



## **OVERSIGHT BOARD FOR SUCCESSOR AGENCY TO THE CITY OF SANTA CLARA REDEVELOPMENT AGENCY**

**December 11, 2015**

**10:00 AM REGULAR MEETING**  
**City Hall Council Chambers**

A complete agenda packet will be available for public review in the City Hall Council Chambers and the City Clerk's Office at the same time the public records are distributed to the Oversight Board.

### **SPECIAL ANNOUNCEMENTS**

1. CALL TO ORDER/ROLL CALL:
2. APPROVAL OF MINUTES:
  - A. September 24, 2015 - Special Meeting.
  - B. September 24, 2015 - Regular Meeting.
3. CONTINUANCE/EXCEPTIONS:
4. UNFINISHED BUSINESS:
  - A. Informational Memo: 1999 Tax Allocation Bond Redemption.
5. NEW BUSINESS:
  - A. Adoption of a Resolution approving amendment to contract with independent legal counsel for the Oversight Board (Montoy Law Corporation).
  - B. Adoption of a Resolution approving the Long Range Property Management Plan (LRPMP).

### **6. PUBLIC PRESENTATIONS:**

This item is reserved for persons to address the Oversight Board on any matter not on the agenda that is within the subject matter jurisdiction of the City. The law does not permit Oversight Board action on, or extended discussion of, any item not on the agenda except under special circumstances. The Oversight Board, or staff, may briefly respond to statements made or questions posed, and the City Manager may request staff to report back at a subsequent meeting. Although not required, please submit to the City Clerk your name and subject matter on forms available by the door in the Council Chambers.

**7. ADJOURNMENT:**

- A.** The next special meeting is on Wednesday, December 16, 2015 at 10:00 am in the City Hall Council Chambers.

**MINUTES OF THE CITY OF SANTA CLARA OVERSIGHT BOARD FOR  
SUCCESSOR AGENCY TO THE CITY OF SANTA CLARA REDEVELOPMENT  
AGENCY FOR A SPECIAL MEETING HELD ON  
THURSDAY, SEPTEMBER 24, 2015**

Chairperson Gage called the Special Meeting of the Oversight Board for Successor Agency to the City of Santa Clara Redevelopment Agency to order at 12:00 pm, on the above-mentioned date in the City Hall Council Chambers.

Present: Mayor of the City of Santa Clara appointees: Gary Ameling, Director of Finance and Jamie L. Matthews, Mayor; Santa Clara County Board of Supervisors appointees: Debbie Cauble, County of Santa Clara and John Guthrie, County of Santa Clara, retired, former Director of Finance; Santa Clara County Board of Education appointee: Kolvira Chheng, Santa Clara County Office of Education, Chief Business Officer; Santa Clara Valley Water District (SCVWD) appointee: Donald Gage, Board Member; and Oversight Board Legal Counsel, Hilda Cantu-Montoy.

Absent: California Community College District appointee: Edralin Maduli, West Valley-Mission Community College District, Vice Chancellor of Administrative Services.

City staff present: Ruth Shikada, Economic Development Officer/Assistant City Manager; Richard Nosky, City Attorney; Karen Tiedemann, Successor Agency Legal Counsel, Goldfarb & Lipman, LLC; Tamera Haas, Deputy City Manager; and Jennifer Yamaguma, Successor Agency Clerk.

- 4A. **MOTION** was made by Matthews, seconded and unanimously carried (Maduli absent), that the Board **adopt Resolution No. 2015-05** entitled, "A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE CITY OF SANTA CLARA REDEVELOPMENT AGENCY RELATING TO 1999 BOND ISSUANCE REDEMPTION"
- 5A. The meeting was adjourned at 12:04 pm to Thursday afternoon, **September 24, 2015** at 1 pm for a regular meeting in the City Hall Council Chambers.

APPROVE: \_\_\_\_\_  
Chairperson

ATTEST: \_\_\_\_\_  
Clerk





**AGENDA REPORT**

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**Date:** December 11, 2015

**To:** City Manager/Executive Officer for Oversight Board Information

**From:** Director of Finance/Assistant City Manager

**Subject:** 1999 Tax Allocation Bond Redemption

On March 5, 2015, the Oversight Board approved Resolution No. 2015-03, directing the Successor Agency to use the remaining proceeds to redeem a portion of the outstanding 1999 Tax Allocation Bonds. This resolution was approved by the Department of Finance on April 15, 2015. On September 24, 2015, the Oversight Board approved Resolution No. 2015-05, further directing the Successor Agency to use the remaining 1999 Bond proceeds to redeem outstanding 1999 Bonds.

The 1999 Tax Allocation Bonds could only be redeemed on June 1 and December 1 of each year. In order to call the bonds at the next available call date on December 1, 2015, the call provisions required that the Successor Agency notify the bond holders between October 1 and November 1. Based on an analysis from our Financial Advisor (KNN Public Finance), the amount needed to fully redeem the 1999 Tax Allocation Bonds on the next call date was estimated to be \$38.1 million.

On October 23, 2015, staff formally notified the Fiscal Agent that the 1999 Tax Allocation Bonds would be redeemed. On October 27, 2015, staff acting on behalf of the Successor Agency, transferred the amount of \$38,900,866 to the Fiscal Agent for full redemption of the 1999 Tax Allocation Bonds and on the same date the Fiscal Agent sent redemption notifications to bond holders.

On December 1, 2015, staff working with the Financial Advisor, Bond Counsel (Jones Hall), and Fiscal Agent (Bank of New York Mellon Trust Company) completed the full redemption of the 1999 Tax Allocation Bonds. The amount of \$38,900,866 was redeemed from a combination of \$12,208,448 in 1999 A Bond proceeds and \$26,692,418 in Successor Agency lease revenues. Taxing entities will save \$8.8 million of interest expense versus making payments on the normal debt service schedule.

  
\_\_\_\_\_  
Gary Ameling  
Director of Finance/Assistant City Manager

APPROVED:  
  
\_\_\_\_\_  
Julio J. Fuentes  
City Manager  
Executive Officer to Successor Agency

*Documents Related to this Report: None*

Meeting Date: 12/11/15

# AGENDA REPORT

Agenda Item # 5A

Oversight Board for Successor Agency  
to the City of Santa Clara  
Redevelopment Agency



**Date:** December 9, 2015  
**To:** Oversight Board for Action  
**From:** City Manager/Executive Officer to Successor Agency  
**Subject:** Adoption of a Resolution approving amendment to contract with independent legal counsel for the Oversight Board (Montoy Law Corporation)

## EXECUTIVE SUMMARY:

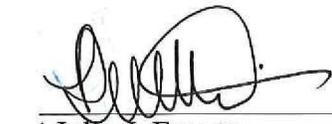
The Oversight Board adopted Resolution No. 2012-01 on July 11, 2012 authorizing a contract with Hilda Cantú Montoy as legal counsel (now Montoy Law Corporation). Ms. Montoy has been providing legal counsel to the Oversight Board primarily in the defense of the Forty Niners litigation but also advising the Oversight Board during its meetings. The contract entered called for a cap of \$85,000. Amendment No. 1 was approved by the Oversight Board on February 15, 2013 and increased the cap by \$60,000. Amendment No. 2, approved by the Oversight Board on August 16, 2013, modified the not-to-exceed contract amount to \$195,000. The proposed Amendment No. 3 to Legal Services Agreement includes the addition of a new cap of \$220,000.

## FISCAL IMPACT:

The costs for this contract are included in the Successor Agency's 2015-16 budget. These costs are partly reimbursed from the City's administrative cost allowance of \$250,000 as approved through the ROPS process.

## RECOMMENDATION:

That the Oversight Board adopt a resolution approving amendment to contract with independent legal counsel for the Oversight Board (Montoy Law Corporation).



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Julio J. Fuentes  
City Manager/Executive Officer to Successor Agency

### *Documents Related to this Report:*

- 1) *Resolution*
- 2) *Amendment No. 3 to the Agreement with Montoy Law Corporation*

**RESOLUTION NO. 2015 - \_\_\_ (OVERSIGHT BOARD)**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARA, APPROVING AMENDMENT NO. 3 TO LEGAL SERVICES AGREEMENT WITH MONTROY LAW CORPORATION**

**WHEREAS**, on July 11, 2012, the Oversight Board adopted Resolution No. 2012-01 authorizing a contract for legal services with Hilda Cantú Montoy, Attorney at Law;

**WHEREAS**, on February 15, 2013, the Oversight Board adopted Resolution No. 2013-03 Authorizing Amendment No. 1 to contract for legal services with Montoy Law Corporation modifying the not-to-exceed amount to \$145,000.00;

**WHEREAS**, on August 16, 2013, the Oversight Board adopted Resolution No. 2013-08 Authorizing Amendment No. 2 to contract for legal services with Montoy Law Corporation modifying the not-to-exceed amount to \$195,000.00;

**WHEREAS**, the agreement contains a “Maximum Not to Exceed Contract Amount” provision;

**WHEREAS**, litigation prompting the retention of legal counsel for the Oversight Board continues and requires considerable work in the next few months; and,

**WHEREAS**, the Oversight Board desires to have Montoy Law Corporation continue to provide legal services under the agreement.

**NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE CITY OF SANTA CLARA REDVELOPMENT AGENCY AS FOLLOWS:**

**SECTION 1.** The foregoing recitals are true and correct, and together with the Staff Report and other information provided by the Successor Agency staff and the public, form the basis for the findings and actions set forth in this Resolution.

SECTION 2. The Oversight Board hereby approves Amendment No. 3 to Legal Services Agreement with Montoy Law Corporation including a new cap amount of \$220,000.00.

SECTION 3. The Oversight Board hereby directs staff to submit to the Department of Finance and the County Auditor-Controller, a copy of this resolution.

SECTION 4. Effective date. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE \_\_\_\_ DAY OF DECEMBER, 2015, BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:
NOES:	BOARD MEMBERS:
ABSENT:	BOARD MEMBERS:
ABSTAINED:	BOARD MEMBERS:

APPROVE:

ATTEST:

\_\_\_\_\_  
Don Gage  
Chairperson

\_\_\_\_\_  
Jennifer Yamaguma  
Clerk to the Oversight Board

Attachments incorporated by reference:  
Amendment No. 3 to Legal Services Agreement

AMENDMENT NO. 3  
TO LEGAL SERVICES AGREEMENT FOR SERVICES TO THE  
THE OVERSIGHT BOARD BY MONTOY LAW CORPORATION

This Amendment No.3 ("Amendment No. 3") is entered into as of \_\_\_\_\_, by and between the Successor Agency to the Redevelopment Agency of the City of Santa Clara ("Successor Agency") and MONTOY LAW CORPORATION ("Firm").

RECITALS

A. Successor Agency and Hilda Cantú Montoy, Attorney at Law, entered into a Legal Services Agreement ("Agreement") effective July 17, 2012, to have Ms. Montoy represent the Oversight Board and to provide legal services to the Oversight Board as required.

B. Successor Agency and Hilda Cantú Montoy, Attorney at Law, entered into Amendment No. 1 effective February 22, 2013 and Amendment No. 2 effective August 16, 2013, to have Montoy Law Corporation represent the Oversight Board and to provide legal services to the Oversight Board as required.

C. The Agreement contains a "Maximum Not to Exceed Contract Amount" which amount is almost reached.

D. The Oversight Board desires to have Montoy Law Corporation continue to provide legal services under the Agreement and increase the Maximum Not to Exceed Contract Amount.

AGREEMENT

In consideration of the above recitals, which recitals are a part of this Amendment No. 3 to Legal Services Agreement and the mutual promises herein contained, the parties agree as follows:

1. Section B of Exhibit A to the Agreement is amended to read as follows:

B. Maximum Not to Exceed Contract Amount

The Agreement heretofore provided for a maximum not to exceed contract amount of \$85,000.00. That amount was increased by \$60,000 by Amendment No. 1 to the Agreement and by \$50,000 by Amendment No. 2 for a total of \$195,000. That maximum amount is increased by \$25,000.00 for a total of \$220,000, subject to budgetary appropriations.

2. Except as expressly modified in this Amendment No. 3, the terms and conditions of the Agreement and the rights, duties and obligations of the parties thereunder are unchanged and remain in full effect.

**THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE  
CITY OF SANTA CLARA, CALIFORNIA**

APPROVED AS TO FORM:

\_\_\_\_\_  
**RICHARD E. NOSKY, JR.**  
Agency General Counsel

\_\_\_\_\_  
**JULIO J. FUENTES**  
Executive Director  
1500 Warburton Avenue  
Santa Clara, CA 95050  
Telephone No.: (408) 615-2210  
Fax No.: (408) 249-7846

ATTEST:

\_\_\_\_\_  
**ROD DIRIDON, JR.**  
Agency Secretary

“SUCCESSOR AGENCY”

**MONTOY LAW CORPORATION**  
a California Corporation

By:

\_\_\_\_\_  
**HILDA CANTÚ MONTOY**  
President  
2125 Kern Street, Ste. 308  
Fresno, CA 93721  
Telephone No.: (559) 579-1924  
Fax No. (559) 579-1923

“FIRM”

Meeting Date: 12/11/15

# AGENDA REPORT

Agenda Item # 5B

Oversight Board for Successor Agency  
to the City of Santa Clara  
Redevelopment Agency



**Date:** December 8, 2015  
**To:** Oversight Board for Action  
**From:** City Manager/Executive Officer to Successor Agency  
**Subject:** Approval of Long Range Property Management Plan

## EXECUTIVE SUMMARY:

The former Santa Clara Redevelopment Agency, prior to its dissolution, held interests on certain properties, and acquired/developed those properties for redevelopment purposes. The former Redevelopment Agency transferred its properties to the City of Santa Clara prior to the dissolution of the former Redevelopment Agency.

The County of Santa Clara sued the Successor Agency and the City claiming, among other things, that the transfer of the properties was invalid and that the City was required to return the properties to the Successor Agency for disposition in accordance with the Dissolution Statutes (AB1x 26, AB 1484 and SB 107). The Sacramento Superior Court issued a writ of mandate in the litigation ordering the City to return the properties, among other items. The City has transferred several of the properties back to the Successor Agency. It is anticipated that all remaining properties will be transferred back to the Successor Agency shortly.

Although a final judgment has not been entered in the litigation with the County, the City and the Successor Agency have been engaged in settlement discussions with the County and have reached agreement on the terms of a settlement that will require the City and the Successor Agency to dispose of most of the properties that were held by the former Redevelopment Agency. The sales proceeds from the properties, after deduction of costs of sale, including the City's costs associated with selling the properties, will first be used to pay the Successor Agency's enforceable obligations. Once such obligations are fully repaid, any remaining disposition proceeds will be distributed to the taxing entities.

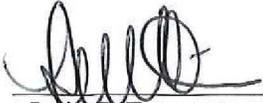
Based on appraisals for some of the properties, the Successor Agency believes that the sales proceeds will be sufficient to repay all of the former Redevelopment Agency's debts, thus allowing the Successor Agency to dissolve upon sale of the final property.

In accordance with the Dissolution Statutes, the Successor Agency has prepared a long range property management plan setting forth the proposed disposition of the various properties.

Oversight Board for Action  
Subject: Long Range Property Management Plan  
December 8, 2015  
Page 2

**RECOMMENDATION:**

That the Oversight Board adopt a Resolution approving the Long Range Property Management Plan.



*bor*  
\_\_\_\_\_  
Julio J. Fuentes  
City Manager/Executive Officer to Successor Agency

***Documents Related to this Report:***

- 1) Resolution***
- 2) Long Range Property Management Plan***

**DISCUSSION:**

The Long Range Property Management Plan (LRPMP) covers the following properties:

1. Gateway Parcel 2
2. The Convention Center and Convention Center common area
3. The Techmart property
4. The Hyatt Hotel Property
5. The Hilton Hotel Property
6. The Great America Theme Park Property
7. The North South Lots (the portion of the Great America Theme Park parking area adjacent to the Hilton Hotel)
8. The Successor Agency's leasehold interest in the Great America Theme Park parking area.
9. The Successor Agency's leasehold interest in the Fairway Glen property

The LRPMP provides information on each of these properties as well as the proposed disposition plan for each property.

In summary, the Gateway Parcel 2, the Techmart Property, the Hyatt Property, the Hilton Property, the Great America Theme Park Property and the North South Lots are proposed to be sold. The sales process will be conducted by the Successor Agency with each sale subject to approval by the Oversight Board. The Successor Agency is proposing to solicit offers for the properties from real estate brokers, developers and other interested parties. In addition, each of the properties, is subject to leasehold interests so offers will be solicited from the lessees of the properties as well.

The Successor Agency is proposing to have an Evaluation Team review all offers. The Evaluation Team will be composed of City of Santa Clara staff and representatives of the taxing entities appointed by the Oversight Board. Members of the Evaluation Team will be required to have commercial real estate experience. The Evaluation Team will evaluate all offers and recommend the highest responsive offer to the Oversight Board. Upon approval by the Oversight Board, the properties will be sold. Because the goal of the settlement and the LRPMP is to dispose of the properties expeditiously so that the Successor Agency can be dissolved, the Successor Agency and the Evaluation Team will recommend offers to the Oversight Board even if offers do not meet the appraised value of the property. The appraised value is not a definitive determination of value but rather only one appraiser's determination of value. What the properties actually sell for may differ significantly from the appraised value particularly because the leasehold encumbrances on the properties make a definitive determination of value difficult. Thus the appraised values are included in the LRPMP are only a guidance and should not be considered the final value of the property. The market will determine the final value of the properties.

