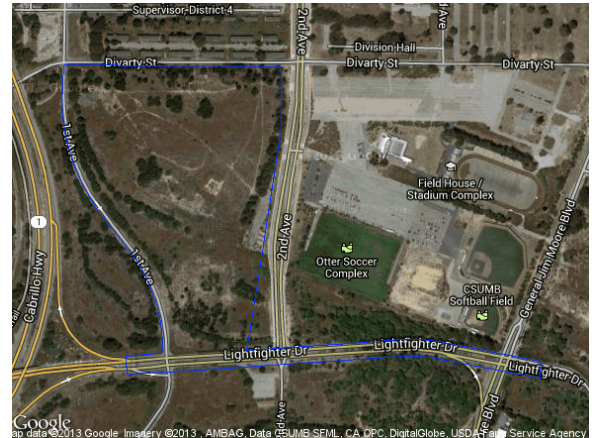
Transfer to City

Upon approval of the LRPMP, the Successor Agency will transfer the First Tee site to the City.

The City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities after it accept title to the First Tee site and prior to the City's disposition of the site to third parties for development unless the property is sold at or above fair market value. The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sale of the property would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. The provisions of this paragraph regarding compensation agreements will not be operative if a court order or decision, legislation or Department of Finance policy eliminates the need for any compensation agreements.

Lightfighter Drive between First and Second Avenues (The Projects at Main Gate Site) [#14]

To be Transferred to the City and Retained for Future Development
(Two Public Road Rights of Way to be Transferred to City and Retained for Governmental Use)



Summary

The Projects at Main Gate site is approximately 50 undeveloped acres located on the former Fort Ord military base at the northeast corner of Lightfighter Drive and First Avenue. Generally speaking, the site is surrounded by the following uses: Highway 1 and state park land along the Pacific Ocean to the west; open space and existing military structures on lands planned for residential, retail, and office development to the north; recreational facilities of the California State University at Monterey to the east; and lands within the City of Seaside planned for mixed uses to the south. The site is located in the former Seaside–Fort Ord Project Area, which covers the entire area of the former Fort Ord military base within Seaside’s jurisdiction, and was a key component of redevelopment efforts on the base. Two public roadway rights of way are located in the Projects at Main Gate site. Prior to disposing of the site for future economic development, the City will carve out these rights of way and retain them for governmental use so they can continue their existing use as public roadways.

Property Inventory Information

Parcel Data

APN	031-151-013-000
Address	Lightfighter Drive and First Avenue
Lot Size	49.513 acres
Current Zoning	Regional Commercial (CRG)
Current Use	Undeveloped Parcel

Current Value and Revenue Generation

Estimate of Current Value	\$10,800,000
Date/Value Basis for Estimate	April 30, 2014 Broker Opinion
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not applicable
RDA Project Area	Seaside–Ford Ord Project Area

Acquisition Information

RDA Acquisition Date	March 30, 2005
Acquisition Purpose	Blight elimination and economic development
Value at Time of Acquisition	Transferred from Army via FORA to the former RDA as an Economic Development Conveyance for the cost of \$1

Environmental Information

As with all of the former Fort Ord sites, this site has undergone extensive study and remediation as necessary. For all former Fort Ord properties, when a land transfer is scheduled, the Army issues a Finding of Suitability to Transfer, demonstrating that the property is either uncontaminated, necessary remediation is complete, or land use restrictions apply. Land Use Covenants are included in the Grant Deed or Quitclaim Deed for each property. (Refer to Section I of this report for background.)

The Main Gate parcel is under the following environmental ground water restrictions.

- No construction of wells.
- No disturbance or creation of recharge area.
- Filing of annual monitoring reports.

Development Plans and Activity

The 2007-2012 Implementation Plan for the Seaside–Fort Ord Redevelopment Project Area identified Projects at Main Gate as a priority project to be continually supported throughout the five-year period. The report includes the following:

Since adoption of the original 2002-2007 Implementation Plan, the Agency has been actively pursuing a number of community and economic development goals, including:

...

Main Gate Project—Exclusive negotiating agreement with Clark/General to build a 500,000 square foot “lifestyle” shopping mall, and 250-room hotel, spa and conference facility⁵⁴

The 2004 City of Seaside General Plan identifies the Main Gate site as the North Gateway Specific Plan Area, designated for Regional Commercial (RC) uses. In early 2005, the City completed a property profile, conducted public meetings, and circulated a Request for Proposals to prospective commercial developers to facilitate site development. In November 2005, the City selected the Clark Capital Realty/General Growth Properties development team for the project. The former RDA and Resource Management Division worked cooperatively with the

⁵⁴ Implementation Plan 2007-2012, Seaside–Fort Ord Redevelopment Project Area, January 17, 2008, Seaside Redevelopment Agency, p. 15.

development team and local agencies, including California State University Monterey Bay (CSUMB), Marina Coast Water District (MCWD), and the City of Marina to create a comprehensive plan for the project site.

The Projects at Main Gate Specific Plan, adopted in July 2010, is the product of those planning efforts. The Specific Plan proposes a regional commercial center and hotel on the site. The Specific Plan was developed in accordance with relevant General Plan land use and development goals. The plan identifies the following two project components on approximately 50 acres within the City of Seaside: (1) an open-air retail center and (2) a hotel/spa/conference facility. Two variations of the overall site plan are described in the Specific Plan for the retail center. Alternative A includes a 16-screen cinema and Alternative B proposes a large department store in lieu of the cinema. The proposed retail “lifestyle center” includes an open-air design with up to 559,500 square feet of commercial retail space. The 250-room hotel facility will include a spa and conference center.

When negotiations with Clark Capital Realty/General Growth Properties ceased, the former RDA proceeded to complete the Specific Plan and associated Environmental Impact Report (EIR). The Specific Plan was adopted and the EIR certified in July 2010. FORA approved a determination of consistency with the Base Reuse Plan in October 2010.

Potential for TOD and Advancement of Planning Objectives

The site has some potential for transit oriented development, as the site is within ½ mile of several stops for bus lines servicing the City, including the 17 CSUMB–Marina and 26 CSUMB–East Campus Express lines. Both of these lines are commuter oriented and only offer service during the week. Other bus lines servicing the area around the site include the 16 Monterey-Marina, 75 Presidio-Marshall Park Express, and 76 Presidio-Stilwell Park Express. The 75 and 76 lines are commuter oriented and only offer service during the week. The 16 line serves the region and runs through seven days a week.

Future development of the site would further the City’s planning objectives and help achieve the FORA BRP goals. The property’s zoning designation is Regional Commercial (CRG), which allows for hotels, “big-box” retail, movie theaters, and business parks, and is well suited for large-scale commercial development with retail, entertainment and/or service uses. Residential development is not allowed within the CRG zone. In general, the maximum floor area retail (FAR) is 1.0, except hotels are allowed a maximum FAR of 3.0. The CRG zone implements and is consistent with the Regional Commercial (RCC) land use designation of the General Plan.

Restrictions on Disposition of the Property

For all Seaside–Fort Ord sites, the City is to require the recordation of deed restrictions and covenants stating that any development of the property is, and will be, subject to the provisions of the Base Reuse Plan, the City’s general plan and land use ordinances, and compliance with the California Environmental Quality Act.

As described in Section I of this report, state law governs the use of all revenues—including land sale revenues—received by the Fort Ord Reuse Authority (FORA) and/or the Jurisdiction (City/Successor Agency) are to be divided equally between FORA and the Jurisdiction.

Property Disposition

The Agency recommends the property be transferred to the City and retained for future development pursuant to HSC §34191.5(c)(2)(A).

