Glendale Successor Agency

Long Range Property Management Plan

March 2014

Approved by the Department of Finance
on April 16, 2014

glendale
california

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Executive Summary

The Dissolution Act dissolved California redevelopment agencies and directed wind-down activities of such agencies. The dissolution and wind-down process includes a series of audits, reviews, and approvals addressing which obligations an agency is authorized to complete ("enforceable obligation"), how much funding may be used to meet the obligation, and the return of all unobligated agency funds to the affected taxing entities.

The Dissolution Act requires agencies to undergo two detailed Due Diligence Reviews (DDR) to determine unobligated fund balances available for transfer to the affected taxing entities. Upon an agency's completion of these requirements, the State Department of Finance (DOF) issues a Finding of Completion (FOC). Upon issuance of the FOC, an agency is required to submit a Long Range Property Management Plan (LRPMP) within six months to the DOF identifying the disposition and use of all remaining properties retained by the agency. Glendale received its FOC on May 15, 2013; submitted the LRPMP to DOF on October 3, 2013; on February 25, 2014 received from DOF requests for revisions; submitted the revised LRPMP to DOF on March 5, 2014; and on March 14, 2014 received from DOF additional requests for revisions. Upon approval by the Successor Agency, Oversight Board and DOF, the LRPMP governs and supersedes all other provisions relating to the disposition and use of the Agency's real property assets. The LRPMP must identify that agency properties will be used in one of the following ways:

1. Use Property to Fulfill Enforceable Obligation – Property retained in order to fulfill an existing enforceable obligation (e.g. Alex Theatre, Americana Parking Structure parcel). If the Agency plan directs the use of property revenue for any purpose other than to fulfill an enforceable obligation then revenues must be distributed as property tax to the taxing entities.

2. Retention of Property for a Governmental Use – Assets constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, and local agency administrative buildings.

3. Retention of Property for Future Development — retention of property for future development activities, funded from Agency's own funds and under its own auspices. The Agency must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their share of the base property tax for the value of property retained.

4. Sale of Property – Liquidation of property for any purpose other than to fulfill an enforceable obligation. Proceeds of sale shall be distributed as property tax to the taxing entities.

The LRPMP must include the following information:

1. Inventory of all properties indicating proposed use or sale of each property;
2. Date acquired and intended purpose;
3. Value at acquisition and estimated current value;
4. Parcel data (address, lot size, current zoning);
5. Estimate of revenue generated by property;
6. History of environmental contamination;
7. Description of transit-oriented development potential and advancement of planning objectives; and
8. Brief history of previous development proposal/activity.

Health and Safety Code Section 34191.5 calls for a separate fund to be set up to serve as a repository of the former Agency's real properties; this fund is known as the Community Redevelopment Property Trust Fund (CRPTF). This fund was created subsequent to OB approval of the LRPMP on October 2, 2013.

The Glendale Successor Agency's LRPMP indicates that the Agency's ten real estate properties will be addressed in the following manner: three will be retained to fulfill an enforceable obligation, two will be retained for future development, two will be transferred to the City of Glendale as government use properties and three will be sold.

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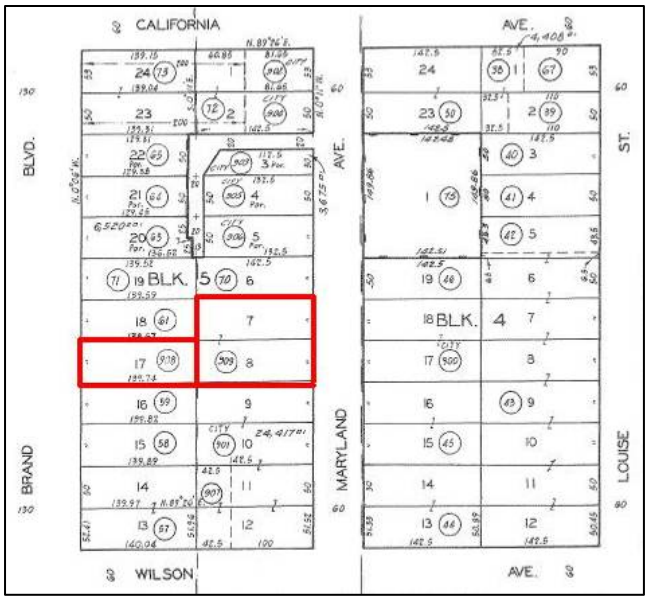
Permissible Use Category:

Retain for Future Development

1) 216 N. Brand – Alex Theatre



Summary

The Alex Theatre was constructed in 1925 and opened as a Vaudeville and motion picture house. Over time, the Theatre became underutilized and neglected. In 1992, the Agency purchased the Theatre to restore it to its original glamour and to revitalize it as a historic resource and regional performing arts center. The Theatre was designated as a historic resource on the National and Local registers in 1996 and 1997 respectively.

Since then, the Agency has implemented numerous capital improvement projects and provided support for this historic building to ensure that it remains a premier performing arts theatre and regional destination in the downtown area. In 2007, the Agency approved a long-term capital improvement program for the Theatre. The purpose of this effort was to bring the building up to the best standard/condition possible and begin a scheduled maintenance program by the theatre's non-profit operator (Glendale Arts) to instill best practices and avoid the theatre falling into significant disrepair.