The Martinson Daycare center property is proposed to be conveyed to the Santa Clara Unified School District as a governmental use property. As long as the School District uses the property for governmental use there will be no revenues from the property, however, if the School District were to sell the property for a non-governmental use, the proceeds of the sale would be distributed to the taxing entities.

The City is proposing to acquire the Convention Center and the Convention Center Common Area pursuant to a compensation agreement with the taxing entities. The City and the County have reached agreement on the purchase price of the Convention Center properties at \$15 million. The City will pay most of the

purchase price in the form of credits for certain benefits of dissolution that the City is foregoing, including the right to receive approximately \$6 million in the form of re-entered agreements previously approved by the Oversight Board, the waiver of use of portion of the 2015 bond proceeds and the City's share from the distribution of the sales proceeds in the approximate amount of \$1.5 million. The remaining purchase price will be paid by the City in cash to the Successor Agency with the Successor Agency using the funds to pay enforceable obligations.

Prior to transfer of the Convention Center properties to the City, the Successor Agency will negotiate certain covenants and conditions to be recorded against the Convention Center Properties benefiting the Hyatt and Techmart properties, including parking and ingress and egress rights.

The main portion of the parking lot serving the Great America Theme Park has always been owned by the City. As part of the LRPMP the Successor Agency will execute a quit claim deed quitclaiming any interest it might have in the parking area. Similarly, the Fairway Glen property has also always been owned by the City. Upon the earlier of the transfer of the Convention Center property to the City or the sale of the Fairway Glen fee interest to the current sublessee, the Successor Agency will quitclaim any interest it might have in the property.

**RESOLUTION NO. 2015 - \_\_\_ (OVERSIGHT BOARD)**

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

**WHEREAS**, pursuant to ABx1 26 enacted in June 2011 (as amended by AB 1484 enacted in June 2012, the "Dissolution Law"), the Santa Clara Redevelopment Agency (the "Dissolved RDA") was dissolved as of February 1, 2012, and the City of Santa Clara, acting in a separate limited capacity and known as the Successor Agency of the Santa Clara Redevelopment Agency, has elected to serve as the successor agency (the "Successor Agency") of the Dissolved RDA;

**WHEREAS**, pursuant to Health and Safety Code Section 34173(g), as added by the Dissolution Law, the Successor Agency is a separate legal entity from the City of Santa Clara (the "City");

**WHEREAS**, an oversight board for the Successor Agency (the "Oversight Board") has been established and is functioning in accordance with Health and Safety Code Section 34179;

**WHEREAS**, the Successor Agency is charged with paying the enforceable obligations, disposing of the properties and other assets, and unwinding the affairs of the Dissolved RDA;

**WHEREAS**, the Dissolved RDA acquired certain properties (the "Properties") for redevelopment with uses consistent with, and for projects identified in, the Redevelopment Plan;

**WHEREAS**, the Successor Agency expects to receive a "Finding of Completion" from the California Department of Finance (the "DOF") pursuant to Health and Safety Code Section 34179.7, confirming that the Successor Agency has made specified required payments under the Dissolution Law;

**WHEREAS**, pursuant to Health and Safety Code Section 34191.5(b), the Successor Agency must prepare and submit a Long-Range Property Management Plan (the "LRPMP") to the Oversight Board

and the Department of Finance for approval no later than December 31, 2015;

**WHEREAS**, in accordance with Health and Safety Code Section 34191.5, the Successor Agency has prepared an LRPMP, a copy of which is on file with the Successor Agency Secretary;

**WHEREAS**, the LRPMP provides for the disposition and use of the Properties in a manner consistent with and to implement projects identified in the Redevelopment Plan;

**WHEREAS**, because of such proposed disposition and use, the LRPMP further calls for the transfer of the properties identified as the Convention Center properties in the LRPMP to the City pursuant to a compensation agreement in accordance with the LRPMP, upon approval of the LRPMP by the Oversight Board and the DOF, all as authorized by Health and Safety Code Section 34191.5(c)(2)(A);

**WHEREAS**, in accordance with Health and Safety Code Section 34181(a) and the LRPMP, certain Properties acquired by the Dissolved RDA were acquired for governmental purposes, in particular the Martinson Day care Center property ("Governmental Use Properties");

**WHEREAS**, in accordance with Health and Safety Code Section 34181(a) the LRPMP calls for the transfer of the Governmental Use Properties to the Santa Clara Unified School District for continued use for governmental purposes;

**WHEREAS**, in accordance with Health and Safety Code Section 34191.5, the LRPMP calls for the disposition of certain properties that were acquired by the Dissolved RDA for redevelopment purposes with the net proceeds of the sale, after payment of the costs of sale, to be used first to pay enforceable obligations of the Successor Agency and only after such enforceable obligations are fully repaid, for the distribution of the remaining sales proceeds to the taxing entities in accordance with Health and Safety Code Section 34183;

**WHEREAS**, the Successor Agency has determined that the approval of the LRPMP is exempt from

the California Environmental Quality Act pursuant to Section 15061(B)(3) which exempts projects under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment and the Successor Agency has determined with certainty that there is no possibility that the adoption of the LRPMP will have a significant effect on the environment; and,

**WHEREAS**, the staff report (the "Staff Report") accompanying this Resolution contains additional information and analysis upon which the findings and actions set forth in this Resolution are based.

**NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE CITY OF SANTA CLARA REDVELOPMENT AGENCY AS FOLLOWS:**

SECTION 1. The foregoing recitals are true and correct, and together with the Staff Report and other information provided by the Successor Agency staff and the public, form the basis for the findings and actions set forth in this Resolution.

SECTION 2. The Oversight Board Designated Contact Official or his or her designee, is hereby authorized and directed to file appropriate notice with respect to this Resolution and the actions set forth in this Resolution in accordance with the applicable provisions of CEQA.

SECTION 3. The Oversight Board hereby approves the LRPMP in the form on file with the Successor Agency Secretary.

SECTION 4. Upon approval of the LRPMP by the Oversight Board and the DOF, the Oversight Board authorizes and directs the Successor Agency Executive Director, or the Executive Director's designee, acting on behalf of the Successor Agency, to dispose and use the Properties and any disposition proceeds in accordance with the LRPMP and to take any action and execute any documents

as may be necessary to implement the disposition and use of the Properties and any disposition proceeds in accordance with the terms approved in the LRPMP and this Resolution.

SECTION 5. The Oversight Board hereby directs the Successor Agency to transfer the Governmental Use Properties to the Santa Clara Unified School District City in accordance with the LRPMP upon approval of the LRPMP by the DOF.

SECTION 7. The Oversight Board hereby directs the Successor Agency to transfer the Convention Center properties to the City upon execution of a compensation agreement with the taxing entities in accordance with Health and Safety Code Section 34180(f).

SECTION 8. The Oversight Board hereby directs the Successor Agency to begin the process of disposition of the properties designated for disposition in the LRPMP as soon as practicable after approval of the LRPMP by the Department of Finance.

SECTION 9. The Oversight Board hereby directs its Designated Contact Official, or the Designated Contact Official's designee, to provide written notice and information about this Resolution to the California Department of Finance in accordance with Health and Safety Code Section 34179(h). The actions set forth in this Resolution shall be subject to effectiveness in accordance with Health and Safety Code 34179(h).

SECTION 10. Effective date. This resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

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I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE \_\_\_\_ DAY OF DECEMBER, 2015, BY THE FOLLOWING VOTE:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ABSTAINED: BOARD MEMBERS:

APPROVE:

ATTEST:

\_\_\_\_\_  
Don Gage  
Chairperson

\_\_\_\_\_  
Jennifer Yamaguma  
Clerk to the Oversight Board

Attachments incorporated by reference:  
Exhibit A – Long Range Property Management Plan

**LONG-RANGE PROPERTY MANAGEMENT PLAN  
(Pursuant to Health and Safety Code Section 34191.5)**

**Santa Clara Successor Agency**

**December \_\_, 2015**

## **Introduction**

### **Procedural Background**

The Redevelopment Agency of the City of Santa Clara (the "Former RDA") was dissolved on February 1, 2012, pursuant to ABx1 26 (as amended by AB 1484, the "Redevelopment Dissolution Statutes"). The Redevelopment Dissolution Statutes govern the dissolution of the Former RDA, which includes the disposition of its former real property including housing assets, governmental use properties and other real property assets of the Former RDA.