Transfer to City and Retain Property for Project Identified in Approved Redevelopment Plan

As stated above, the Implementation Plan 2007-2012 for the Seaside–Fort Ord Redevelopment Project Area identified the Projects at Main Gate site as a key component of redevelopment efforts on the former Fort Ord military base. The proposed commercial development on the site would meet the following redevelopment goals and objectives identified in the Seaside–Fort Ord Redevelopment Plan:

- *Mitigate the economic and social degradation caused by the closure or realignment of military bases.*
- *Assemble and subdivide land into parcels suitable for modern residential, commercial, office, retail and visitor-serving development with proper vehicular and pedestrian access*
- *Improve the infrastructure of the proposed Project Area, including but not limited to development of sanitary and storm drain systems; water, gas and electrical improvements; streets, curbs, and gutters; sidewalks, signing, street lighting, signalization, telecommunications, public facilities, recreation facilities and preservation of open space.*
- *Develop new employment opportunities.*

The development of the site as a planned development will effectuate the former RDA's plans to develop a high quality regional commercial project at this location as outlined in the Redevelopment Plan and 2007-2012 Implementation Plan for the Seaside–Fort Ord Project Area. Development of the site as a planned development will also eliminate the following blighting conditions that were identified in the Redevelopment Plan, as described in the 2007-2012 Implementation Plan:

- *Inadequate improvements*
- *Deficient roadways*
- *Inadequate utilities*

Disposition Process

By retaining the property for future development, the City will be able to achieve the former RDA's plans for the site. The City will also be able to ensure that a project is developed that meets the City General Plan and zoning guidelines and meets the objectives of the Projects at Main Gate Specific Plan. In addition, by retaining the property, the City can identify a developer with the necessary experience and expertise to complete a development project in a realistic timeframe while avoiding a buyer who is interested in a more speculative real estate investment.

The Projects at Main Gate site will be disposed of to a qualified developer who will acquire and develop the property in a timely manner in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition between the City and the selected developer. The developer will be selected through an application process involving solicitation of interested prospective developers with a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means.

Disposition Timeline

While the timing of disposition and development of the property will depend on market conditions and interest of the private real estate development and financing community, it is currently anticipated that such disposition and development may occur generally in accordance with the following timeframe:

- Release RFQ/RFP: August 1, 2014
- Developer selection: within eight months of release of SOQ/RFP
- DDA Negotiation/Approval of Project Entitlements and Environmental review: within six months of developer selection
- Satisfaction of Conditions/Property Conveyance: within six months of DDA approval
- Commencement of Construction: within three months of property conveyance
- Completion of Construction: within two years of commencement of construction. Project components may be phased.

Transfer to City

Upon approval of the LRPMP, the Successor Agency will transfer the Projects at Main Gate site to the City for future development.

The City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities after it accept title to the Projects at Main Gate site and prior to the City's disposition of the site to third parties for development unless the property is sold at or above fair market value. The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sale of the property would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. The provisions of this paragraph regarding compensation agreements will not be operative if a court order or decision, legislation or Department of Finance policy eliminates the need for any compensation agreements.

Transfer of Public Rights of Way to City and Retain Governmental Use

The Successor Agency recommends that the portion of the Projects at Main Gate site used as public roadways be transferred to the City and retained for governmental use pursuant to HSC §34191.5(c)(2) so that they can continue to function as public roadways.

The public street rights of way to be transferred to the City comprise 10.08 acres, and are as follows:

Lightfighter Drive

Length = 2,623' Width = 122' Area = 320,006 sf (7.35 acres)

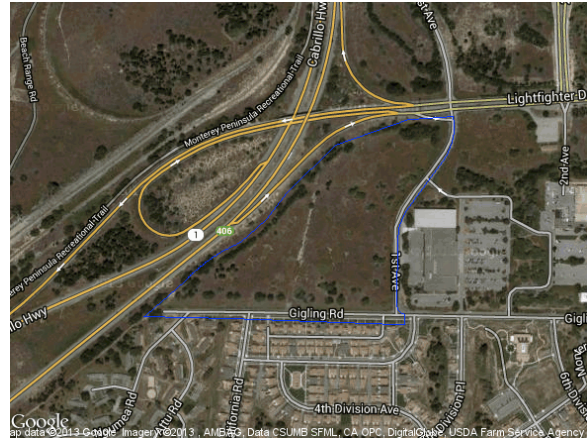
First Avenue (Lightfighter to north city limit)

Length = 1,980' Width = 60' Area = 118,800 sf (2.73 acres)

The City of Seaside will maintain the public roadways.

First Avenue and Lightfighter Drive (Open Space Parcel) [No. 15]

To be Transferred to the City and Retained for Future Development
(Area's Public Road Rights of Way to be Transferred to City and Retained
for Governmental Use)



Summary

The Open Space Parcel site is approximately 29 undeveloped acres located on the former Fort Ord military base at the southwest corner of First Avenue and Lightfighter Drive. The site is bounded by Highway 1 and open space to the west and north; military commercial uses to the east (PX and Commissary); and a residential neighborhood and former military housing to the south. Two public roadway rights of way are located in the Open Space Parcel. Prior to disposing of the site for future economic development, the City will carve out these rights of way and retain them for governmental use so they can continue their existing use as public roadways.

Property Inventory Information

Parcel Data

APN	031-151-012-000
Address	First Avenue and Lightfighter Drive
Lot Size	29.179 acres
Current Zoning	Open Space Recreation (OSR)
Current Use	Undeveloped Parcel

Current Value and Revenue Generation

Estimate of Current Value	\$5,100,000
Date/Value Basis for Estimate	April 30, 2014 Broker Opinion
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not applicable
RDA Project Area	Seaside–Ford Ord Project Area

Acquisition Information

RDA Acquisition Date	December 14, 2006
Acquisition Purpose	Blight elimination and economic development
Value at Time of Acquisition	Transferred from Army via FORA to the former RDA as an Economic Development Conveyance for the cost of \$1

Environmental Information

As with all of the former Fort Ord sites, this site has undergone extensive study and remediation as necessary. For all former Fort Ord properties, the Army issues a Finding of Suitability to Transfer when there is a land transfer demonstrating that the property is either uncontaminated, necessary remediation is complete, or land use restrictions apply. Land Use Covenants are included in the Grant Deed or Quitclaim Deed for each property. (Refer to Section I of this report for background.)

The Army issued a Finding of Suitability to Transfer the Open Space Parcel to the former RDA, demonstrating that the property is uncontaminated. The site is a no action site.

Development Plans and Activity

In the summer of 2011, the Department of Veterans Affairs (VA) expressed interest in entering into a transferable purchase option for a site upon which a lease-based healthcare center would be constructed in the former Fort Ord area. In response to the VA's solicitation, the former RDA proposed the Open Space Parcel for the VA's consideration.

Potential for TOD and Advancement of Planning Objectives

The site has some potential for transit oriented development, as it is serviced by Monterey-Salinas Transit buses. One regional and two commuter bus lines service the area around the site. These include the 16 Monterey-Marina, 75 Presidio-Marshall Park Express, and 76 Presidio-Stilwell Park Express. The 75 and 76 lines are commuter oriented and only offer service during the week. The 16 line serves the region and runs seven days a week.

Future development of the site would further the City's planning objectives and help achieve FORA's goals. The property's zoning designation is Open Space-Recreation (OSR) and allows for a variety of uses, including hiking/riding trails and parks or playgrounds, and—via a discretionary use permit—conference/convention facilities, golf courses, public amphitheaters, hotels, and utilities. Residential development is not allowed within the OSR zone. The OSR zone implements and is consistent with the Park and Open Space (POS) land use designation of the General Plan.

Restrictions on Disposition of the Property

For all former RDA Seaside-Fort Ord sites, the City is to require the recordation of deed restrictions and covenants stating that any development of the property is, and will be, subject to the provisions of the Base Reuse Plan, the City's general plan and land use ordinances, and compliance with the California Environmental Quality Act.