In 2008, the Agency transferred day-to-day management of the Theatre to Glendale Arts (a non-profit organization), while still retaining ownership. A Lease and Management Agreement were entered into, which outline the obligations and responsibilities of both the Agency and Glendale Arts. The Lease stipulates completion by the Agency of the 2007 capital improvement projects list. The Management Agreement stipulates the terms by which Glendale Arts will manage and program the theatre including the provision of a Management Fee of $415,000 per year to be paid by the Agency.

The Glendale Arts Board anticipates that the capital improvement projects will result in an increase in bookings for the Alex Theatre, which will lead to an increase in revenue and attendance securing long-term viability of the Theatre. The estimated current value of the property reflects the outstanding capital improvement and management fee obligations. This property will be retained for future development with the intent to enter into compensation agreements with the taxing entities.

Land Use

***Property Type**:* Public Building
***Permissible Use**:* Retain for future Development

Property Information

APN: 5642-016-908,-909
Zoning: Civic Centers
***Lot Size**:* 21,237 sq. ft.

***Permissible Use Detail**:* Intent to enter into compensation agreements with taxing entities

Acquisition & Valuation

***Acquisition Date**:* 1992
***Value at time of purchase**:* $650K
***Estimated current value**:* $4M
Value Basis: Market
Date of estimated current value: 2012
***Proposed sale value**:* N/A
***Proposed sale date**:* N/A

Purpose for which property acquired: Cultural facility, performing arts center, preserve historic status
***Estimate of current parcel value**:* $4M
***Estimate of income/revenue**:* $0
***Contractual requirements for use of income/revenue**:* Maintain required minimum balances in the General Reserve, Capital Reserve, and Programming Reserve

History of Environmental Contamination

No.

TOD Potential

The site is located in the heart of downtown near major retail and employment areas on a major thoroughfare serviced by numerous bus lines.

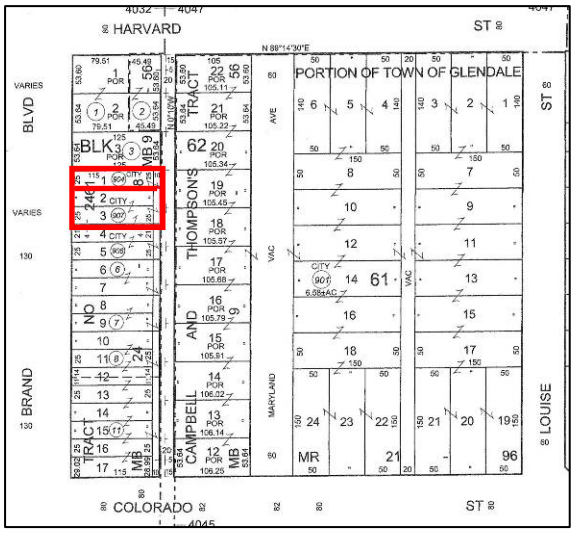
Advancement of Planning Objectives

The Alex Theatre is a regionally recognized icon and historic resource; it acts as the northern anchor for the City's Art & Entertainment (A&E) District. The A&E District is a two-block district including the Exchange and Marketplace, anchored at either end by civic and cultural venues - the Alex Theatre to the north and the Central Library and future Museum of Neon Art (MONA) to the south. The Theatre is also a major economic driver for downtown business and its success is tied to local vibrancy and business success.

Previous Development Proposals/Activity

The property has been used as a performing arts theatre and feature film house continuously since 1925. Since the 1990s, the site has undergone preservation and earthquake renovation efforts. Glendale Arts currently leases the Theatre pursuant to a lease and management agreement that pays the non-profit $415,000 annually to manage the Theatre for the Agency.

2) 212 & 216 S. Brand – MONA



Summary

In March 2011, the Redevelopment Agency entered into a 15-year lease agreement with the Museum of Neon Art (MONA); the lease includes three 5-year options for continued occupancy totaling 30 years. The agreement consists of the renovation and reuse of the two Agency-owned buildings located at 212 and 216 South Brand Boulevard. After renovation, the properties would remain under the ownership of the Agency and be leased to MONA for the exhibition of the museum's neon sign collection, contemporary art works in electric and kinetic media, and photography that document neon, and other ancillary uses.

MONA is obligated to install the necessary interior improvements to operate the premises as a museum, maintain the premises' non-structural elements and the museum's signage at its own cost and expense, and most importantly to implement special community programs such as tours, classes and film series.

Pursuant to the Lease, the Agency as landlord is obligated to maintain and repair the structural elements of the premises, and to renovate the building to complete structural upgrades, physically integrate the two buildings to create a single space, and complete exterior façade improvements.

With the Project's location anchoring the south end of the "Downtown Art & Entertainment District," and at the mid-point pedestrian passage, the Project site is an important "keystone" property appropriate for unique and memorable architecture and landscape. Openings onto the passageway are strategically located to enhance activation of the passageway. The building's design team has worked closely with the passageway design team to ensure that the proposed building improvements are harmonious, compatible and complementary to the passageway's design. This property will be retained for future development with the intent to enter into compensation agreements wit h the taxing entities.

Land Use
Property Type: Commercial
Permissible Use: Retain for future development

Property Information
APN*:* 5642-013-902, -904
Zoning: DSP - Maryland
Lot Size*:* 6,250 & 3,750 sq. ft.

