

PROPERTY MANAGEMENT PLAN

		GATEWAY PROPERTY VACANT LAND (035-290-003)	GATEWAY PROPERTY - VACANT LAND (035-290-039)	2062 Montgomery St. (012-032-009)	2060 Montgomery St. (012-032-010)	2044 Montgomery St. (012-032-011)	1330 Downer St. (012-035-004)	750 Montgomery St. (012-061-009)
H&S Sec: 34191.5 (c) (1) (A-H)	NOTES	1,3	1,3	1,2	1,2	1,2	1,2	1
A	DATE OF ACQUISITION	07.18.2008	07.18.2008	07.9.2004	07.9.2004	07.9.2004	03.8.2006	03.25.2008
	VALUE OF PROPERTY AT ACQUISITION							
	ESTIMATE OF CURRENT VALUE	\$381,345.65	\$445,411.52	\$9,367.40	\$11,867.15	\$11,870.15	\$23,500.00	\$55,300.00
B	PURPOSE ACQUIRED	Commercial Development	Commercial Development	Commercial Development	Commercial Development	Commercial Development	Commercial Development	Commercial Development
C	ADDRESS (APN)	(035-290-003)	(035-29-039)	2062 Montgomery St	2060 Montgomery St.	2044 Montgomery St.	1330 Downer St.	750 Montgomery St.
	LOT SIZE (ACRES)	4.27	15.39	0.11	0.14	0.15	0.23	0.61
	ZONE	C2	C2	C2	C2	C2	C1	C2
	GENERAL PLAN	RBS	RBS	RBS	MU	MU	MU	RBS
D	ESTIMATE OF CURRENT VALUE OF PARCEL	\$381,345.65	\$445,411.52	\$9,367.40	\$11,867.15	\$11,870.15	\$23,500.00	\$55,300.00
	APPRAISAL INFORMATION AVAILABLE	-	-	-	-	-	-	-
E	ESTIMATE OF REVENUES GENERATED BY PROPERTY	0	0	0	0	0	0	0
	CONTRACTUAL REQUIRMENTS FOR DIPOSITION OF FUNDS	Snyder Contract	Snyder Contract	-	-	-	-	-
F	ENVIRONMENTAL HISTORY			-	-	-	-	
G	POTENTIAL FOR TRANSIT ORIENTED DEVELOPMENT	None	None	None	None	None	None	None
H	HISTORY OF PREVIOUS DEVELOPMENT PROPOSALS	Commercial Development	Commercial Development	None	None	None	None	Commercial Development

Notes:

1. Indicates properties the City intends to retain for a commercial development project pursuant to AB 1484 Section 34191.5(c)(2)
2. Indicates properties that previously had been developed but are currently vacant. It is important to note that all of the properties on this list, except for 750 Montgomery street are currently vacant. All of the properties are adjacent to, and have adequate access to the necessary infrastructure required for development.
3. Indicates that Snyder Commercial Real Estate, LLC has entered into a Master Disposition and Development Agreement with the City of Oroville. Agreement# 2070 and Resolution # 7931 were adopted on June 19, 2012 by the Oroville City Council. The Oversight Board has Yet to approve the execution of this agreement.

City of Oroville as Successor Agency
to the Oroville Redevelopment Agency

Long-Range Property Management Plan

PROPERTY PROFILE SHEETS

Background

On July 18, 2012, the Oversight Board (“Oversight Board”) of the City of Oroville (“City”) as Successor Agency to the Oroville Redevelopment Agency (“Successor Agency”) adopted Resolution No. 01-12 approving a Long-Range Property Management Plan (“Management Plan”) consisting of an inventory of seven parcels of property owned by the former Redevelopment Agency (“RDA”). The Oversight Board approved the Management Plan for submittal to the California Department of Finance (“DOF”) for review and approval. DOF also received a copy of the full agenda packet for the Oversight Board’s July 18, 2012 regular meeting via e-mail.

Although Health and Safety Code (“HSC”) Section 34191.1 provides that the post-compliance provisions of AB 1484 (Chapter 26, Statutes of 2012), including HSC Section 34191.5 governing the Management Plan process, apply upon receipt by the Successor Agency of a certificate of completion from DOF pursuant to HSC Section 34179.7, nothing in the law expressly prohibits a Successor Agency from preparing and submitting a Management Plan to DOF for review and approval prior to issuance of a certificate of completion. The Successor Agency is hereby formally submitting a Management Plan to DOF for review and approval and is requesting action on the Management Plan prior to issuance of a certificate of completion to the Successor Agency. As described in the following property profile sheets, time is of the essence for the City to have the ability to plan for and/or dispose of specified properties for near-term development opportunities. Development of those sites has historically not occurred by, and will not occur by, private enterprise alone. Market forces and property/environmental conditions require Successor Agency involvement in negotiations with prospective developers. Absent such involvement, the properties would be disposed of under ABX1 26 and AB 1484 and remain vacant, generating nominal enhancements in property tax revenues for school districts and, in turn, the State of California under Proposition 98 (1988).