As described in Section I of this report, state law governs the use of all revenues—including land sale revenues—received by the Fort Ord Reuse Authority (FORA) and/or the Jurisdiction (City/Successor Agency) are to be divided equally between FORA and the Jurisdiction.

Property Disposition

The Agency recommends the property be transferred to the City and retained for future development pursuant to HSC §34191.5(c)(2)(A).

Transfer to City and Retain Property for Project Identified in Approved Redevelopment Plan

As stated above, the *Midterm Review of the Seaside–Fort Ord Redevelopment Project Five Year (2007-2012) Implementation Plan* identified the First Avenue/Light Fighter Drive (Open Space) site as a component of redevelopment efforts on the former Fort Ord military base. A project on the site would meet the following redevelopment goals and objectives identified in the Seaside–Fort Ord Redevelopment Plan:

- *Mitigate the economic and social degradation caused by the closure or realignment of military bases*
- *Assemble and subdivide land into parcels suitable for modern residential, commercial, office, retail and visitor-serving development with proper vehicular and pedestrian access*
- *Improve the infrastructure of the proposed Project Area, including but not limited to development of sanitary and storm drain systems; water, gas and electrical improvements; streets, curbs, and gutters; sidewalks, signing, street lighting, signalization, telecommunications, public facilities, recreation facilities and preservation of open space.*
- *Develop new employment opportunities.*

The development of the site as a planned development will effectuate the former RDA's plans to develop a high quality recreational commercial project at this location as specified in the Redevelopment Plan and 2007-2012 Implementation Plan for the Seaside–Fort Ord Project Area. Development of the site as a planned development will also eliminate the following blighting conditions that were identified in the Redevelopment Plan, as described in the Implementation Plan 2007-2012:

- *Inadequate improvements*
- *Deficient roadways*
- *Inadequate utilities*

Disposition Process

By retaining the property for future development, the City will be able to achieve the former RDA's plans for the site. The City will also be able to ensure that a project is developed that meets the City General Plan and zoning guidelines, as well as the objectives of the BRP. In addition, by retaining the property, the City can identify a developer with the necessary experience and expertise to complete a development project in a realistic timeframe while avoiding a buyer who is interested in a more speculative real estate investment.

The Open Space Parcel site will be disposed of to a qualified developer who will acquire and develop the property in a timely manner in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition between the City and the selected developer. The developer will be selected through an application process involving solicitation of interested prospective developers with a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means.

Disposition Timeline

While the timing of disposition and development of the property will depend on market conditions and interest of the private real estate development and financing community, it is currently anticipated that such disposition and development may occur generally in accordance with the following timeframe:

- RFQ/RFP Issuance and Developer Selection: within 18 months of LRPMP approval
- DDA Negotiation and Approval and Project Entitlements Approval (Preparation of Master Plan) and Environmental review: within 12 months after developer selection
- Satisfaction of Conditions/Property Conveyance: within six months after DDA approval
- Commencement of Construction: within three months after property conveyance
- Completion of Construction: within two years after commencement of construction.

Transfer to City

Upon approval of the LRPMP, the Successor Agency will transfer the Open Space Parcel site to the City for future development.

The City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities after it accept title to the Open Space Parcel and prior to the City's disposition of the site to third parties for development unless the property is sold at or above fair market value. The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sales of the properties would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. The provisions of this paragraph regarding compensation agreements will not be operative if a court order or decision, legislation or Department of Finance policy eliminates the need for any compensation agreements.

Transfer of Public Rights of Way to City and Retain Governmental Use

The Successor Agency recommends that the portion of the Open Space Parcel site used as public roadways be transferred to the City and retained for governmental use so that they can continue to function as public roadways.

The public street rights of way to be transferred to the City comprise 4.1 acres, and are as follows:

Gigling (First Avenue to west city limit)

Length = 1,667' Width = 60' Area = 100,020 sf (2.30 acres)

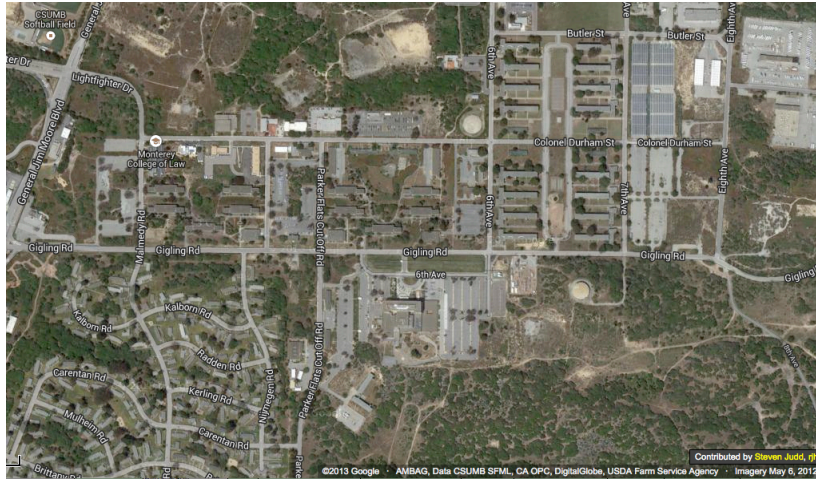
First Avenue (Gigling to Lightfighter)

Length = 1,323' Width = 60' Area = 79,380 sf (1.82 acres)

The City of Seaside will maintain the public roadways.

Surplus II Planning Area [No. 16]

To be Transferred to the City and Retained for Future Development
(Public Road Rights of Way to be Transferred to City and Retained for Governmental Use)



Summary

The Surplus II Planning Area site is approximately 67 acres located on the former Fort Ord military base, just south of Cal State University Monterey Bay. The area is generally bounded by Colonel Durham Street to the north, Seventh Avenue to the east, Gigling Road to the south, and Malmady Avenue to the west. The site is located in the former Seaside–Fort Ord Project Area, which covered the entire area of the former Fort Ord military base within the jurisdiction of the City of Seaside. The site was a key component of the redevelopment efforts on the base, as identified in the *Former Fort Ord Properties Market Study*, completed by the former RDA in 2007. Five public roadway rights of way are located in the Surplus II planning area. Prior to disposing of the site for future economic development, the City will carve out these rights of way and retain them for governmental use so they can continue their existing use as public roadways.

Property Inventory Information

Parcel Data

APN	Seven parcels ⁵⁵
Address	Currently no addresses at site
Lot Size	67.01 acres (of which 9.1 acres are public road ROWs)
Current Zoning	Commercial Mixed Use (CMX)
Current Use	Vacant and mixed use (commercial, institutional)

Current Value and Revenue Generation

Estimate of Current Value	\$11,380,000
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⁵⁵ 031-151-029-000, 031-151-031-000, 031-151-032-000, 031-151-039-000, 031-151-040-000, 031-261-003-000, 031-261-004-000

Date/Value Basis for Estimate April 30, 2014 Broker Opinion
Revenue Generated by Property \$0
Requirements for Revenue Use Not applicable
RDA Project Area Fort Ord Project Area

Acquisition Information

RDA Acquisition Date April 5, 2005
Acquisition Purpose Blight elimination and economic development
Value at Time of Acquisition Transferred from Army via FORA to the former RDA as an Economic Development Conveyance for the cost of \$1

History of Environmental Contamination/Remediation

As with all former Fort Ord sites, the Surplus II planning area has undergone extensive study and remediation, as needed. For all former Fort Ord properties that face a land transfer, the Army issues a Finding of Suitability to Transfer, which demonstrates that the property is either uncontaminated, that any necessary remediation is complete, and/or that land use restrictions apply. Land Use Covenants are included in the Grant Deed or Quitclaim Deed for each property. The Deeds include warnings regarding Lead-Based Paint, Asbestos, and the former storage, release, or disposal of hazardous substances on the property. Parcels in the Surplus II area are under the following environmental ground water restrictions:

- No construction of wells.
- No disturbance or creation of recharge area.
- Filing of annual monitoring reports.