Permissible Use Detail: Intent to enter into compensation agreements with taxing entities

Acquisition & Valuation
Acquisition Date*:* 2002 & 2010
Value at time of purchase: 1.4M & $1M
Estimated current value: $750K
Value Basis*:* Market
Date of estimated current value*:* 2013
Proposed sale value: N/A
Proposed sale date*:* N/A
Purpose for which property acquired: Blight removal, pedestrian paseo
Estimate of current parcel value*:* $750K
Estimate of income/revenue*:* Years 1-2 $0; Years 3-5 $2,500/mo.; Years 6-10 $5,000/mo.; Years 11-15 $7,500/mo.; option term 50% fair market rent
Contractual requirements for use of income/revenue: Agency as landlord holds maintenance and operations obligations under sections: 6 - Landlord's Work; 12(b) - Structural Element Maintenance; 13(b) Indemnity; and 40(h) Representations and Warranties

History of Environmental Contamination
No environmental contamination.

TOD Potential
The site is located in the heart of downtown near major retail and employment areas on a major thoroughfare serviced by numerous bus lines.

Advancement of Planning Objectives
This project is an integral part of the 2009 Master Plan (MP) for the Civic Complex (Central Library & Park, Adult Recreation Center), the Greater Downtown Strategic Plan and Downtown Specific Plan (DSP). It implements the MP by activating the pedestrian walkways and paseos in the Civic Complex with a vibrant, interesting use. The project is also important to the Art & Entertainment District of the DSP by acting as the southern anchor of the two-block district including the Exchange and Marketplace; the District is anchored at either end by civic and cultural venues - the Alex Theatre to the north and the Central Library and future Museum of Neon Art (MONA) to the south.

Previous Development Proposals/Activity

A majority of the property was initially acquired for elimination of blight and redevelopment purposes and to implement the Greater Downtown Strategic Plan. The balance of the site assembly was completed and the parcels entitled for the MONA

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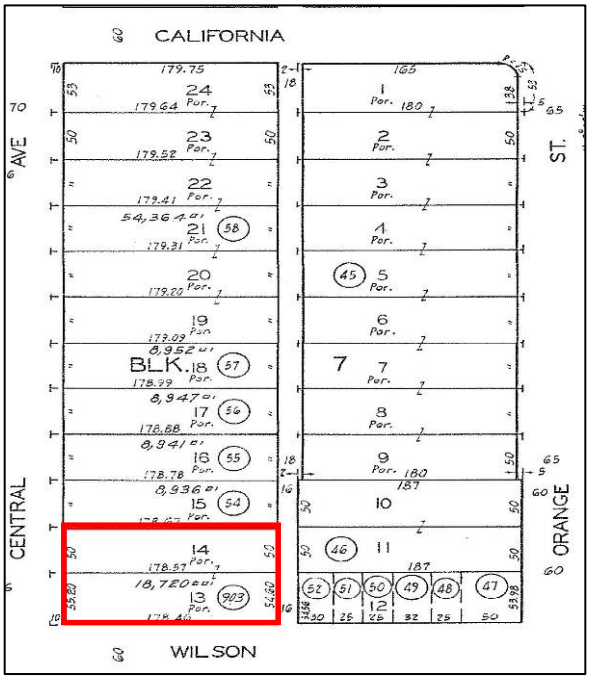
Permissible Use Category:

Fulfill Enforceable Obligation

3) 225 W. Wilson – Komar/Courtyard Marriot



Summary

The Komar/Courtyard Marriot site is currently improved as a Successor Agency-owned public parking lot. In 2008, the Agency entered into an exclusive negotiating agreement with Komar Investments to develop the site with a business-class hotel. The hotel development would implement the Agency's Redevelopment Plan by replacing the underutilized site with a new tourist amenity that would increase employment through additional jobs and private investment. The project entitlement and business agreements have been approved.

The Agency entered into a Disposition and Development Agreement with the developer in March 2011 for the development of the hotel via a ground lease with an option to purchase the property. To better implement the objectives of the Dissolution Act, the Agreement was amended to include direct sale of the property to the developer with the developer being responsible for all development costs. The amended Agreement was approved by the Glendale Oversight Board on May 1, 2013 (OB Resolution #23) and approved by the Department of Finance by letter dated June 14, 2013.

In accordance with HSC 34191.5(c)(2)(B), the proceeds from the sale shall be distributed as property tax to the taxing entities.

Land Use
***Property Type**:* Parking lot
***Permissible Use**:* Fulfill Enforceable Obligation
Permissible Use Detail: Planned hotel development

Property Information
APN: 5642-015-903

Zoning: DSP – Orange/Central
Lot Size: 18,720 sq. ft.

Acquisition & Valuation
***Acquisition Date**:* 1986
Value at time of purchase: $1.01M
***Estimated current value**:* $3.37M
***Value Basis**:* Appraised
***Date of estimated current value**:* 2013
***Proposed sale value**:* $3.37M
***Proposed sale date**:* 2014
***Purpose for which property acquired**:* Blight removal/future development
***Estimate of current parcel value**:* $3.37M
***Estimate of income/revenue**:* $16,000/yr
***Contractual requirements for use of income/revenue**:* Maintenance and collection of parking meters

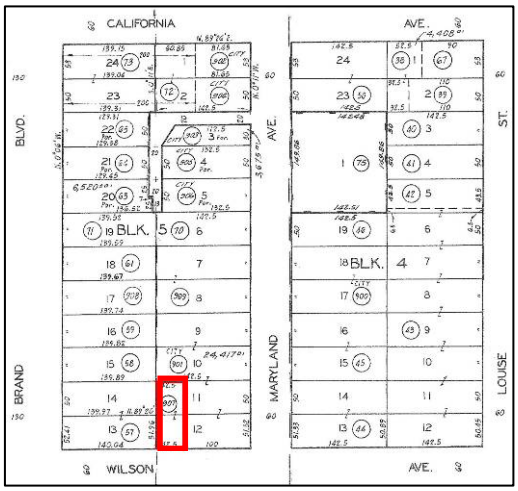
History of Environmental Contamination
None.