Under Health and Safety Code Section 34191.5(b), upon receipt of the finding of completion, the Successor Agency to the Redevelopment Agency of the City of Santa Clara (the "Successor Agency"), successor in interest of the Former RDA under Health and Safety Code Section 34173, is entitled to and must prepare a Long-Range Property Management Plan (the "LRPMP") in connection with the disposition of the real property assets of the Former RDA (excluding "housing assets" as defined in Health and Safety Code Section 34176 and transferred as discussed above). The Successor Agency must submit the LRPMP to its Oversight Board and the State Department of Finance (the "DOF"), no later than six months following the issuance by the DOF of the Finding of Completion.

In order to obtain a "finding of completion" the Successor Agency must make a series of requirement payments of Former RDA funds in accordance with the Redevelopment Dissolution Statutes. The Successor Agency is in the process of making the final payment required to obtain a "finding of completion" and expects to obtain one prior to or simultaneously with the submission of the LRPMP to the DOF. This document constitutes the Long-Range Property Management Plan prepared in accordance with Health and Safety Code Section 34191.5.

This LRPMP is scheduled for consideration by the Successor Agency's Oversight Board on December 11, 2015 and, if approved by the Oversight Board, will be transmitted to the DOF for its approval in accordance with Health and Safety Code Section 34191.5(b).

### **Organization of LRPMP**

Part I of this LRPMP sets forth the parameters that will govern the disposition and use of the Properties (defined in Part II below) prescribed under this LRPMP.

In accordance with Health and Safety Code Section 34191.5(c), Part II of this LRPMP contains summary sheets for each of the Properties setting forth the information required under Health and Safety Code Section 34191.5(c)(1) and summarizing the directed designated use and disposition for each of the Properties.

Accompanying this LRPMP is the information checklist required by the DOF (Appendix A) and the DOF Tracking Worksheet (Appendix B).

## **Part I: Parameters for Transfers Pursuant to LRPMP**

This Part I sets forth the parameters that will govern the disposition and use of the Properties prescribed in Part II of this LRPMP.

The Successor Agency is now responsible for disposition of the Properties in accordance with the procedures and requirements of Redevelopment Dissolution Statutes, with particular reference to Health and Safety Code Section 34191.1, 34191.3, 34191.4(a), and 34191.5.

*Property Uses/Disposition.* Health and Safety Code Section 34191.5 authorizes four categories for disposition of a successor agency's property, as summarized in Table 1, below:

**Table 1: Permitted Uses/Disposition of Successor Agency Real Property Under a LRPMP (Health and Safety Code Section 34191.5)**

<b>Plan Category</b>	<b>Use/Disposition Purpose of Property</b>	<b>Property Transferee</b>
Enforceable Obligation	Use Consistent with Enforceable Obligation Terms	Designated Enforceable Obligation Recipient
Governmental	Governmental Use in Accordance with Section 34181(a)	Appropriate Public Jurisdiction
Approved Redevelopment Plan Project	Direct Use, or Liquidation and Use of Proceeds, for Project Identified in Approved Redevelopment Plan	Host Community (City of Santa Clara)
Other Liquidation	Distribution of Sale Proceeds as Property Taxes to Affected Taxing Entities	Approved Purchase

In addition to the authorized transfers listed above, Health and Safety Code Section 34180(f) authorizes a City to retain former RDA property by entering into a compensation agreement with the taxing entities.

Part II of this LRPMP contains the proposed designated use and disposition for each of the Properties.

*Retention for Public Use.* Some of the Properties are directed under this LRPMP to be retained by the public agencies for a governmental use. Governmental use properties will be transferred to the appropriate public agency for no consideration.

*Liquidation.* Some of the Properties are directed under this LRPMP to be liquidated by the Successor Agency. The Successor Agency has obtained appraisals of all of the properties that are designated for liquidation. Most of the Properties designated for liquidation are encumbered with long term ground leases. The improvements on the Properties encumbered with ground leases are owned by the lessee. Prior to marketing some of the Properties, including the Properties located in the Convention Center Complex and the Great America Theme Park, the Successor Agency and the City will need to work with leaseholders to address long term access, parking and easements rights.

In order to maximize the sales proceeds from the Properties while minimizing costs of sales, the Successor Agency intends to market the properties through an open solicitation process that will include soliciting the holders of the leasehold interests encumbering the Properties as well as

other parties. The Successor Agency will post information about the Properties on a website, advertise the properties in commercial listing services as well as direct solicitation of brokers, developers and adjacent property owners. Solicitation materials will include a deadline for submittals of bids as well as a purchase and sale agreement that must be signed by the bidder in order for any bid to be deemed complete. The solicitation period will be no less than 90 days.

Bids will be evaluated by an Evaluation Team consisting of representatives of the City of Santa Clara and two of the taxing entities. All of the members of the Evaluation Team will be required to have experience with commercial real estate transactions. The Evaluation Team may also include a real estate professional such as a real estate economist, appraiser or broker to provide advice to the Evaluation Team. The members of the Evaluation Team will be approved by the Oversight Board. The Successor Agency will initially review all bids to determine completeness of the bids and the highest bidder. If the highest bidder meets all of the criteria established in the solicitation process the Successor Agency will present all bids and identify the highest bidder to the Evaluation Team. If none of the bids are responsive, the Evaluation Team can decide to (1) present the highest non-responsive bid to the Oversight Board for approval; or (2) prepare a new solicitation for the Property; or (3) offer the Property to a particular buyer, such as the lessee or an adjacent property owner. If none of the bids are accepted by the Oversight Board, the Successor Agency will prepare one more solicitation, after which the Oversight Board will be presented with the bid from either the first or second solicitation that the Evaluation Team determines is the best offer.

If the Evaluation Team approves a bid, the bid shall be forwarded to the Oversight Board for approval. If the Oversight Board approves the bid, the Successor Agency will execute the purchase and sale agreement and take all steps necessary to proceed with the close of escrow and transfer of the Property. The Oversight Board approval of a bid does not require further approval of the Department of Finance (Health and Safety Code Section 34191.5) The proceeds of the sale minus the documented costs to the Successor Agency for transferring the property, including broker fees, due diligence fees, staff costs and appraisal costs, will be retained to fulfill enforceable obligations on approved recognized obligation payment schedules or for distribution as property tax to the affected taxing entities, in accordance with the terms of Health and Safety Code Section 34191.5(c)(2)(B). The Successor Agency's actual costs related to the sale of the Properties, associated with the preparation of solicitation materials, review of offers, response to inquiries, preparation of closing documents and brokers fees, will be paid from sales proceeds prior to the use of the sales proceeds to pay enforceable obligations or the distribution of such proceeds to the taxing entities.

At least one of the Properties is subject to a long term lease which grants to the lessee a right of first refusal. Properties subject to a right of first refusal will be offered to the leaseholder at the appraised value prior to listing the properties for sale. If the lessee fails to accept the offer of the Property, the Successor Agency will proceed with marketing the Property as set forth above. Upon receipt of bids and approval of a bid, if any, by the Oversight Board, the Successor Agency will comply with the requirements of the right of first refusal and allow the lessee the opportunity to match the selected bid terms.

*Not Surplus Property.* Because the City is obligated to dispose of the Properties in accordance with this LRPMP and to satisfy goals, objectives and purposes of the City's General Plan, the

Former RDA's approved redevelopment plans, and the Redevelopment Dissolution Statutes, the Properties are not "surplus" property of the City or the Successor Agency and are not subject to the disposition requirements and procedures of the Surplus Lands Act (Government Code Section 54220 *et seq.*).

Instead, disposition of the Properties in accordance with this LRPMP constitutes a "common benefit" that may take place under authority of Government Code Section 37350 and/or other disposition authority deemed appropriate by the City. The provisions of the California Environmental Quality Act and Government Code Section 65402(a) regarding General Plan conformance will apply to the disposition by the City of each Property.

**Part II: LRPMP Property Information Inventory and Proposed Uses**

The properties that transferred to the ownership of the Successor Agency in connection with the Former RDA's dissolution that were not housing assets disposed of pursuant to Health and Safety Code Section 34176, consists of the Former RDA properties listed in Table below (herein collectively referred to as the "Properties").

Table 2 below summarizes the designated use and disposition for the Properties under Health and Safety Code Section 34191.5(c)(2).

*Table 2: Summary of LRPMP List of Properties and Designated Use/Disposition*

	<b>Site Description</b>	<b>APN(s)</b>	<b>Interests Affected</b>	<b>Recommended Use</b>
1.	Gateway Property Parcel #2	104-01-100	Fee Simple, Subject to Ground Lease	Liquidation
2.	Santa Clara Convention Center, 5001 Great America Parkway	104-55-016, 104-55- 017; 104-43-025	Fee Simple title of land. Improvements on 104-55-017 owned by the City.	Transfer to the City pursuant to Compensation Agreement/ Settlement Agreement.