History of Development Proposals and Activity

The former RDA adopted the Seaside–Fort Ord Redevelopment Project Area (Project Area) on April 18, 2002. Relevant goals and objectives of the Redevelopment Plan for the Surplus II Planning Area include the following:

- *Remove existing vacant, abandoned, obsolete and/or deteriorated sites and buildings.*
- *Mitigate the economic and social degradation caused by the closure or realignment of military bases.*
- *Assemble and subdivide land into parcels suitable for modern residential, commercial, office, retail and visitor-serving development with proper vehicular and pedestrian access.*
- *Improve the infrastructure of the Project Area, including but not limited to development of sanitary and storm drain systems; water, gas and electrical improvements; streets, curbs, and gutters; sidewalks, signing, street lighting, signalization, telecommunications, public facilities, recreation facilities and preservation of open space.*
- *Develop new employment opportunities.*

The Implementation Plan 2007-2012 for the Seaside–Fort Ord Redevelopment Project Area identified the Surplus II Planning Area as a priority project to be continually supported throughout the five-year period:

*3.2 Community Development efforts include... encourage development of the approximately 90-acre 'Surplus II' site.*⁵⁶

The parcels available for redevelopment are not entirely contiguous, but are interrupted by several parcels controlled by the Monterey College of Law, Monterey Peninsula College, Monterey Salinas Transit, the City (under a long-term ground lease with the American Youth Hostel), and the US. Army. These sites are controlled by a variety of users via the public benefit conveyance (PBC) process and are interspersed among the former RDA-owned parcels. Parcels between General Jim Moore Boulevard and Malmedy Road currently contain a large area of open space, while the remaining parcels moving east to 7th Avenue contain a patchwork of former administrative buildings, military barracks, and asphalt. Roadways in the area are generally in a state of disrepair.

On March 12, 2014, with the approval of the Oversight Board and the Department of Finance, the Agency entered into an Exclusive Negotiating Agreement (ENA) with KB-Bakewell Seaside Venture to develop a single mixed use community combining both the 26 Acre Site (a City-owned property) and the Surplus II site (former RDA-owned property). The development plan is a combination of a major retail development and store front retail, office space, multi-family rental housing, senior housing (55+), a business/light industrial park, and a variety of for-sale residential units including townhomes, cluster housing (workforce housing for teachers, city employees, military, medical care workers, etcetera), and single-family homes.

Restrictions on Disposition of the Property

As described in Section I of this report, state law governs the use of all revenues—including land sale revenues—received by the Fort Ord Reuse Authority (FORA) and/or the Jurisdiction (City/Successor Agency) are to be divided equally between FORA and the Jurisdiction.

In addition, the City is to require the recordation of deed restrictions and covenants, which state that any development of the property will be, and is subject to, the provisions of the Base Reuse Plan, the City's general plan and land use ordinances, and compliance with the California Environmental Quality Act.

Transit Oriented Development Potential and Advancement of Planning Objectives

The site has some potential for transit oriented development, as it is within a half mile of several stops for bus lines servicing the City, including the 12 Monterey–The Dunes, 74 Presidio–Preston Park Express, and 75 Presidio–Marshall Park. While these three lines offer service throughout Seaside and parts of the region, they are commuter-oriented lines only operating during the week.

Future development of the site would further the City's planning objectives and help achieve FORA's goals. The property's zoning designation is Commercial Mixed Use (CMX), which allows for a variety of commercial and residential uses authorized via discretionary minor use

⁵⁶ Implementation Plan 2007-2012 for the Seaside–Fort Ord Redevelopment Project Area, Redevelopment Agency of the City of Seaside, January 17, 2008, p. 20.

permits or use permits. In general, the maximum floor area retail (FAR) is 2.0. The CMX zone implements and is consistent with the Mixed Use (MX) land use designation of the General Plan.

Property Disposition

The Agency recommends the property be transferred to the City and retained for future development pursuant to HSC §34191.5(c)(2)(A). Five portions of the property are public roadways and will be carved out of the existing parcels as public rights of way and transferred to the City to be retained for governmental use pursuant to HSC §34191.5(c)(2).

Transfer to City and Retain Property for Project Identified in Approved Redevelopment Plan

As stated above, the *2007-2012 Implementation Plan for the Seaside–Fort Ord Redevelopment Project Area* identified the Surplus II Planning Area as a key component of redevelopment efforts on the former Fort Ord military base. Development on the site would meet the following redevelopment goals and objectives identified in the Fort Ord-Seaside Redevelopment Plan⁵⁷:

- *Remove or renovate of existing vacant, abandoned, obsolete, and/or deteriorated sites and buildings.*
- *Mitigate the economic and social degradation caused by the closure or realignment of military bases.*
- *Assemble and subdivide land into parcels suitable for modern residential, commercial, office, retail, and visitor-serving development with proper vehicular and pedestrian access.*
- *Improve the infrastructure of the proposed Project Area, including but not limited to development of sanitary and storm drain systems; water, gas and electrical improvements; streets, curbs, and gutters; sidewalks, signing, street lighting, signalization, telecommunications, public facilities, recreation facilities and preservation of open space.*
- *Develop new employment opportunities.*

The development of the site will effectuate the former RDA's intention to develop the property as discussed in the *Redevelopment Plan and Implementation Plan 2007-2012 for the Fort Ord-Seaside Project Area*. As previously stated the Agency has entered into an ENA with KB-Bakewell Seaside Venture to master plan and develop the property. Development of the parcels will also eliminate the following blighting conditions that were identified in the Redevelopment Plan, as described in the 2007-2012 Implementation Plan:⁵⁸

- *Inadequate improvements*
- *Unsafe and dilapidated buildings*
- *Substandard building design*
- *Functional obsolescence*
- *Presence of hazardous materials*
- *Deficient roadways*
- *Inadequate utilities*

⁵⁷ *Implementation Plan 2007-2012 for the Seaside–Fort Ord Redevelopment Project Area*, Redevelopment Agency of the City of Seaside, January 17, 2008, p. 13-14.

⁵⁸ *Implementation Plan 2007-2012 for the Seaside–Fort Ord Redevelopment Project Area*, Redevelopment Agency of the City of Seaside, January 17, 2008, p. 13.

Disposition Process

By retaining the property for future development, the City will be able to achieve the former RDA's vision for the site. The City will also be able to ensure that a project is developed that meets the City General Plan and zoning guidelines, as well as the objectives of the BRP.

Disposition Timeline

While the timing of disposition and development of the property will depend on market conditions and interest of the private real estate development and financing community, it is currently anticipated that such disposition and development may occur generally in accordance with the following timeframe:

- Developer selection: KB-Bakewell Seaside Venture has been selected as the developer.
- DDA Negotiation/Approval of Project Entitlements (Preparation of Master Plan) and Environmental review: within six months of LRPMP approval.
- Satisfaction of Conditions/Property Conveyance: within six months after DDA approval.
- Commencement of Construction: within three months after property conveyance.
- Completion of Construction: within two years after commencement of construction. Project components may be phased.

Transfer to City

Upon approval of the LRPMP, the Successor Agency will transfer the Surplus II site to the City.

The City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities after it accept title to the Surplus II site and prior to the City's disposition of the site to third parties for development unless the property is sold at or above fair market value. The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sale of the property would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. The provisions of this paragraph regarding compensation agreements will not be operative if a court order or decision, legislation or Department of Finance policy eliminates the need for any compensation agreements.