TOD Potential
The site is located in the heart of downtown near major retail and employment areas on a major thoroughfare serviced by numerous bus lines.

Advancement of Planning Objectives
The project implements the objectives of the Greater Downtown Strategic Plan, the Agency's 2010-2014 Implementation Plan to provide hospitality amenities and services to Glendale visitors and tourists and the Downtown Specific Plan.

Previous Development Proposals/Activity
The site was developed as temporary surface parking lot. It has been planned for hotel development since 2008.

4) 111 E. Wilson – Panda Restaurant



Summary

The site is improved with a 3,825 square foot Agency-owned retail building that is leased to the Panda Inn restaurant. The two adjacent lots to the east are owned by the City of Glendale. Together the three lots have long been considered a key development site given their proximity to the Alex Theatre and location at the Maryland/Wilson Avenue jog (increasing its visibility as an anchor to The Exchange). As part of the implementation of the Art & Entertainment (A&E) District, the site was planned for development with a 5-screen Laemmle Theater, 10,000 SF of ground floor retail space, and 42 apartment units. With these uses, the project would represent an ideal northern anchor and draw for the A&E District. The A&E District is a two-block district including the Exchange and Marketplace, anchored at either end by civic and cultural venues - the Alex Theatre to the north and the Central Library and future Museum of Neon Art (MONA) to the south.

The Agency began working with a developer in late 2010 to realize the plans for this site and in March 2011, entered into a Disposition and Development Agreement with the developer which included ownership conveyance of the site at no cost, and a contribution of $1.5M towards project fees, offsite improvements, and site preparation. The Agency simultaneously entered into a Cooperation Agreement with the City for conveyance of the City property. Relying on the urban nature of the project and proximity to employment centers, the project did not include on-site parking opting for off-site parking of all residents in an adjacent public parking garage.

Sensing the area may not yet be ready for such an urban and transit-reliant project, the Agency sought to include one parking space per unit on site by adding one level of subterranean parking. This increased the cost of the project by $2.2M which the developer agreed to split with the Agency. An amendment spelling out this change was conditionally approved by the Successor Agency and the Oversight Board . The approval was subject to the Agency entering into a tax sharing agreement with the other represented taxing entities. Although the tax sharing agreement was successfully executed, the DOF denied the amendment as not meeting the test for reducing liability. Therefore, the original enforceable project is being presented. Increased costs, if any, will be absorbed by the developer or City.

Land Use
***Property Type**:* Commercial
***Permissible Use**:* Fulfill enforceable obligation
***Permissible Use Detail**:* Original DDA entered into in March 2011

Property Information
***APN**:* 5642-016-907
Zoning: DSP - Maryland
Lot Size: 4,312 sq. ft.

Acquisition & Valuation
***Acquisition Date**:* 1982
Value at time of purchase: $352K
***Estimated current value**:* $1.033M
***Value Basis**:* Market
Date of estimated current value: 2011
Proposed sale value: $0
***Proposed sale date**:* 2014

Purpose for which property acquired: Blight elimination/future development
Estimate of current parcel value: $1.033M
Estimate of income/revenue: $82K/yr
***Contractual requirements for use of income/revenue**:* None

History of Environmental Contamination
Phase II completed in 2011. Nothing exceeded regulatory thresholds, therefore no additional testing was recommended.

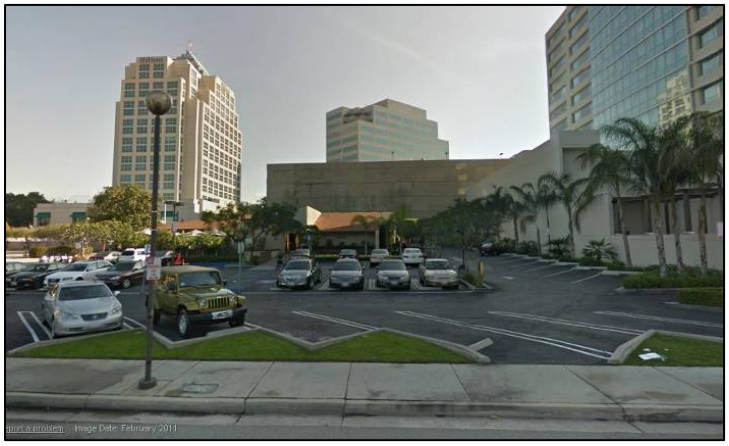
TOD Potential
The site is located in the heart of downtown near major retail and employment areas on a major thoroughfare serviced by numerous bus lines. Inclusion of residents living in close proximity to employment centers is a goal of Glendale's Downtown Specific Plan. The project includes the provision of bicycle lockers for residents and participation in a "shared car" program with other downtown development projects. The shared car concept allows residents to borrow a car when called for, reducing the need to own an automobile.