It is critical for affected taxing entities and DOF to understand the value of advocating for economically viable development projects on former RDA properties. This is particularly true for vacant properties where the economic value of one-time sale proceeds pales in comparison to the net present value of ongoing annual property tax revenues the taxing entities will receive if/when properties are redeveloped and reassessed.

Purpose

The purpose of the following property profile sheets is to append the Successor Agency’s Management Plan/property inventory and provide DOF critical information about properties the Successor Agency proposes to use or liquidate for projects identified in the former RDA’s Five Year Implementation Plan (“Implementation Plan”). The Implementation Plan (attached) was adopted in December 2009 for fiscal years 2009-10 through 2013-14 and, in accordance with HSC Section 33490, the Implementation Plan is consistent with the RDA’s adopted Redevelopment Plan. The information contained in the property profile sheets seeks to provide:

- A history of environmental contamination, including designation as a brownfield site (HSC §34191.5(c)(1)(F));
- A brief history of previous development proposals and activity (HSC §34191.5(c)(1)(H));
- A description and explanation of the proposed use and disposition of the seven parcels of property contained in the Management Plan’s inventory (HSC §34191.5(c)(2)); and
- Additional information that is of value to DOF and affected taxing entities.

Properties

The property profile sheets group the seven parcels into the following four properties based on geographic location/adjacency:

Property Name/ Address	APN
Gateway Property	035-290-003, 035-290-039
750 Montgomery St	012-061-009
2044-2062 Montgomery St	012-032-009, 012-032-010, 012-032-011
1330 Downer St	012-035-004

All four properties are located in the Gateway-Downtown Focus Area, which is defined in the Implementation Plan as follows:

DOWNTOWN-GATEWAY FOCUS AREA

The Downtown-Gateway Focus Area consists of Oroville’s historic Downtown, the Montgomery Street corridor, which serves as the primary “Gateway” entry into Downtown from Highway 70, and the Riverfront area. Revitalization of Oroville’s historic core relies heavily on successful redevelopment of this focus area. The Gateway location contains strategic sites for redevelopment efforts to attract private investment for hotel, retail, and mixed use development. The 2030 General Plan proposes mixed use development in several portions of this Focus Area and will necessitate an implementation strategy.

Keys to achieving economic development success in the Downtown-Gateway Focus Area include the following:

- Exploring ways to attract more visitors and residents to the historic downtown, which is rich in natural and historic amenities
- Revitalization and reuse of historic structures
- Business retention and recruitment into downtown
- Pedestrian connectivity between public spaces
- Infill development to attract greater investment
- Transformation of Downtown into a commercial waterfront destination



GATEWAY PROPERTY

APN	035-290-003, 035-290-039
Address	n/a
Acreage	19.66 acres
Zoning	C-2: Intensive Commercial
General Description	Vacant, underutilized parcels located at primary gateway entrance into Downtown Oroville from Highway 70, adjacent to Feather River.
Surrounding Uses	Underperforming commercial retail properties adjacent to severely blighted, substandard residential uses with high crime rates.
Brownfield?	Yes. Included in Brownfield Priority List for US EPA Community-wide Brownfields Assessment Grant Program.



Five Year Implementation Plan Project Definition

Project/Description	Preliminary Cost Estimates	Redevelopment Plan Goals
DOWNTOWN-GATEWAY STRATEGY II.A: Downtown-Gateway Redevelopment / Infill Development Strategy.		
<p>Gateway Redevelopment Project</p> <p>Facilitate redevelopment of properties strategically located at the City’s Montgomery Street gateway entrance from Highway 70 to Downtown. Establish a rigorous developer qualification process for entering into or continuing Exclusive Negotiating Agreements with developers for key sites requiring Agency assistance or participation.</p> <p>Completion of this project would address conditions that prevent or substantially hinder the viable use or capacity of buildings or lots; and buildings with serious code violations, dilapidation, or deterioration.</p> <p><i>Timeframe FY 2009-10 thru 2013-14</i></p>	\$1,000,000	

Property Disposition/Reuse Plan

As approved by the Oversight Board, the Successor Agency plans to sell this property to a developer, Snyder Commercial Real Estate, LLC (“Snyder”), for redevelopment of both RDA and City-owned parcels pursuant to a Master Disposition and Development Agreement (“DDA”).