	<b>Site Description</b>	<b>APN(s)</b>	<b>Interests Affected</b>	<b>Recommended Use</b>
3.	Techmart Meeting Center & Office Complex, 5201 Great America Parkway	104-55-013	Fee Simple, Subject to Ground Lease	Liquidation
4.	Hyatt Regency Santa Clara, 5105 Great America Parkway	104-55-012	Fee Simple, Subject to Ground Lease	Liquidation
5.	Hilton Santa Clara, 4949 Great America Parkway	104-43-054 (old APN 104-43-042)	Fee Simple, Subject to Ground Lease	Liquidation
6.	Great America Theme Park, 4701 Great America Parkway	104-42-014, 104-42-019	Fee Simple, Subject to Ground Lease With Right of First Refusal	Liquidation
7.	Great America Theme Park parking (adjacent to the Hilton Hotel)	104-43-051	Fee Simple, Subject to Ground Lease and Parking Agreements	Liquidation
8.	Martinson Child Development Center, 1350 Hope Street	097-08-053	Fee Simple, Subject to Ground Lease	Governmental Use

	<b>Site Description</b>	<b>APN(s)</b>	<b>Interests Affected</b>	<b>Recommended Use</b>
9.	Fairway Glen Parcel R-3	097-05-105	Fee title owned by Sports and Open Space Authority, Leasehold, Subject to Sublease	Retention by Sports and Open Space Authority
10.	Great America Theme Park parking	104-43-052	Fee title owned by City	Retention by City

The Property Inventory Sheets below, provide the required information for the Properties transferred from the Former RDA to the Successor Agency. The Inventory Sheets also address the specific LRPMP requirements listed in Health and Safety Code Section 34191.5(c)(1).

**Table 3: Property Inventory Sheet for Gateway Parcel 2**



<b>Property Background and Description (§34191.5(c)(1)(B)-(C))</b>	
Address	5451 Great American Parkway
APN	104-01-100
Lot Size	20.58 acres, 896,765 square feet, net
Acquisition Date	2001
Purchase Price/Value	\$0
Current Zoning	PD Planned Development
Current Use	Office Building
Purpose of acquisition	This property was originally part of the City landfill.
<b>Estimate of Current Property Value (§34191.5(c)(1)(A))</b>	
Estimated Current Value	\$90,000,000
Date of Estimated Current Value	May 31, 2015
Value Basis	Appraisal
Proposed Sale Value	\$90,000,000.
Proposed Sale Date	First quarter 2016.
<b>Revenue Generated by Property</b>	
Lease or rental income for the private use of property	\$4,031,481
Contractual Requirements	See Ground Lease and easements
<b>History of Environmental Contamination/Remediation</b>	
<p>The property was originally acquired by the City as part of a solid waste landfill site but was not actually used as landfill. However, because the property was adjacent to an active landfill, the City and the Agency undertook certain remediation activities prior to the development of the site, including the installation of monitoring wells and the installation of a bentonite wall sealing off the property from the former active land fill. Maintenance of the bentonite wall is the responsibility of the City pursuant to an Access Easement Agreement recorded against the Property.</p>	
<b>Disposition Plan</b>	
History of previous development proposals	Property was developed in accordance with the terms of a Disposition and Development Agreement.
Potential for transit oriented development	Property is fully developed
Reuse potential/advancement of planning objectives	Property is fully developed.
<b>Recommended Action</b>	
The Successor Agency will liquidate the fee interest for Gateway Parcel 2 and the proceeds of the sale minus the	

documented costs to the Successor Agency for transferring the property will be retained to fulfill enforceable obligations on approved recognized obligation payment schedules or for distribution as property tax to the affected taxing entities, in accordance with the terms of Health and Safety Code Section 34191.5(c)(2)(B). Buildings and other improvements on the parcel are privately owned.

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**Table 4: Property Inventory Sheet for Santa Clara Convention Center**

 	
<b>Property Background and Description (§34191.5(c)(1)(B)-(C))</b>	
Address	5001 Great America Parkway, Santa Clara, CA 95054
APN	104-55-016, 104-55-017; 104-43-025 (pedestrian bridge parcel)
Lot Size	25.27 acres
Acquisition Date	1965
Purchase Price/Value	\$1,650,000 for 179 acres of which the property is a portion
Current Zoning	PD Planned Development
Current Use	Convention Center, Parking Structure and common areas for Hotel and Office complex, and pedestrian bridge over San Tomas Channel.
Purpose of acquisition	This property was acquired originally for the development of electrical generation facilities by the City of Santa Clara Electrical Utility Department.
<b>Estimate of Current Property Value (§34191.5(c)(1)(A))</b>	
Estimated Current Value	Negative \$1,990,000 if owned by a tax exempt entity, negative \$8,251,000 if owned by a non-tax exempt entity.
Date of Estimated Current Value	April 13, 2015
Value Basis	Fair market value appraisal
Proposed Sale Value	\$15,000,000
Proposed Sale Date	First quarter of 2016
<b>Revenue Generated by Property</b>	
Lease or rental income for the private use of property	\$0
Contractual Requirements	The property is subject to certain restrictions pursuant to Ground Leases for Hyatt Hotel and Techmart properties requiring that property continue to be maintained and operated for convention center purposes, parking and common area.
<b>History of Environmental Contamination/Remediation</b>	
History of contamination/remediation- None	
<b>Disposition Plan</b>	
History of previous development proposals	Property was undeveloped prior to its development with the Convention Center Complex.

Potential for transit oriented development	Property is fully developed
Reuse potential/advancement of planning objectives	Property is fully developed and subject to restrictions that would limit redevelopment for an alternative use.
<b>Recommended Action</b>	
<p>The City is proposing to acquire the fee interest under: the Convention Center (i.e., the land under the building); all common areas and the land and parking structure improvements in accordance with a Settlement/Compensation Agreement for \$15,000,000. The purchase price for the Property will be paid in the form of cash and credits. In particular the City will be credited with approximately \$1.5 million of the purchase price representing the City's share of the distribution of sales proceeds. The City will also receive credit for approximately \$6 million of re-entered agreements pursuant to which the City is entitled to payment and an additional approximately \$3.5 million in 2011 bond proceeds that the Successor Agency would be entitled to spend pursuant to SB 107. The City will pay the remaining purchase price in cash to the Successor Agency for distribution to the County Auditor-Controller. The City will accept title to the Convention Center Property subject to recorded covenants and conditions for the benefit of the Techmart and Hyatt parcels providing those parcels with the existing access and parking rights over the Convention Center Parcels that are currently in the respective leases with the lessees of the Techmart and Hyatt parcels.</p>	

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**Table 5: Property Inventory Sheet for Techmart Office Building**

	
<b>Property Background and Description (§34191.5(c)(1)(B)-(C))</b>	
Address	5201 Great America Parkway
APN	104-55-013
Lot Size	1.58 acres
Acquisition Date	1965
Purchase Price/Value	\$1,650,000 for 179 acres of which the property is a portion
Current Zoning	PD Planned Development
Current Use	Office Building
Purpose of acquisition	This property was acquired by the City of Santa Clara Electrical Utility Department for the construction of electric generating facilities.
<b>Estimate of Current Property Value (§34191.5(c)(1)(A))</b>	
Estimated Current Value	\$23,750,000
Date of Estimated Current Value	April 13, 2015
Value Basis	Fair Market Value Appraisal
Proposed Sale Value	\$23,750,000
Proposed Sale Date	First quarter of 2016
<b>Revenue Generated by Property</b>	
Lease or rental income for the private use of property	\$1,210,000
Contractual Requirements	Property is currently subject to Ground Lease that provides parking rights on adjacent properties. Property is also subject to a maintenance assessment district that requires annual payments for costs of maintaining common areas
<b>History of Environmental Contamination/Remediation</b>	
History of contamination/remediation	None
<b>Disposition Plan</b>	
History of previous development proposals	Property was vacant land prior to development with existing office building.
Potential for transit oriented development	Property is fully developed
Reuse potential/advancement of planning objectives	Property is fully developed
<b>Recommended Action</b>	

The Successor Agency will liquidate the fee interest in the land under the Techmart building and the proceeds of the sale minus the documented costs to the Successor Agency for transferring the property will be retained to fulfill enforceable obligations on approved recognized obligation payment schedules or for distribution as property tax to the affected taxing entities, in accordance with the terms of Health and Safety Code Section 34191.5(c)(2)(B). The Techmart building on the parcel is privately owned.