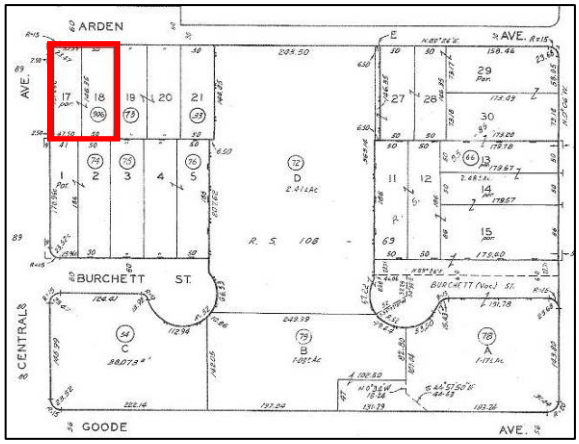
Advancement of Planning Objectives
This is a key development site within the Art & Entertainment District, a cornerstone property on the Maryland "jog," and will compliment the Alex Theatre.

Previous Development Proposals/Activity

None. The property has been leased to the Panda Inn continuously since its acquisition by the Redevelopment Agency.

6) 820 N. Central Ave – Lot Adjacent to Conrads Restaurant





Summary

The Agency obtained this lot in 1988 as part of a site assembly for future development with a larger site to the south; the subject parcel is adjacent to Conrads, a coffee shop-type restaurant. In the interim before development, the Agency improved the larger adjacent site as a public parking lot with landscaping. The subject site was also improved as a parking lot and in 1988 leased to the owners of the Conrads restaurant to be combined with privately owned property as parking for the restaurant .

Throughout the years, various proposals were made to acquire the remaining adjacent properties (which made up the Conrads Restaurant site) and improve the entire block with a first-class hotel. Following prolonged negotiations to acquire the Conrads property, the Agency and property owner were unable to come to terms and the larger site hotel proposal was abandoned for a smaller, business-class Embassy Suites Hotel to be built on the property the Agency owned to the south of the subject site. As part of an arrangement to avoid litigation on project entitlement, the Agency and Conrads property owner entered into an agreement in 2002 whereby the Agency would continue to allow Conrads use of the subject property through development of the Embassy Suites Hotel and following completion, the site would be sold to the Conrads owner at fair market value; the Agency and property owner entered into a subsequent agreement in 2005 to abate rent during construction. Upon approval of the Long Range Property Management Plan, the property will be sold to the Conrads property owner per the terms of the agreement.

In accordance with HSC 34191.5(c)(2)(B), the proceeds from the sale shall be distributed as property tax to the taxing entities.

Land Use
Property Type: Parking Lot
Permissible Use: Fulfill Enforceable Obligation

Property Information
APN: 5644-003-906
Zoning*:* DSP – Gateway
Lot Size*:* 14,218 sq. ft.
Permissible Use Detail: Enforceable Obligation (MOU) requires sale of property to adjacent owner (Conrads)

Acquisition & Valuation
Acquisition Date*:* 1988
Value at time of purchase*:* $892,770
Estimated current value*:* $1.2M
Value Basis*:* Appraisal
Date of estimated current value*:* 2012
Proposed sale value*:* $1.2M
Proposed sale date*: 2014*
Purpose for which property acquired*:* Blight elimination/future development
Estimate of current parcel value*:* $1.2M
Estimate of income/revenue*:* $44,000/year
Contractual requirements for use of income/revenue*:* None

History of Environmental Contamination
The site was occupied by a gas station in the early 1970s. Permits for tank removal were issued. However, extensive soil sampling was not a requirement at that time so no testing or cleanup was conducted.

TOD Potential
The site is located in the heart of downtown near major retail and employment areas at the intersection of two major thoroughfares and is serviced by numerous bus lines.

Advancement of Planning Objectives
Use of the property as parking allows code-required parking for the restaurant use to be maintained. By maintaining the use, the property maintains its conformity to the Glendale Municipal Code's requirement for parking (parking code) and parking impacts to surrounding properties are mitigated.

Previous Development Proposals/Activity
None. The site has been leased as a parking lot to Conrad's since the 1980s. The property was envisioned as part of a first-class hotel project that would involve the development of three sites, but a proposal never materialized. The Agency was unable to complete the site acquisition for the third site and abandoned the larger project in favor of a smaller hotel development that did not require the subject parcel. That project has been completed and is currently occupied with a business-class Embassy Suites Hotel.

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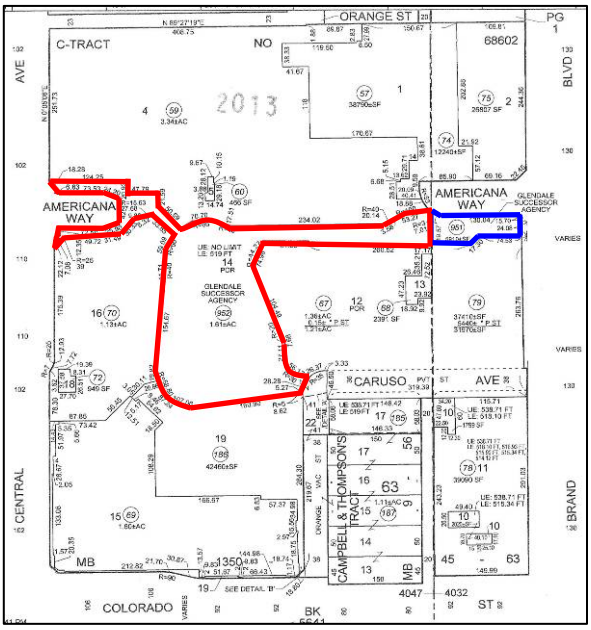
Permissible Use Category:

Government Use

7) Americana Open Space



Summary

The Americana Open space site is composed of two parcels, providing approximately three-acres of publicly accessible recreational open space in an urban park format within the Americana at Brand mixed-use development project. The site is bound by several covenants to ensure public enjoyment, policing, and access to the public right-of-way.