JUSTIFICATION

The RDA acquired the Gateway property in July 2008 as part of a concerted effort to reverse blighting conditions in and around the City’s primary gateway entrance to Downtown Oroville from Highway 70. Underperforming retail, severely blighted and substandard residential housing in the immediate area, and recognized environmental conditions on the property have historically deterred private investment

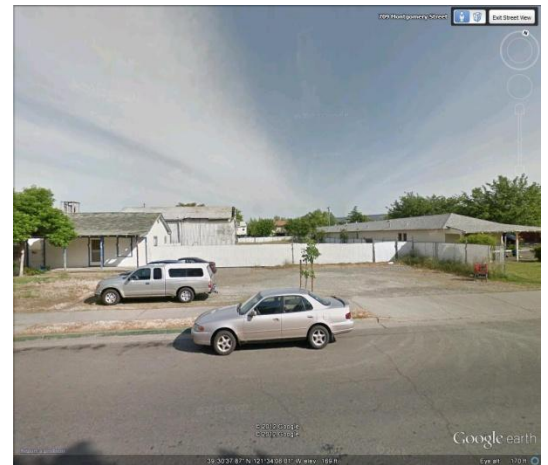
in the property and surrounding vacant properties, leading to further physical and economic deterioration. As such, past RDA efforts to solicit development interest in the Gateway property have been unsuccessful. In 2010, the RDA commissioned a market analysis of reuse options for the Gateway property. The study reaffirmed the RDA's challenges in redeveloping the site but concluded that, with the right economic incentives, there may be sufficient market demand to support future commercial uses. Disposition of the property without economic incentives (e.g., land write-down) is not viable unless it is sold at a discounted price, which would result in minimal one-time sale proceeds and, based on anticipated inability to develop the site, ongoing property tax revenue streams to affected taxing entities would be minimal and based on reassessment of the property at a discounted sales price.

Consistent with ABX1 26 and AB 1484, to maximize development opportunity of the Gateway property and, hence, maximize future property tax revenues to affected taxing entities, the Successor Agency approved on June 19, 2012 a Master DDA with Snyder that provided for the disposition of both RDA and City properties, subject to approval by the Oversight Board and DOF, as part of this Management Plan. The DDA provides that the land will be sold for \$1 to Snyder but, to keep affected taxing entities whole for property taxes, the DDA requires the properties to be assessed for property tax purposes at an appraised value. This provides upfront economic incentives for Snyder to bear market risk and invest private capital to develop the properties, while mitigating tax revenue losses to taxing entities (and the State) between the time the sale of the property is recorded, and when development is completed and the property is reassessed at an exponentially higher property value due to the improvements.





750 Montgomery Street

APN	012-061-009
Address	750 Montgomery Street
Acreage	0.61 acre
Zoning	C-2: Intensive Commercial
General Description	Vacant, underutilized parcels located at primary gateway entrance into Downtown Oroville from Highway 70, adjacent to Feather River.
Surrounding Uses	Underperforming commercial retail properties adjacent to severely blighted, substandard residential uses with high crime rates.
Brownfield?	Yes. Included in Brownfield Priority List for US EPA Community-wide Brownfields Assessment Grant Program.



Five Year Implementation Plan Project Definition

Project/Description	Preliminary Cost Estimates	Redevelopment Plan Goals
<p>Substandard Property Acquisition and Revitalization</p> <p>Acquisition of substandard property along the Montgomery Street corridor for revitalization and rehabilitation. Assemble land for cohesive redevelopment of the City's Montgomery Street gateway entrance from Highway 70 to Downtown.</p> <p>Completion of this project would address buildings with serious code violations, dilapidation, or deterioration; conditions that prevent or substantially hinder the viable use or capacity of buildings or lots; and depreciated or stagnant property values, abnormally high business vacancies, and low lease rates.</p> <p><i>Timeframe FY 2009-10 thru 2011-12</i></p>	As Funding Becomes Available	 

Property Disposition/Reuse Plan

As approved by the Oversight Board, the Successor Agency plans to transfer this property to the City in order for the City to retain it for redevelopment activities in accordance with the RDA's Redevelopment Plan and Five Year Implementation Plan.

JUSTIFICATION

A major focal point of the Implementation Plan is to address serious blighting conditions at the Montgomery Street gateway entrance to Downtown Oroville by focusing on the acquisition and revitalization of substandard properties in and around the primary gateway area. 750 Montgomery Street is located adjacently west to one of several physically and economically blighted, substandard residential projects in the gateway area. Buildings on these projects are severely deteriorated and

dilapidated, attract high calls for police service, and are severely underutilized. To assemble property along this corridor for revitalization, the RDA purchased 750 Montgomery Street in March 2008. In concert with redevelopment of the Gateway property, the City is seeking to retain 750 Montgomery Street for comprehensive revitalization of the gateway corridor along Montgomery Street.