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**Table 6: Property Inventory Sheet for Hyatt Regency Santa Clara**

	
<b>Property Background and Description (§34191.5(c)(1)(B)-(C))</b>	
Address	5105 Great America Parkway
APN	104-55-005, 104-55-012
Lot Size	1.76 acres
Acquisition Date	1965
Purchase Price/Value	\$1,650,000 for 179 acres of which the property is a portion
Current Zoning	PD Planned Development
Current Use	502 room hotel including function rooms and ballroom.
Purpose of acquisition	This property was acquired to by the City of Santa Clara Electrical Utility Department for the construction of electric generating facilities.
<b>Estimate of Current Property Value (§34191.5(c)(1)(A))</b>	
Estimated Current Value	\$34,000,000
Date of Estimated Current Value	April 13, 2015
Value Basis	Fair market Value Appraisal
Proposed Sale Value	\$34,000,000.
Proposed Sale Date	First quarter of 2016.
<b>Revenue Generated by Property</b>	
Lease or rental income for the private use of property	Minimum of \$400,000 per year with percentage rent. Rent annually ranges from \$1 million to \$1.2 million
Contractual Requirements	Property is currently subject to Ground Lease that provides parking rights on adjacent properties as well as parking requirements off-site. Property is also subject to a maintenance assessment district that requires annual payments for costs of maintaining common areas
<b>History of Environmental Contamination/Remediation</b>	
History of contamination/remediation	none
<b>Disposition Plan</b>	
History of previous development proposals	The property was vacant land prior to its development as a hotel.
Potential for transit oriented development	Property is fully developed.

Reuse potential/advancement of planning objectives	Property is fully developed.
<b>Recommended Action</b>	
<p>The Successor Agency will liquidate the fee interest in the land under the Hyatt Hotel building and the proceeds of the sale minus the documented costs to the Successor Agency for transferring the property will be retained to fulfill enforceable obligations on approved recognized obligation payment schedules or for distribution as property tax to the affected taxing entities, in accordance with the terms of Health and Safety Code Section 34191.5(c)(2)(B). The Hyatt Hotel building on the parcel is privately owned.</p>	

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**Table 7: Property Inventory Sheet for Hilton Santa Clara**

	
<b>Property Background and Description (§34191.5(c)(1)(B)-(C))</b>	
Address	4949 Great America Parkway
APN	104-43-054
Lot Size	3.927 acres
Acquisition Date	1965
Purchase Price/Value	\$1,650,000 for 179 acres of which the property is a portion
Current Zoning	CP Commercial Park
Current Use	280 room Hotel
Purpose of acquisition	This property was acquired to by the City of Santa Clara Electrical Utility Department for the construction of electric generating facilities.
<b>Estimate of Current Property Value (§34191.5(c)(1)(A))</b>	
Estimated Current Value	\$20,750,000
Date of Estimated Current Value	June 4, 2015
Value Basis	Fair market Value Appraisal
Proposed Sale Value	\$20,750,000.
Proposed Sale Date	First quarter of 2016
<b>Revenue Generated by Property</b>	
Lease or rental income for the private use of property	\$400,000 fixed rent plus percentage rent.
Contractual Requirements	none
<b>History of Environmental Contamination/Remediation</b>	
History of contamination/remediation	none
<b>Disposition Plan</b>	
History of previous development proposals	The property was vacant land prior to its development as a hotel.
Potential for transit oriented development	Property is fully developed
Reuse potential/advancement of planning objectives	Property is fully developed
<b>Recommended Action</b>	
<p>The Successor Agency will liquidate the fee interest in the land under the Hilton Hotel Property and the proceeds of the sale minus the documented costs to the Successor Agency for transferring the property will be retained to fulfill enforceable obligations on approved recognized obligation payment schedules or for distribution as property tax to the affected taxing entities, in accordance with the terms of Health and Safety Code Section 34191.5(c)(2)(B). The Hilton Hotel building and other improvements on the parcel are privately owned.</p>	

**Table 8: Property Inventory Sheet for Great America Theme Park**

	
<b>Property Background and Description (§34191.5(c)(1)(B)-(C))</b>	
Address	4701 Great America Parkway
APN	104-42-014, 104-42-019
Lot Size	116 acres
Acquisition Date	1985
Purchase Price/Value	\$15,809,279
Current Zoning	CT Thoroughfare Commercial
Current Use	Theme Park
Purpose of acquisition	This property was acquired to retain the current use as a theme park.
<b>Estimate of Current Property Value (§34191.5(c)(1)(A))</b>	
Estimated Current Value	\$155,000,000 but valuation assumes that parking lots are included with property. The Main lot is owned by the City of Santa Clara and will not be conveyed with the Theme Park.
Date of Estimated Current Value	April 1, 2015
Value Basis	Appraisal
Proposed Sale Value	Sale value will be determined by the highest offer.
Proposed Sale Date	First quarter of 2016
<b>Revenue Generated by Property</b>	
Lease or rental income for the private use of property	\$5,300,000 annually plus percentage rent if certain thresholds are met.
Contractual Requirements	Property is subject to a ground lease that grants the Ground Lessee a right of first refusal if the property is sold for theme park use.
<b>History of Environmental Contamination/Remediation</b>	
History of contamination/remediation	
<b>Disposition Plan</b>	
History of previous development proposals	Property was developed as theme park in 1976
Potential for transit oriented development	Property is fully developed and subject to a long term lease for current use.
Reuse potential/advancement of planning objectives	Property is fully developed and subject to a long term lease for current use.

<b>Recommended Action</b>	
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<p>The Successor Agency will liquidate the fee interest in the land under the Great America Theme Park Property and the proceeds of the sale minus the documented costs to the Successor Agency for transferring the property will be retained to fulfill enforceable obligations on approved recognized obligation payment schedules or for distribution as property tax to the affected taxing entities, in accordance with the terms of Health and Safety Code Section 34191.5(c)(2)(B). Prior to sale of the property, agreements between the lessee and the City will need to be negotiated to address the lessee's continued use of the parking lot. The current ground lease for the property grants the lessee a right of first refusal to purchase the property if the lessor sells the property. The right of first refusal extends for three years after the expiration or termination of the Lease. All buildings, rides and other improvements on the parcel are privately owned.</p>	
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**Table 9: Property Inventory Sheet for Great America Theme Park Parking**

	
<b>Property Background and Description (§34191.5(c)(1)(B)-(C))</b>	
Address	Great America Parkway, south of Santa Clara Hilton
APN	104-43-051
Lot Size	9.57 acres
Acquisition Date	1965
Purchase Price/Value	\$1,650,000 for 179 acres of which the property is a portion
Current Zoning	B Public/Quasi-Public
Current Use	Parking for Theme park and stadium.
Purpose of acquisition	This property was acquired to by the City of Santa Clara Electrical Utility Department for the construction of electric generating facilities.
<b>Estimate of Current Property Value (§34191.5(c)(1)(A))</b>	
Estimated Current Value	To be determined
Date of Estimated Current Value	N/A
Value Basis	Appraisal
Proposed Sale Value	Fair Market Value
Proposed Sale Date	To be determined to maximize sale value.
<b>Revenue Generated by Property</b>	
Lease or rental income for the private use of property	\$26,000
Contractual Requirements	Property is subject to ground lease in favor of owner of Great America theme park allowing use of the property for parking. Additionally, the property is subject to a parking agreement and easement with the Santa Clara Stadium Authority and the San Francisco 49ers Stadium Company granting both rights to park on the property for Stadium related events.
<b>History of Environmental Contamination/Remediation</b>	
History of contamination/remediation None	
<b>Disposition Plan</b>	
History of previous development proposals	Property was the subject of a Disposition and Development agreement in the late 1980s proposing development of the property with a hotel.
Potential for transit oriented development	Property use is restricted for 60 years to parking uses.
Reuse potential/advancement of planning objectives	Property use is restricted for 60 years for parking uses.
<b>Recommended Action</b>	

The Successor Agency will liquidate fee interest for the land under the Great America Theme Park parking lot property and the proceeds of the sale minus the documented costs to the Successor Agency for transferring the property will be retained to fulfill enforceable obligations on approved recognized obligation payment schedules or for distribution as property tax to the affected taxing entities, in accordance with the terms of Health and Safety Code Section 34191.5(c)(2)(B).