Transfer of Public Rights of Way to City and Retain Governmental Use

The Successor Agency recommends that the portion of the Surplus II site used as public roadways be transferred to the City and retained for governmental use pursuant to HSC §34191.5(c)(2) so that they can continue to function as public roadways.

The public street rights of way to be transferred to the City comprise 9.1 acres, and are as follows:

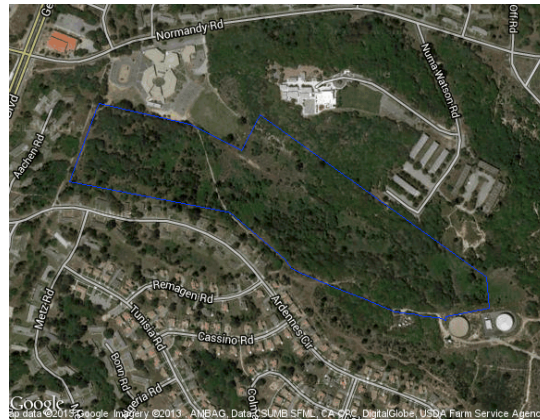
- Colonel Durham Street
Length 3,778' x Width 60' = Area 226,680 sf (5.20 acres)
- Malmedy Road
Length 869' x Width 60' = Area 52,140 sf (1.20 acres)

- Parker Flats Cut Off Road
Length 578' x Width 60' = Area 34,680 sf (0.80 acres)
- Arnhem Road
Length 583' x Width 60' = Area 34,908 sf (0.80 acres)
- 6th Avenue
Length 803' x Width 60' = Area 48,180 sf (1.11 acres)

The City of Seaside will maintain the public roadways.

Tank Site [No. 17]

To be Transferred to the City and Retained for Future Development



Summary

The Tank Site is approximately 37 acres and is located on the former Fort Ord military base between Ardennes Circle and Normandy Road. The site is bounded by former military housing along Aachen Road to the west; George C. Marshall Elementary School and Normandy Road to the north; former military facilities and open space to the east; and former military housing and a residential neighborhood along Ardennes Circle to the south.

Property Inventory Information

Parcel Data

APN	031-151-045-000, 031-151-046-000
Address	No specific address (North of Ardennes Circle)
Lot Size	38.402 acres
Current Zoning	Single Family Residential (R-12)
Current Use	Undeveloped Parcel

Current Value and Revenue Generation

Estimate of Current Value	\$3,325,000
Date/Value Basis for Estimate	April 30, 2014 Broker Opinion
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not applicable
RDA Project Area	Seaside–Fort Ord Project Area

Acquisition Information

RDA Acquisition Date	December 28, 2006
Acquisition Purpose	Economic development
Value at Time of Acquisition	Transferred from Army via FORA to the former RDA as an Economic Development Conveyance for the cost of \$1

Environmental Information

As with all of the former Fort Ord sites, this site has undergone extensive study and remediation as necessary. For all former Fort Ord properties, when a land transfer is scheduled, the Army issues a Finding of Suitability to Transfer demonstrating that the property is either uncontaminated, necessary remediation is complete, or land use restrictions apply. Land Use Covenants are included in the Grant Deed or Quitclaim Deed for each property. (Refer to Section I of this report for background.)

The Tank Site is an area of Munitions and Explosives of Concern (MECs) and therefore is under the following environmental soil restrictions:

- No sensitive uses
- No soil disturbance without a management plan
- Notification of MECs

Development Plans and Activity

The 2004 City of Seaside General Plan assigned the Tank Site within the Medium Density Single Family Residential (RMS) land use designation. To help guide development at the site, the City included the area within the proposed Seaside East Conceptual Master Plan (Master Plan), which was presented to the Seaside Planning Commission and City Council in 2010. The plan remains an advisory document meant to inform future land planning decisions. According to land use options presented in the Master Plan, the site would continue to be designated for residential use.

Potential for TOD and Advancement of Planning Objectives

The site has some potential for transit oriented development, as Monterey-Salinas Transit services areas around the site with two bus lines, including 12 Monterey-The Dunes and 75-Presidio-Marshall Park Express. Both of these lines are commuter-oriented and only offer service during the week.

Future development of the site would further the City's planning objectives and help achieve FORA's goals. The property is zoned as Single Family Residential (RS-12) and allows for a variety of residential uses up to 12 units per acre. The RS-12 zone implements and is consistent with the Medium Density Single-Family Residential (RMS) land use designation of the General Plan.

Restrictions on Disposition of the Property

For all former RDA Seaside-Fort Ord properties, the City is to require the recordation of deed restrictions and covenants stating that any development of the property is, and will be, subject to the provisions of the Base Reuse Plan, the City's general plan and land use ordinances, and compliance with the California Environmental Quality Act.

As described in Section I of this report, state law governs the use of all revenues—including land sale revenues—received by the Fort Ord Reuse Authority (FORA) and/or the Jurisdiction (City/Successor Agency) are to be divided equally between FORA and the Jurisdiction.

Property Disposition

The Agency recommends the property be transferred to the City and retained for future development pursuant to HSC §34191.5(c)(2)(A).

Transfer to City and Retain Property for Project Identified in Approved Redevelopment Plan

Development on the Tank Site would meet the following redevelopment goals and objectives identified in the Fort Ord-Seaside Redevelopment Plan:

- *Remove or renovate of existing vacant, abandoned, obsolete and/or deteriorated sites and buildings*
- *Mitigate the economic and social degradation caused by the closure or realignment of military bases*
- *Assemble and subdivide land into parcels suitable for modern residential, commercial, office, retail and visitor-serving development with proper vehicular and pedestrian access*
- *Improve the infrastructure of the proposed Project Area, including but not limited to development of sanitary and storm drain systems; water, gas and electrical improvements; streets, curbs, and gutters; sidewalks, signing, street lighting, signalization, telecommunications, public facilities, recreation facilities and preservation of open space.*
- *Develop new employment opportunities.*

Development of the site as a planned development will also eliminate the following blighting conditions that were identified in the Redevelopment Plan, as described in the 2007-2012 Implementation Plan⁵⁹:

- *Inadequate improvements*
- *Presence of hazardous materials*
- *Deficient roadways*
- *Inadequate utilities*

Disposition Process

By retaining the property for future development, the City will be able to ensure that a project is developed that meets the City General Plan and zoning guidelines, and the objectives of the BRP. In addition, by retaining the property, the City can identify a developer with the necessary experience and expertise to complete a development project in a realistic timeframe while avoiding a buyer who is interested in a more speculative real estate investment.

The Tank Site will be disposed of to a qualified developer who will acquire and develop the property in a timely manner in accordance with an approved Disposition and Development Agreement (DDA), which will set the terms of the land acquisition between the City and the selected developer. The developer will be selected through an application process involving solicitation of interested prospective developers with a Request for Qualification (RFQ), Request for Proposals (RFP), qualified bid, or similar means.

Disposition Timeline

While the timing of disposition and development of the property will depend on market conditions and interest of the private real estate development and financing community, it is

⁵⁹ *Implementation Plan 2007-2012 for the Seaside-Fort Ord Redevelopment Project Area*, Redevelopment Agency of the City of Seaside, January 17, 2008, p. 13.

currently anticipated that such disposition and development may occur generally in accordance with the following timeframe:

- RFQ/RFP Issuance and Developer Selection: within 18 months of LRPMP approval
- DDA Negotiation and Approval and Project Entitlements Approval (Preparation of Master Plan) and Environmental review: within 12 months after developer selection
- Satisfaction of Conditions/Property Conveyance: within six months after DDA approval
- Commencement of Construction: within three months after property conveyance
- Completion of Construction: within two years after commencement of construction.