The park has created a central gathering place for the community which has been further highlighted by a number of special and recurring events including free concerts, holiday ceremonies, and recreational activities. The adjacent property owner is responsible to maintain and program the space for community enjoyment; however, the property's use as a public park is secured by several zoning regulations and agreements including the Town Center Specific Plan and the Declaration and Reciprocal Use Agreements. These agreements were entered into by the Redevelopment Agency and the adjacent property owner and run in perpetuity. The security of public access is further bolstered by the fact that a portion of the park was acquired and developed using tax exempt bond proceeds. To use the park for anything other than public use would violate the federal tax laws regulating the use of the bond proceeds.

Health & Safety Code Section 34181.a provides for parks, among other uses, to be characterized as Government Use.

Land Use
Property Type: Park
Permissible Use: Governmental Use
Permissible Use Detail: Urban Park/Open Space subject to Reciprocal Easement Agreement with developer

Property Information
APN: 5642-014-950, -951
Zoning: TCSP
Lot Size: 76,041 sq. ft.

Acquisition & Valuation
***Acquisition Date*:** 1979-2006
Value at time of purchase: $13.4M
Estimated current value: $0
Value Basis: Market
Date of estimated current value: 2013
Proposed sale value: N/A
Proposed sale date: N/A
Purpose for which property acquired: Open space
Estimate of current parcel value: $0
Estimate of income/revenue: $0
Contractual requirements for use of income/revenue: No

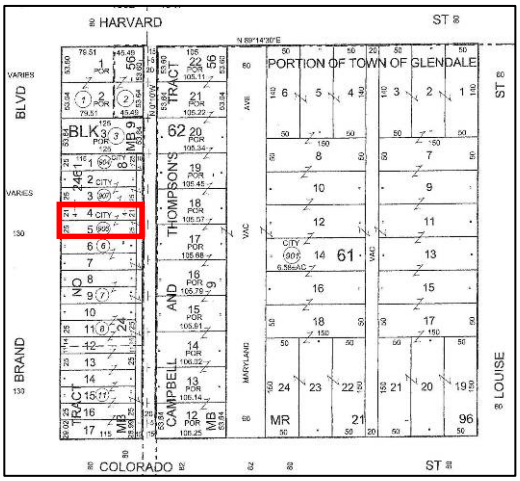
History of Environmental Contamination
No environmental contamination on the Americana open space is currently known; however, there was contamination detected on the adjacent site and it was remediated during construction. The Agency as owner of the Americana open space, and the adjacent Americana at Brand property share an insurance policy to cover risk of known and yet to be k known environmental contamination.

TOD Potential
The site is located in the heart of downtown near major retail and employment areas on a major thoroughfare serviced by numerous bus lines.

Advancement of Planning Objectives
The continued operation of the current use as an urban park accessible to the public carries out the long-term community objectives of the Greater Downtown Strategic Plan, the Redevelopment Agency's 2010-2014 Implementation Plan, the Downtown Specific Plan and the Town Center Specific Plan.

Previous Development Proposals/Activity
Open space subject to Reciprocal Easement Agreement with the developer.

8) 218-222 S. Brand – Paseo



Summary

The Paseo parcel is to be used as pedestrian access connecting Brand Boulevard (a major arterial) to the civic complex containing the Central Library, Central Park, and the Adult Recreation Center, and is to be dedicated as a formal right-of-way. This dedication is required in order to fulfill the enforceable obligation of the adjacent MONA ground lease that allows the museum to open onto the Paseo. The Paseo must be a public right-of-way in order for adjacent buildings to open onto it in compliance with the Building Code.

In March 2011, the Agency approved the schematic design for a pedestrian paseo and improvements to the alley and parking lot between the project site and Central Park. The Paseo has been designed as a signature urban park with landscaping, a water feature, neon sign features, and a flexible programming area. The adjacent alley and parking lot will be reconstructed and consolidated into a cohesive two-way circulation system allowing for the expansion of Central Park and a direct connection to Brand Boulevard. The Paseo design is carefully planned and designed to work cohesively with the design elements of the MONA building and the adjacent alley and parking lot improvement.

Land Use
***Property Type**:* Walkway
***Permissible Use**:* Governmental Use
***Permissible Use Detail**:* Pedestrian paseo

Property Information
***APN**:* 5642-013-903
Zoning: DSP - Maryland
***Lot Size**:* 6,250 sq. ft.

Acquisition & Valuation
***Acquisition Date**:* 2002
***Value at time of purchase**:* $1.4M
***Estimated current value**:* $0
***Value Basis**:* Market
***Date of estimated current value**:* 2013
Proposed sale value: N/A
***Proposed sale date**:* N/A
***Purpose for which property acquired**:* For development as a pedestrian paseo
***Estimate of current parcel value**:* $0
***Estimate of income/revenue**:* None
***Contractual requirements for use of income/revenue**:* No

History of Environmental Contamination
No environmental contamination.