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**Table 10: Property Inventory Sheet for Martinson Child Development Center**

	
<b>Property Background and Description (§34191.5(c)(1)(B)-(C))</b>	
Address	1350 Hope Street
APN	097-08-053
Lot Size	52,272
Acquisition Date	November 2003
Purchase Price/Value	\$2,438,375
Current Zoning	PDMC Planned Development Master Community
Current Use	Day care center
Purpose of acquisition	This property was acquired for future redevelopment.
<b>Estimate of Current Property Value (§34191.5(c)(1)(A))</b>	
Estimated Current Value	N/A
Date of Estimated Current Value	N/A
Value Basis	N/A
Proposed Sale Value	Not Applicable
Proposed Sale Date	Not Applicable
<b>Revenue Generated by Property</b>	
Lease or rental income for the private use of property	No lease or rental revenue is being generated.
Contractual Requirements	Not applicable.
<b>History of Environmental Contamination/Remediation</b>	
History of contamination/remediation	
<b>Disposition Plan</b>	
History of previous development proposals	None
Potential for transit oriented development	Property is currently developed with a child care center which use is proposed to continue
Reuse potential/advancement of planning objectives	
<b>Recommended Action</b>	
<p>The Successor Agency will transfer the property (land and building) to the Santa Clara Unified School District as a governmental use property for the continued use and operation of a child development center. So long as the property is retained in the ownership of the School District, the net proceeds will consist of lease rental income, use fee income or other income, if any, that may be received by the School District with respect to the Property minus the documented costs to the School District of improvement, operation and maintenance of the property.</p>	

**Table 11: Property Inventory Sheet for Fairway Glen property**

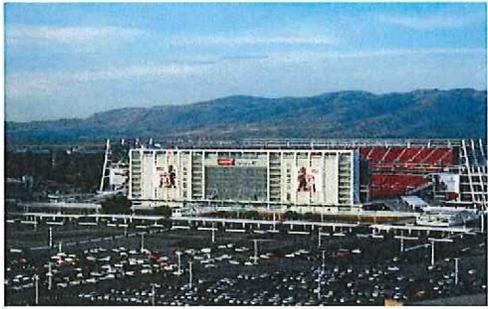
	
<b>Property Background and Description (§34191.5(c)(1)(B)-(C))</b>	
Address	1600 Nantucket Circle, Santa Clara, CA 95054
APN	097-05-105
Lot Size	9.95 acres
Acquisition Date	1994
Purchase Price/Value	\$0
Current Zoning	PD Planned Development
Current Use	Multi-family development
Purpose of acquisition	A leasehold interest in the property was acquired by the former RDA to facilitate financing of the privately owned improvements constructed on the property by the sublessee of the property. Fee title to the property is owned by the Sports and Open Space Authority.
<b>Estimate of Current Property Value (§34191.5(c)(1)(A))</b>	
Estimated Current Value	0
Date of Estimated Current Value	N/A
Value Basis	N/A
Proposed Sale Value	Not Applicable
Proposed Sale Date	Not Applicable
<b>Revenue Generated by Property</b>	
Lease or rental income for the private use of property	0
Contractual Requirements	The fee interest in the property is owned by the Santa Clara Sports and Open Space Authority. The property is subject to a sublease with a private development entity that owns the improvements on the property. In accordance with the terms of the lease and sublease on the property, the subtenant has an option to acquire the fee interest in the property and has invoked the appraisal process that is necessary to exercise the option.
<b>History of Environmental Contamination/Remediation</b>	
History of contamination/remediation- None	
<b>Disposition Plan</b>	
History of previous development proposals	Property was previously developed as golf course
Potential for transit oriented development	Property is fully developed
Reuse potential/advancement of planning objectives	Property is fully developed

<b>Recommended Action</b>	
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<p>The Successor Agency's interest in the property is limited to a leasehold subject to the subleasehold of the private party. The Successor Agency will retain the leasehold interest and use the rental proceeds from the property to pay enforceable obligations until the earlier of (i) the sale of the property to sublessee or (ii) the City acquires the Convention Center Property (Property no. 2) at which time the Successor Agency will assign the lease to the Sports and Open Space Authority and relinquish any rights it may have to the property or the leasehold.</p>	
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**Table 12: Property Inventory Sheet for Great America Theme Park Parking**

	
<b>Property Background and Description (§34191.5(c)(1)(B)-(C))</b>	
Address	
APN	104-43-052
Lot Size	39.38 acres
Acquisition Date	1965
Purchase Price/Value	\$1,650,000 for 179 acres of which the property is a portion
Current Zoning	B Public/Quasi-Public
Current Use	Parking for the Theme Park and the Stadium
Purpose of acquisition	This property was acquired to by the City of Santa Clara Electrical Utility Department for the construction of electric generating facilities.
<b>Estimate of Current Property Value (§34191.5(c)(1)(A))</b>	
Estimated Current Value	N/A
Date of Estimated Current Value	N/A
Value Basis	N/A
Proposed Sale Value	Not Applicable
Proposed Sale Date	Not Applicable
<b>Revenue Generated by Property</b>	
Lease or rental income for the private use of property	No lease or rental revenue to the Successor Agency is being generated.
Contractual Requirements	The Property is owned by the City of Santa Clara. The Successor Agency's interest to the extent that Successor Agency has any interest in the property is as hold over tenant pursuant to a ground lease that expired in 1999. The Property is subject to a parking easement in favor of the Santa Clara Stadium Authority and the San Francisco 49ers Stadium Company.
<b>History of Environmental Contamination/Remediation</b>	
History of contamination/remediation- None	
<b>Disposition Plan</b>	
History of previous development proposals	None
Potential for transit oriented development	Property use is restricted for 60 years to parking
Reuse potential/advancement of planning objectives	Property serves as parking for Theme Park and Stadium thus advancing the City's planning objectives of creating a tourist/entertainment district.
<b>Recommended Action</b>	

The Successor Agency will quitclaim any interest it has in the property to the City and the rent revenues, if any in the property effective as of July 1, 2015.

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APPENDIX A  
LRPMP CHECKLIST

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## LONG-RANGE PROPERTY MANAGEMENT PLAN CHECKLIST

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**Instructions:** Please use this checklist as a guide to ensure you have completed all the required components of your Long-Range Property Management Plan. Upon completion of your Long-Range Property Management Plan, email a PDF version of this document and your plan to:

[Redevelopment\\_Administration@dof.ca.gov](mailto:Redevelopment_Administration@dof.ca.gov)

The subject line should state "[Agency Name] Long-Range Property Management Plan". The Department of Finance (Finance) will contact the requesting agency for any additional information that may be necessary during our review of your Long-Range Property Management Plan. Questions related to the Long-Range Property Management Plan process should be directed to (916) 445-1546 or by email to [Redevelopment\\_Administration@dof.ca.gov](mailto:Redevelopment_Administration@dof.ca.gov).

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Pursuant to Health and Safety Code 34191.5, within six months after receiving a Finding of Completion from Finance, the Successor Agency is required to submit for approval to the Oversight Board and Finance a Long-Range Property Management Plan that addresses the disposition and use of the real properties of the former redevelopment agency.

### GENERAL INFORMATION:

Agency Name: **Successor Agency to the City of Santa Clara Redevelopment Agency**

Date Finding of Completion Received: 12/10/2015 (anticipated)

Date Oversight Board Approved LRPMP:

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### Long-Range Property Management Plan Requirements

For each property the plan includes the date of acquisition, value of property at time of acquisition, and an estimate of the current value.

Yes  No

For each property the plan includes the purpose for which the property was acquired.

Yes  No

For each property the plan includes the parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.

Yes  No

For each property the plan includes an estimate of the current value of the parcel including, if available, any appraisal information.

Yes  No

For each property the plan includes an estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.

Yes  No

For each property the plan includes the history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts.

Yes  No

For each property the plan includes a description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

Yes  No

For each property the plan includes a brief history of previous development proposals and activity, including the rental or lease of the property.

Yes  No

For each property the plan identifies the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforceable obligation.

Yes  No

The plan separately identifies and list properties dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation.

Yes  No

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## ADDITIONAL INFORMATION

- If applicable, please provide any additional pertinent information that we should be aware of during our review of your Long-Range Property Management Plan.