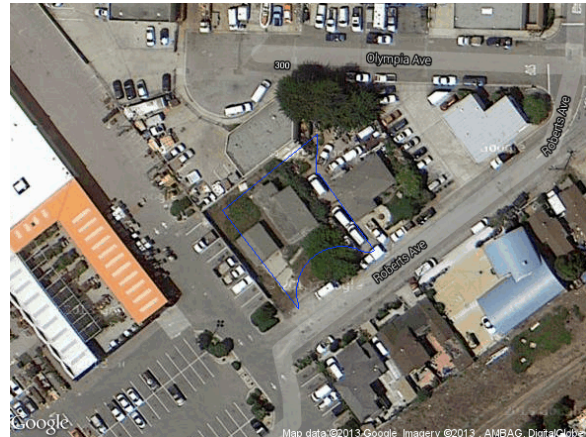
Transfer to City

Upon approval of the LRPMP, the Successor Agency will transfer the Tank Site to the City for future development.

The City of Seaside intends to enter into a compensation agreement or agreements with the affected taxing entities after it accept title to the Tank Site and prior to the City's disposition of the site to third parties for development unless the property is sold at or above fair market value. The City anticipates the compensation agreement(s) would specify that any net unrestricted proceeds from sale of the property would be distributed to all of the affected taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base, and that the calculation of net unrestricted proceeds would take into account the transaction costs incurred by the City in marketing the property and processing the sale or lease, as well as the costs incurred by the City in carrying or maintaining the property and in preparing and improving the site for development. The provisions of this paragraph regarding compensation agreements will not be operative if a court order or decision, legislation or Department of Finance policy eliminates the need for any compensation agreements.

Properties to be Sold

307 Roberts Avenue [No. 7] To be Sold



Summary

In 1972, the former RDA acquired 307 Roberts Avenue for the purpose of future development. In 1977, the City transferred a portion of the Roberts Avenue cul-de-sac turn-around to the former RDA, increasing the property to its current square footage. With vehicular access off of Roberts Avenue, the property is rectangular in shape. Zoned Heavy Commercial, the site is improved with a single family dwelling and a free-standing garage/carport, both of which have stood vacant since the late 1990s and are currently in poor condition. The property has been abated for asbestos and lead paint to allow for demolition.

Property Inventory Information

Parcel Data

APN	011-561-035-000
Address	307 Roberts Avenue
Lot Size	0.02 Acres
Current Zoning	Heavy Commercial (CH)
Current Use	Vacant Single Family Residence and Carport

Current Value and Revenue Generation

Estimate of Current Value	\$225,000
Date/Value Basis for Estimate	March 15, 2010 Appraisal
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not Applicable
RDA Project Area	Laguna Grande Redevelopment Project Area

Acquisition Information

RDA Acquisition Date	October 24, 1972 (Reel 805, Page 405 Official Records) October 30, 1972 (Reel 806, Page 773 Official Records) August 2, 1977 (Reel 1168, Page 191 Official Records)
Acquisition Purpose	Elimination of blight and future development
Value at Time of Acquisition	\$27,060

History of Environmental Contamination/Remediation

The City planned to demolish the building and, in 2002, contracted Ream Construction for a pre-demolition asbestos and lead paint survey. Ream Construction conducted an assessment for asbestos and lead paint for 307 Roberts Avenue and abated lead paint and asbestos-containing materials to the extent necessary to allow for demolition of the structures.

History of Development Proposals and Activity

The former RDA acquired the property for the potential expansion of the adjacent parking lot that supported the retail commercial center. One of the blighting conditions identified in the Laguna Grande Project Area was the presence of incompatible uses. Although much of the Project Area is developed for residential uses, the primary zoning designations for the area are commercial oriented and residential uses are incompatible with the uses envisioned for the area. Zoned Heavy Commercial, the property is improved with a 1,091 square foot single family dwelling and a free-standing 441 square foot garage/car port that have been vacant since the late 1990s. Both structures are in poor condition. The structures have been abated for asbestos and lead paint to allow for demolition.

The former RDA issued a Notice Inviting Bids for the Sale of Real Property on October 7, 2010. At the time, the property was offered for sale “as is” with a minimum bid price of \$225,000, based on a property appraisal. One bid was received, however, it was subsequently withdrawn.

The City has been approached by private parties to acquire the property. Proposals have included parcel swaps and business expansion.

Transit Oriented Development Potential and Advancement of Planning Objectives

307 Roberts is located in proximity to Monterey-Salinas Transit’s 8, 12, 20, 21, and 55 bus lines.

The Heavy Commercial zone applied to areas of the City suitable for wholesale, heavy commercial, and light industrial uses that are best suited away from areas regularly generating large amounts of pedestrian traffic. The existing single-family residence and freestanding garage/carport are incompatible uses within this zoning.

Restrictions on Disposition of the Property

No restrictions.

Property Disposition

Pursuant to HSC §34191.5(c)(2)(B), the Successor Agency will sell the property to a prospective purchaser at fair market value and the net proceeds of the sale of the property will be distributed as property tax to the taxing entities.

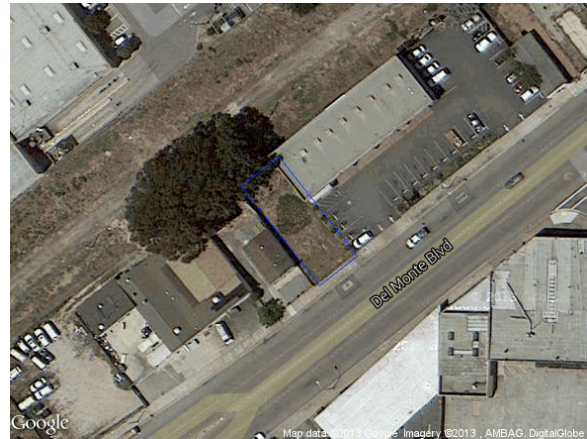
Disposition Timeline

The Successor Agency anticipates that the property will be disposed of in 2015. The property would be listed for sale within six months of DOF's approval of the LRPMP. The highest bidder would be identified within two months of putting the property out to bid, and the property would be transferred within two months of identifying the highest bidder.

Disposition Proceeds

Pursuant to AB 1484, upon the sale of the property by the Successor Agency to the highest bidder, the City will either use the proceeds to pay enforceable obligations or distribute any net unrestricted proceeds from the sale or lease to each taxing entity in an amount proportionate to its share of property tax revenues. The calculation of net unrestricted proceeds shall take into account the transaction costs incurred by the Successor Agency in marketing the property and processing the sale.

1533-1535 Del Monte Boulevard [No. 8] To be Sold



Summary

The former RDA acquired 1533-1535 Del Monte Boulevard, an undeveloped parcel, for the purpose of eliminating blight, encouraging development, and fostering economic revitalization. Located near the Del Monte Boulevard and Canyon Del Rey Boulevard intersection, the parcel is approximately 4,000 square feet, with onsite improvements including a 20'x30' concrete slab and an 8'-high chain-link fence across the center of the lot.

Property Inventory Information

Parcel Data

APN	011-301-007-000
Address	1533-1535 Del Monte Boulevard
Lot Size	0.088 acres
Current Zoning	Mixed Use (MX-WBUV)
Current Use	Undeveloped parcel

Current Value and Revenue Generation

Estimate of Current Value	\$57,500
Date/Value Basis for Estimate	April 30, 2014 Broker Opinion
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not applicable

Acquisition Information

RDA Acquisition Date	December 11, 2002 (recorded document 2002119245)
Acquisition Purpose	Elimination blight and future development
Value at Acquisition	\$110,000 (August 2002 Appraisal)
Purchase Price	\$111,154

History of Environmental Contamination/Remediation

No known history of environmental contamination.

History of Development Proposals and Activity

The former RDA purchased the property from the Braille Institute, Shriner's Hospitals for Crippled Children, and the Salvation Army, each of which had a one-third undivided interest in the property. The size of the site limits its potential development, as many commercial uses would not be feasible due to its size.