TOD Potential
The site is located in the heart of downtown near major retail and employment areas on a major thoroughfare serviced by numerous bus lines. It provides for pedestrian access from the thoroughfare and bus lines to the civic complex made up of the Central Library, Central Park and the Adult Recreation Center.

Advancement of Planning Objectives
The Paseo has been planned for 20 years, commencing with the Greater Downtown Strategic Plan and meets the objective of connecting commercial and civic uses through pedestrian walkways and paseos. The project to improve the right-of-way implements a master plan for the civic complex making up the Central Library, Central Park and Adult Recreation Center approved by the City Council in 2009.

Previous Development Proposals/Activity
A majority of the property was initially acquired for elimination of blight and redevelopment purposes and to implement the Greater Downtown Strategic Plan. The balance of the site assembly was completed and the parcels entitled for the Paseo project.

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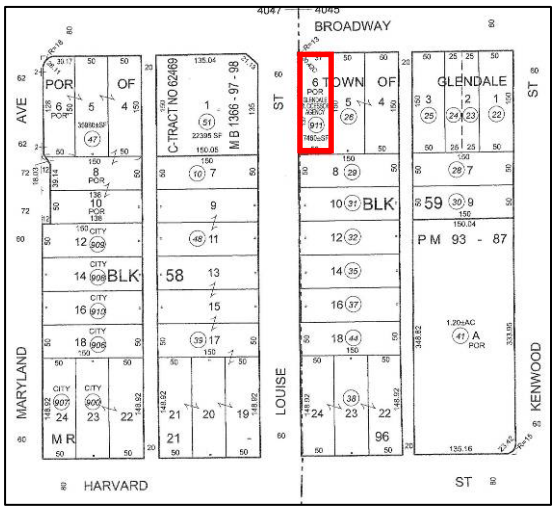
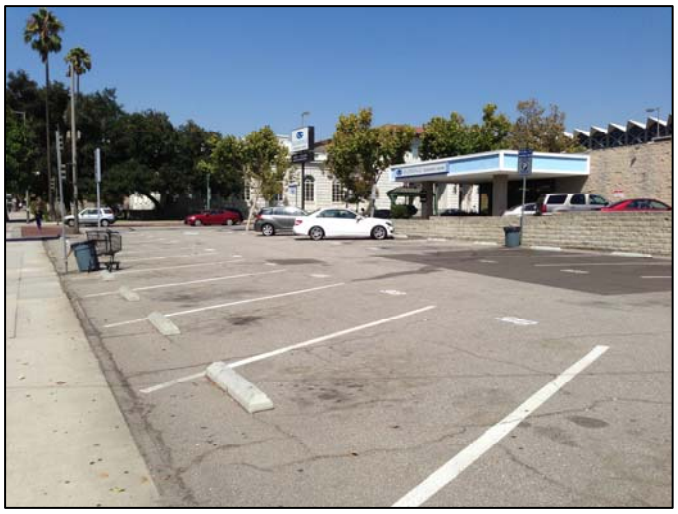
Permissible Use Category:

Sale

9) 300 E. Broadway – Parking lot





Summary

This site is a small remnant piece of the former Department of Public and Social Services (DPSS), an agency of the County of Los Angeles. The site was used as a parking lot for government employees until its acquisition by the Redevelopment Agency in 2001; the use as a surface parking lot has remained unchanged. The property is directly across the street from the United States Post Office located on Broadway and serves the needs of postal patrons visiting the main branch. The property is adjacent to older government and commercial buildings that pre-date parking codes and rely on the availability of public parking to meet parking demand.

In accordance with HSC 34191.5(c)(2)(B), the proceeds from the sale shall be distributed as property tax to the taxing entities.

Land Use
***Property Type**:* Parking lot
***Permissible Use**:* Sale of property
Permissible Use Detail:

Property Information
APN: 5642-004-911
Zoning: DSP – East Broadway
Lot Size: 7,500 sq. ft.

Acquisition & Valuation
***Acquisition Date**:* 2001
***Value at time of purchase**:* $525K
Estimated current value: $750,000
***Value Basis**:* Market
***Date of estimated current value**:* 2014
Proposed sale value: $750,000
Proposed sale date: 2014
***Purpose for which property acquired**:* Blight elimination/future development
***Estimate of current parcel value**:* $750,000
***Estimate of income/revenue**:* $0
***Contractual requirements for use of income/revenue**:* Property maintenance and operations.

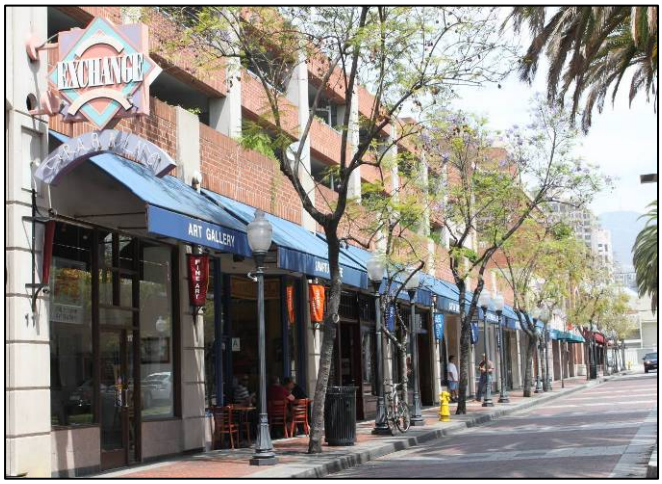
History of Environmental Contamination
No.