Additionally, in 2011, the former RDA received a Community-wide Brownfields Assessment Grant from US EPA to conduct Phase I and Phase II Environmental Site Assessments (“ESA”) in the Gateway-Downtown Focus Area. All of the seven parcels that comprise the four properties addressed in these property profile sheets are included in the Brownfields Inventory of properties that are scheduled for ESAs due to past known contributing uses, Environmental Database Report listings, and other factors. City retention of 750 Montgomery and the other properties will provide ongoing site control and access to promote environmental assessment and remediation of the properties.





2044-2062 Montgomery Street

APN	012-032-009, 012-032-010, 012-032-011
Address	2044, 2060, 2062 Montgomery Street
Acreage	0.40 acre
Zoning	C-1: Light Commercial; C-2: Intensive Commercial
General Description	Vacant, underutilized parcel located in Downtown Oroville adjacent to Feather River.
Surrounding Uses	Existing commercial retail uses and parking lots.
Brownfield?	Yes. Included in Brownfield Priority List for US EPA Community-wide Brownfields Assessment Grant Program.



Five Year Implementation Plan Project Definition

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Property Disposition/Reuse Plan

As approved by the Oversight Board, the Successor Agency plans to transfer this property to the City in order for the City to retain it for redevelopment activities in accordance with the RDA's Redevelopment Plan and Five Year Implementation Plan.

JUSTIFICATION

In addition to acquisition and revitalization of properties with deteriorating and dilapidated buildings, the Implementation Plan prioritized the acquisition and redevelopment of severely underutilized properties in the Gateway-Downtown Focus Area, including properties that have remained vacant for a prolonged period of time due to physical and economic barriers to reuse of the properties. The three vacant parcels located at 2044-2062 Montgomery Street have long been assumed to contain some level or form of environmental contamination due to historic uses, including an old gas station. Given the former RDA's unique powers under the Polanco Act and available resources for environmental

assessment and remediation of the property, the RDA purchased the property in July 2004. To confirm the existence and/or levels of contamination of the property, the property is scheduled for a Phase I ESA under the former RDA's US EPA Community-wide Brownfields Assessment Grant. City retention of the property will provide ongoing site control and access to promote environmental assessment and remediation of the property, paving the way for redevelopment and reuse of the site to benefit the local, regional, and state economies.





1330 Downer Street

APN	012-035-004
Address	1330 Downer Street
Acreage	0.23 acre
Zoning	C-2: Intensive Commercial
General Description	Existing parking lot planned for future residential (e.g., affordable housing) or commercial development.
Surrounding Uses	Blighted, underutilized, vacant Oroville Inn building to south. Existing commercial retail uses and parking lots to north, east, west.
Brownfield?	Yes. Included in Brownfield Priority List for US EPA Community-wide Brownfields Assessment Grant Program.



Five Year Implementation Plan Project Definition

Project/Description	Preliminary Cost Estimates	Redevelopment Plan Goals
<p>Substandard Property Acquisition and Revitalization</p> <p>Acquisition of substandard property along the Montgomery Street corridor for revitalization and rehabilitation. Assemble land for cohesive redevelopment of the City's Montgomery Street gateway entrance from Highway 70 to Downtown.</p> <p>Completion of this project would address buildings with serious code violations, dilapidation, or deterioration; conditions that prevent or substantially hinder the viable use or capacity of buildings or lots; and depreciated or stagnant property values, abnormally high business vacancies, and low lease rates.</p> <p><i>Timeframe FY 2009-10 thru 2011-12</i></p>	As Funding Becomes Available	 

Property Disposition/Reuse Plan

As approved by the Oversight Board, the Successor Agency plans to transfer this property to the City in order for the City to retain it for redevelopment activities in accordance with the RDA's Redevelopment Plan and Five Year Implementation Plan.

JUSTIFICATION

The former RDA purchased this property in March 2006 in an effort to spur revitalization of adjacent dilapidated and underutilized properties in Downtown Oroville, including the Oroville Inn immediately to the south (2066 Bird Street). Oroville Inn is characterized by serious building code issues and safety hazards, vacant/abandoned space, and a general lack of private reinvestment. A 2009 reuse analysis commissioned by the RDA concluded that revitalization of the property for commercial and/or residential uses has significant market limitations and is financially infeasible. The acquisition of 1330

Downer Street provides additional opportunity to expand the development envelope of the Oroville Inn to provide greater economic incentive for reinvestment and reuse. 1330 Downer Street can also provide a stand-alone redevelopment opportunity for residential (e.g., affordable housing) or commercial uses that will help spur reinvestment in Downtown Oroville, including the Oroville Inn.

1330 Downer Street is also included in the Brownfields Inventory of properties that are scheduled for ESAs under the US EPA Community-wide Brownfields Assessment Grant. City retention of the property will provide ongoing site control and access to promote environmental assessment and remediation of the property, paving the way for redevelopment and reuse of the site to benefit the local, regional, and state economies.