Restrictions on Disposition of the Property

There are no known restrictions on disposition of the property.

Transit Oriented Development Potential and Advancement of Planning Objectives

1533 Del Monte Avenue is located in proximity to Monterey-Salinas Transit's 8, 12, 20, 21, and 55 bus lines.

As part of the West Broadway Urban Village Specific Plan, Del Monte Boulevard is envisioned as a commercial corridor connecting the future multi-modal transit station that is currently being planned by the Transportation Agency of Monterey County at the corner of Del Monte Boulevard and Contra Costa and the existing and planned hotels on Canyon Del Rey Boulevard. The Mixed Use (MX) land use designation is intended to accommodate a well-integrated mix of high intensity residential, commercial, office and civic uses that contribute to the revitalization and vibrancy of the Plan Area. Mixed use buildings will be two to five stories in height, with ground floor retail and upper floor offices. Ground floor retail will cater to visitors and residents of the Urban Village and those using the transit station.⁶⁰

Redevelopment

Development of the parcel would address blighting conditions associated with vacant parcels in the Laguna Grande Redevelopment Project Area and meet the Project Area's purpose and intent of encouraging and fostering economic revitalization.⁶¹ In addition, this would comply with the redevelopment goals, objectives and programs outlined in the Amended and Restated Redevelopment Plan for the Merged Redevelopment Projects, which states the following:

The goals and objectives of the Agency's redevelopment program for each constituent project in the Merged Project Area are set forth in the Implementation Plan adopted on December 1, 1994, by Agency Resolution No. 94012 GEN, which covers all of the Constituent Projects, including any areas added to any constituent project by amendment. The principal goal and objective of the Merged Project shall be to eliminate all remaining blight and complete all Agency assisted redevelopment activities as quickly as possible consistent with the needs of the Constituent Projects and the availability of financial resources to fund them.

Redevelopment of the Merged Project Area pursuant to this Redevelopment Plan on the above goals and objectives will attain the purposes of the California Community Redevelopment Law by: (1) elimination of areas suffering from economic dislocation and disuse; (2) replanning, redesign

⁶⁰ West Broadway Urban Village Specific Plan, City of Seaside, January 21, 2010, Prepared by Design, Community & Environment, Page 95.

⁶¹ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 17.

*and/or redevelopment of areas which are stagnant or improperly utilized, and which could not be accomplished by private enterprise acting along without public participation and assistance; (3) protecting and promoting sound development and redevelopment of blighted areas and the and the general welfare of the citizens of the City by remedying such injurious conditions through the employment of appropriate means...*⁶²

The Redevelopment Activities authorized by the Amended Redevelopment Plan include, among others, the following:

2. Acquisition of real property;

...

*7. Disposition of property for uses in accordance with this Plan*⁶³

Property Disposition

Pursuant to HSC §34191.5(c)(2)(B), the Successor Agency will sell the property to a prospective purchaser at fair market value and the net proceeds of the sale of the property will be distributed as property tax to the taxing entities. (From the disposition proceeds, the Successor Agency may “net out” and retain an amount to cover its reasonable costs in connection with the disposition process, attorneys’ fees, title insurance premiums, closing costs, and transfer taxes.)

Disposition Timeline

The Successor Agency anticipates that the property will be disposed of in 2015. The property would be listed for sale within six months of DOF’s approval of the LRPMP. The highest bidder would be identified within two months of putting the property out to bid, and the property would be transferred within two months of identifying the highest bidder.

Disposition Proceeds

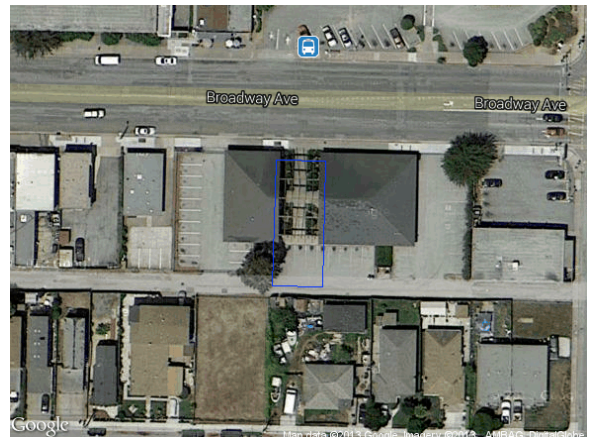
Pursuant to AB 1484, upon the sale of the property by the Successor Agency to the highest bidder, the City will either use the proceeds to pay enforceable obligations or distribute any net unrestricted proceeds from the sale or lease to each taxing entity in an amount proportionate to its share of property tax revenues. The calculation of net unrestricted proceeds shall take into account the transaction costs incurred by the Successor Agency in marketing the property and processing the sale.

⁶² Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 2.

⁶³ Amended and Restated Redevelopment Plan for the Merged Noche Buena, Del Monte Heights, Hannon, Gateway, Laguna Grande, Gateway Auto Center Expansion and City Center Revitalization Area Redevelopment Projects, adopted March 21, 1996, p. 4.

1264-1284 Broadway Avenue (Troia Building) [No. 10]

To be Sold



Summary

The 1264-1284 Broadway Avenue site includes a single story office building and a two-story, mixed use building, which together contain a net rentable area of 6,686 square feet. The second floor of the two-story, mixed use building includes two residential studio units, approximately 432 square feet each, and a storage area. The property is zoned Commercial Mixed Use with the intended use being appropriate for pedestrian- and transit oriented activity centers.

In 1984, the City assisted the Seaside Community Clinic with the purchase of the site using \$240,000 of CDBG funding. In 1985, the Seaside Community Clinic entered into a ground lease with private individuals. In 1994, the Clinic released its interest in the property to The Troia Group, a general partnership, which proceeded to enter into a lease agreement with the County of Monterey for office space. The full fee and leasehold interest was ultimately transferred to the former RDA in 2005 for \$280,878. The former RDA proceeded to make additional improvements (totaling \$46,046) to the buildings in 2005 when the County vacated the buildings and the City established a police substation on the site.

Property Inventory Information

Parcel Data

APN	012-193-008-000 through 012-193-011-000
Address	1264-1284 Broadway Avenue
Lot Size	0.53 Acres
Current Zoning	Commercial Mixed Use (CMX)
Current Use	Vacant Commercial Building and Parking Lot

Current Value and Revenue Generation

Estimate of Current Value	\$850,000
Date/Value Basis for Estimate	November 1, 2010
Revenue Generated by Property	\$0
Requirements for Revenue Use	Not Applicable
RDA Project Area	Noche Buena Redevelopment Project Area

Acquisition Information

RDA Acquisition Date	January 7, 2005 (Reel 1752, Page 528 and Page 898 Official Records)
Acquisition Purpose	Blight elimination
Value at Time of Acquisition	\$320,000 ⁶⁴
RDA Purchase Price	\$280,878

At the time of former RDA acquisition, the property was subject to a ground lease agreement established in 1985 and terminating in 2051, with an option to extend for an additional 33 years. The office space lessee was the County of Monterey. At the time of acquisition, the fee simple interest valuation was \$800,000, with the land leased fee interest for the City of Seaside \$480,000 and the land leasehold interest \$320,000 for the County of Monterey.

History of Environmental Contamination/Remediation

No known history of environmental contamination.

History of Development Proposals and Activity

When the County of Monterey moved out of the building in 2005, the City established a police substation on the site. In addition, both residential units were leased when the former RDA purchased the leasehold interest in 2005. The Seaside Police Department vacated the building and tenants were relocated in 2010, when the former RDA decided to prepare the property for sale.