Long Range Property Management Plan is consistent with the proposed Settlement Agreement in Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara et al., Sacramento County Superior Court (Case No. 34-2013-80001396),

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**Agency Contact Information**

Name: Julio J. Fuentes

Title: City Manager/Executive Officer

Phone: 408-615-2210

Email: manager@santaclaraca.gov

Date: 12/10/2015

Name: Ruth Shikada

Title: Assistant City Manager

Phone: 408-615-2210

Email: rshikada@santaclaraca.gov

Date: 12/10/2015

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**Department of Finance Local Government Unit Use Only**

DETERMINATION ON LRPMP:  APPROVED  DENIED

APPROVED/DENIED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

APPROVAL OR DENIAL LETTER PROVIDED:  YES DATE AGENCY NOTIFIED: \_\_\_\_\_

APPENDIX B

DOF TRACKING WORKSHEET

DRAFT

Successor Agency: Santa Clara  
County: Santa Clara

LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA

No.	HSC 34191.5 (c)(1)(C)		Property Type	Permissible Use	HSC 34191.5 (c)(2)		HSC 34191.5 (c)(1)(A)			SALE OF PROPERTY		Property Value	HSC 34191.5 (c)(1)(B)		HSC 34191.5 (c)(1)(C)		34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)	HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)	HSC 34191.5 (c)(1)(H)	Other Property		
	Address or Description	APN			Intended use of sale proceeds	Permissible Use Detail	Acquisition Date	Value at Time of Acquisition	Estimated Current Value	Date of Estimated Current Value	Estimated Current Value Basis		Proposed Sale Value	Proposed Sale Date	Purpose for which property was acquired	Lot Size							Current Zoning	Estimate of Current Parcel Value
1	Gateway Property Parcel 2, 5451 Great America Parkway	104-01-100	Commercial	Sale of Property	Fulfill an Enforceable Obligation	Property will be sold in accordance with LRPMP	2001	0	90,000,000	April 2015	Appraised	80,000,000	First Quarter 2016	City landfill	20.58 acres	Acres	Pd Planned Development	90,000,000	4,031,481	No	Yes	No	Yes	No
2	Santa Clara Convention Center, 5001 Great America Parkway	104-55-016; 104-55-017; 104-55-025	Commercial	Sale of Property	Fulfill an Enforceable Obligation	Property will be sold to the City pursuant to a compensation agreement with the City of Santa Clara	1985	\$1,650,000 for 179 acres	(1,990,000)	April 2015	Appraised	(1,990,000)	First Quarter 2016	Electrical generation facilities	25.27	Acres	Pd Planned Development	(1,990,000)	0	No	No	No	Yes	No
3	Techmart Office Building, 5201 Great America Parkway	104-55-013	Commercial	Sale of Property	Fulfill an Enforceable Obligation	Property will be sold in accordance with LRPMP	1985	\$1,650,000 for 179 acres	23,750,000	April 2015	Appraised	23,750,000	First Quarter 2016	Electrical generation facilities	1.58	Acres	Pd Planned Development	23,750,000	1,210,000	No	No	No	Yes	No
4	Hyatt Regency Santa Clara, 5105 Great America Parkway	104-55-005;	Commercial	Sale of Property	Fulfill an Enforceable Obligation	Property will be sold in accordance with LRPMP	1965	\$1,650,000 for 179 acres	34,000,000	April 2015	Appraised	34,000,000	First Quarter 2016	Electrical generation facilities	1.76	Acres	PD Planned Development	34,000,000	\$400,000 plus percentage rent ranging from \$1,000,000 to \$1,200,000	No	No	No	Yes	No
5	Hilton Santa Clara, 4949 Great America Parkway	014-43-054	Commercial	Sale of Property	Fulfill an Enforceable Obligation	Property will be sold in accordance with LRPMP	1965	\$1,650,000 for 179 acres	20,750,000	April 2015	Appraised	20,750,000	First Quarter 2016	Electrical generation facilities	3.927	Acres	CP Commercial Park	20,750,000	\$400,000 plus percentage rent	No	No	No	Yes	No
6	Great America Theme Park, 4701 Great America Parkway	104-42-014, 104-42-019	Commercial	Sale of Property	Fulfill an Enforceable Obligation	Property will be sold in accordance with LRPMP	1985	15,809,279	\$155,000,000 but valuation assumes that parking lots are included in property	April 2015	Appraised	\$155,000,000 but valuation assumes that parking lots are included in property	First Quarter 2016	Retention as a theme park	116	Acres	CT Thoroughfare Commercial	\$155,000,000 but valuation assumes the parking lots are included with the property.	\$5,300,000 plus percentage rent	No	No	No	Yes	No
7	Great America Theme Park Parking	104-43-051	Commercial	Sale of Property	Fulfill an Enforceable Obligation	Property will be sold in accordance with LRPMP	1965	\$1,650,000 for 179 acres	Value is included in Property 6	April 2015	Not Provided	Value is included in valuation of Property no. 6	First Quarter 2016	Electrical generation facilities	9.57	Acres	B Public/Quasi Public	Valuation is included in valuation of property No. 6	26,000	No	No	No	Yes	Yes
8	Martinson Child Development Center, 1350 Hope Street	097-08-053	Public Building	Governmental Use	N/A	Property contains a daycare center operated by the Santa Clara Unified School District	2003	2,438,373	N/A	N/A	Not Provided	N/A	N/A	For future redevelopment	52,272	Sqaure Feet	PDMC Planned Development Master Community	N/A	0	No	No	No	No	No
9	Fairway Glen Property, 1600 Nantucket Circle	097-05-105	Residential		N/A	Property is owned in fee by the Santa Clara Sports and Open Space District and is subject to an option agreement held by the sublessee.	1994	0	N/A	N/A	Not Provided	N/A	N/A	To facilitate the private subtenants financing of the property	9.95	Acres	Pd Planned Development	N/A	0	No	No	No	Yes	Yes
10	Great America Theme Park Parking	104-43-052	Parking Lot/Structure		N/A	Property is owned in fee by the City of Santa Clara and subject to a leasehold interest	1965	\$1,650,000 for 179 acres	N/A	N/A	Not Provided	N/A	N/A	Electrical generation facilities	39.38	Acres	B Public/Quasi Public	N/A	0	Yes	No	No	Yes	No

12/11/15

5B

# Oversight Board for Santa Clara Successor Agency

December 11, 2015

Item 5.B.



## Purpose

- Upon receipt of Finding of Completion, Successor Agency is entitle to and must prepare a Long Range Property Management Plan (LRPMP). H&S Section 34191.5(b)
- The LRPMP must be submitted to the Oversight Board and DOF for approval

# Organization of LRPMP

- Part I – Parameters of disposition
- Part II – Summary sheets of properties
- Appendix A – Information Check List
- Appendix B – DOF Tracking Worksheet

## Part I - Disposition Parameters

Plan Category	Use/Disposition Purpose of Property	Property Transferee
Enforceable Obligation	Use Consistent with Enforceable Obligation Terms	Designated Enforceable Obligation Recipient
Governmental	Governmental Use in Accordance with Section 34181(a)	Appropriate Public Jurisdiction
Approved Redevelopment Plan Project	Direct Use, or Liquidation and Use of Proceeds, for Project Identified in Approved Redevelopment Plan	Host Community (City of Santa Clara)
Other Liquidation	Distribution of Sale Proceeds as Property Taxes to Affected Taxing Entities	Approved Purchase

# Liquidation Process

- Market properties – no less than 90 days
- Secure bids
- Evaluation Team (to be approved by Oversight Board)
  - City of Santa Clara
  - Taxing Agencies (2)
- Review of Bids
- Oversight Board approval

## Gateway Parcel 2



Address: 5451 Great America Parkway

Lot Size: 20.58 acres, 896,765 square feet, net

Zoning: PD Planned Development

Encumbrances: Long Term Ground Lease

# Santa Clara Convention Center



Address: 5001 Great America Parkway  
Lot Size: 25.27 acres  
Zoning: PD Planned Development

7

# Techmart Office Building



Address: 5201 Great America Parkway  
Lot Size: 1.58 acres  
Zoning: PD Planned Development  
Encumbrances: Long Term Ground Lease

8

# Hyatt Regency



Address: 5105 Great America Parkway  
Lot Size: 1.76 acres  
Zoning: PD Planned Development  
Encumbrances: Long Term Ground Lease

9

# Hilton Santa Clara



Address: 4949 Great America Parkway  
Lot Size: 3.927 acres  
Zoning: CP Commercial Park  
Encumbrances: Long Term Ground Lease

10

# Great America Theme Park



Address: 4701 Great America Parkway

Lot Size: 116 acres

Zoning: CT Thoroughfare Commercial

Encumbrances: Long Term Ground Lease

11



# Great America Theme Park Parking



Address: Great America Parkway, south of Santa Clara Hilton

Lot Size: 9.57 acres

Zoning: B Public/Quasi-Public

Encumbrances: Long Term Agreements with Cedar Fair/StadCo

12



# Martinson Child Development Center



Address: Great America Parkway, south of Santa Clara Hilton

Lot Size: 52,272 square feet

Zoning: PDMC Planned Development Master Community

Encumbrances: Lease with SCUSD

13



# Fairway Glen Leasehold



Land Ownership: City of Santa Clara

Address: 1600 Nantucket Circle

Lot Size: 9.95 acres

Zoning: PD Planned Development

Encumbrances: Long Term Lease

14



# Theme Park Main Parking Lot



Land Ownership: City of Santa Clara

Address: Tasman Drive

Lot Size: 39.38 acres

Zoning: B Public/Quasi-Public

## Oversight Board for Santa Clara Successor Agency

December 11, 2015

Item 5.B.