In 2010, the former RDA contracted with Brigantino and Company to prepare an appraisal of the 1264-1284 Broadway Avenue property to determine the “as is” market value of the fee simple interest in the property to help the former RDA determine if it should sell the property. At the time, the property was appraised at \$850,000. This value was based on several extraordinary assumptions, including the physical condition of the buildings. The appraisal noted significant physical deterioration, including dry rot and termites, and estimated \$100,000 in costs to address conditions relating to deferred maintenance. The former RDA made the recommended repairs in order to prepare the property for sale. However, it did not proceed with selling the property due to the dissolution of redevelopment.

Transit Oriented Development Potential and Advancement of Planning Objectives

The Troia Building is located at the Broadway/Noche Buena stop on the MST bus transit system. Bus lines 8, 11, 12, 77, 94, and B service this stop.

⁶⁴ Complete Appraisal Summary Report, 1264-1284 Broadway Avenue, Seaside, California, Hanna & Associates Real Estate Appraisers & Consultants, March 18, 2004.

The Commercial Mixed Use zoning is intended for pedestrian- and transit oriented activity centers. The CMX zone is intended to accommodate retail stores, offices, theaters, restaurants, and other similar and related uses together with residential units in the context of mixed use, pedestrian-oriented development.

Restrictions on Disposition of the Property

The property was purchased with City of Seaside CDBG funds, which are restricted federal grant funds. As such, the City is obligated to meet CDBG requirements for the use of the proceeds from the sale of the property. Sales proceeds would be considered program income and would be required to be re-invested in the community and re-programmed for CDBG eligible activities.

Property Disposition

Pursuant to HSC §34191.5(c)(2)(B), the Successor Agency will sell the property to a prospective purchaser at fair market value and any net unrestricted proceeds of the sale of the property will be distributed as property tax to the taxing entities. (From the disposition proceeds, the Successor Agency may “net out” and retain an amount to cover required CDBG program reinvestment and reasonable costs in connection with the disposition process.)

Disposition Timeline

The Successor Agency anticipates that the property will be disposed of in 2015. The property would be listed for sale within six months of DOF’s approval of the LRPMP. The highest bidder would be identified within two months of putting the property out to bid, and the property would be transferred within two months of identifying the highest bidder.

Disposition Proceeds

Pursuant to AB 1484, upon the sale of the property by the Successor Agency to the highest bidder, the City will either use the proceeds to pay enforceable obligations or distribute any net unrestricted proceeds from the sale or lease to each taxing entity in an amount proportionate to its share of property tax revenues. The calculation of net unrestricted proceeds shall take into account the transaction costs incurred by the Successor Agency in marketing the property and processing the sale.

1600 and 1624 La Salle Avenue [No. 11] To be Sold



Summary

Through multiple transactions in 1966 and 1967, the former RDA acquired property located on La Salle Avenue between Mendocino Court and Highland Street. At the time of acquisition, three building structures occupied the property and had the following addresses: 1893 Mendocino Court; 1624 La Salle Avenue; and 1600 La Salle Avenue. On February 18, 2009, the building structure at 1893 Mendocino was demolished. On August 24, 2010, the former RDA filed Conditional Certificates of Compliance, including a Recording of Survey, which split APN 013-853-023 into two legally conforming parcels: APN 013-853-025 (1600 La Salle Avenue) and APN 013-853-026 (1624 La Salle Avenue).

1600 La Salle Avenue is an approximately 6,803 square foot lot with a 1,661 square foot structure and a 422 square foot attached garage. The building was used by the City's Historical Society for office, meetings, and storage. 1624 La Salle Avenue is an approximately 6,860 square foot lot with a 1958-built, 1,050 square foot house and a 289 square foot, attached, one-car garage. The building was used by the former RDA as office space. These buildings are currently vacant.

Property Inventory Information

Parcel Data

APN:	012-853-025-000 and 012-853-026-000
Address:	1600 and 1624 La Salle Avenue
Lot Size:	0.16 acres each
Current Zoning:	Medium Density Single Family Residential (RM)
Current Use:	Vacant Single Family Residential

Current Value and Revenue Generation

Estimate of Current Value:	1600 La Salle Avenue (\$270,000)
	1624 La Salle Avenue (\$200,000)

Date/Value Basis for Estimate: March 15, 2010 Appraisal

Revenue Generated by Property: \$0
Requirements for Revenue Use: Not applicable
RDA Project Area: Hannon Redevelopment Project Area

Acquisition Information

RDA Acquisition Date: October 7, 1966, (Reel 479, Page 462 Official Records)
October 26, 1966 (Reel 481, Page 214 Official Records)
and April 6, 1967 (Reel 500, Page 218 Official Records)
Acquisition Purpose: Blight elimination and offices for former RDA
Value at Time of Acquisition: Purchased in 1966 for \$50,500 and land for \$390,000 in 1993

History of Environmental Contamination/Remediation

No known history of environmental contamination. However, due to their age, the buildings may contain asbestos building materials and/or lead-based paint.

History of Development Proposals and Activity

Three building structures were located on Agency-owned property commonly known as 1893 Mendocino Court, 1624 La Salle Avenue, and 1600 La Salle Avenue (APN 013-853-023). The City’s Historical Society had used 1600 La Salle for office, meetings, and storage. Since its prior use as a single-family residence, the original floor plan of the house has been altered. In 2002, the former RDA contracted for termite treatment and a new roof for 1624 La Salle Avenue.

On February 18, 2009, the 1893 Mendocino building structure was demolished. On August 24, 2010, the Agency filed Conditional Certificates of Compliance, including a Recording of Survey, splitting APN 013-853-023 into two legally conforming parcels: APN 013-853-025 (1600 La Salle Avenue) and APN 013-853-026 (1624 La Salle Avenue).

In November 2010, the former RDA prepared to sell the property. 1600 La Salle was appraised at a value of \$270,000 and this amount was established as the minimum bid amount. At the time, 1624 La Salle was appraised at a value of \$200,000 and this amount was established as the minimum bid amount. No bids were received.

In 2011, the former RDA was approached by Habitat for Humanity with a proposal to purchase the properties for affordable housing purposes. According to the staff report for the May 19, 2011 Agency Board meeting, the former RDA was to consider entering into an Exclusive Negotiating Agreement (ENA) with Habitat for Humanity, where the latter would pay fair market value for the properties in question and complete rehabilitation of the houses located on the properties. As a result of the dissolution of redevelopment, the former RDA did not take further action on this item.

Transit Oriented Development Potential and Advancement of Planning Objectives

La Salle Homes are located in proximity to Monterey-Salinas Transit’s 11 and B bus lines at La Salle/Yosemite.

Restrictions on Disposition of the Property

There are no known disposition restrictions on the property.

Property Disposition

Pursuant to HSC §34191.5(c)(2)(B), the Successor Agency will sell the property to a prospective purchaser at fair market value and the net proceeds of the sale of the property will be distributed as property tax to the taxing entities. (From the disposition proceeds, the Successor Agency may “net out” and retain an amount to cover its reasonable costs in connection with the disposition process, attorneys’ fees, title insurance premiums, closing costs, and transfer taxes.)

Disposition Timeline

The Successor Agency anticipates that the property will be disposed of in 2015. The property would be listed for sale within six months of DOF’s approval of the LRPMP. The highest bidder would be identified within two months of putting the property out to bid, and the property would be transferred within two months of identifying the highest bidder.

Disposition Proceeds

Pursuant to AB 1484, upon the sale of the property by the Successor Agency to the highest bidder, the City will either use the proceeds to pay enforceable obligations or distribute any net unrestricted proceeds from the sale or lease to each taxing entity in an amount proportionate to its share of property tax revenues. The calculation of net unrestricted proceeds shall take into account the transaction costs incurred by the Successor Agency in marketing the property and processing the sale.