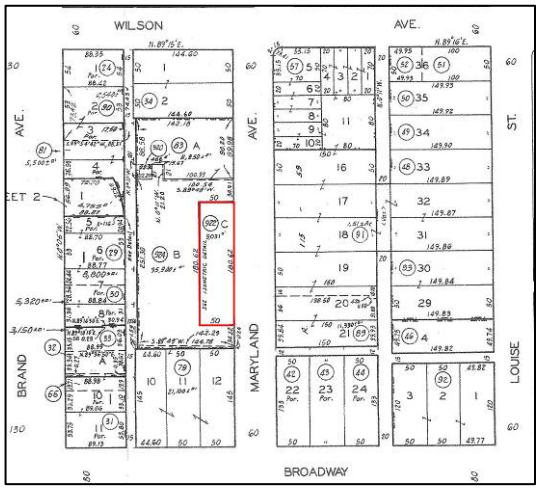
TOD Potential
The site is located in the heart of downtown near major retail and employment areas on a major thoroughfare serviced by numerous bus lines.

Advancement of Planning Objectives
The lot continues to serve the parking needs for government and adjacent uses whose development pre-date the establishment of parking codes and do not provide adequate on-site parking.

Previous Development Proposals/Activity
None. The site has been continuously used as a parking lot for several decades.

10) 117-131 N. Maryland – Maryland Exchange Commercial Building





Summary

The Exchange is a two-block mixed-use urban retail, restaurant, and entertainment venue. Developed in the early 1990s, the Exchange involved the rehabilitation of numerous mixed-use and retail buildings, construction of new buildings, and the construction of a public parking structure with 675 spaces linked by landscaped plazas and pedestrian walkways. The public parking structure was developed to include 8,300 square feet of store-front commercial retail spaces along the street frontage. The commercial space was included as both an aesthetic means to shield the garage structure and to provide pedestrian interest and vibrancy. The commercial units were developed separately from the garage structure and are located on a separate parcel from the rest of the garage. When the project was originally envisioned, following completion of improvements the public parking structure was to be deeded back to the City and the retail component was to be owned and operated privately. The public parking structure was deeded to the City in 1992 per the terms of the agreement and the commercial units went into private ownership. Subsequently, the private owner defaulted on the agreement and the Agency took back ownership of the commercial parcel as part of a bankruptcy settlement. The Agency currently owns and manages the retail space located within the Exchange parking structure.

In accordance with HSC 34191.5(c)(2)(B), the proceeds from the sale shall be distributed as property tax to the taxing entities.

Note: This property was excluded from the approved DDR in error.

Land Use
Property Type: Commercial
Permissible Use: Sale of property
Permissible Use Detail: Leases of varying lengths

Property Information
APN: 5642-005-922
Zoning: DSP - Maryland
Lot Size: 9,031 sq. ft.

Acquisition & Valuation
Acquisition Date: 1980s
Value at time of purchase: $211,751 (based on book value of land only)
Estimated current value: $1.49M
Value Basis: Book
Date of estimated current value: 2013
Proposed sale value: $1.49M
Proposed sale date: 2014
Purpose for which property acquired: Retail in parking garage
Estimate of current parcel value: $1.49M
Estimate of income/revenue: $90,000/yr
Contractual requirements for use of income/revenue: Maintenance/operations

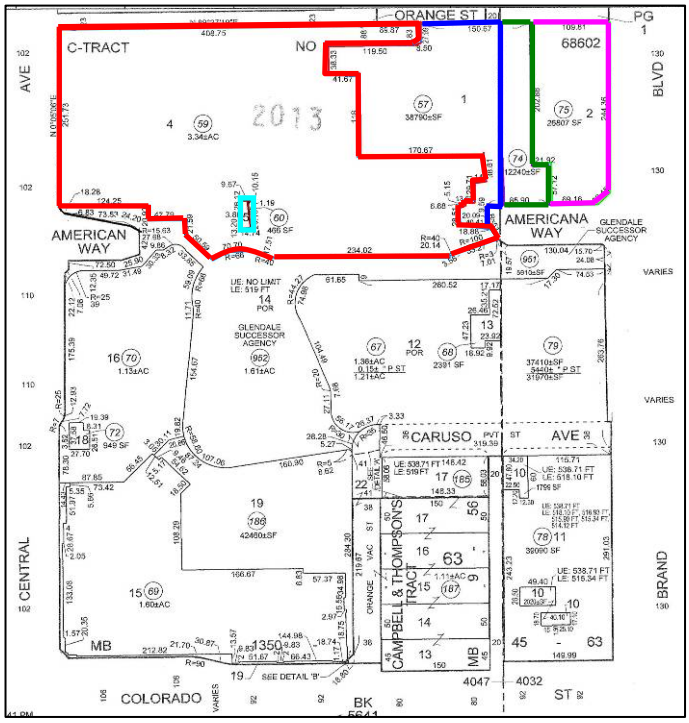
History of Environmental Contamination
No.

TOD Potential
The site is located in the heart of downtown near major retail and employment areas on a major thoroughfare serviced by numerous bus lines.

Advancement of Planning Objectives
Continued operation of the current use is recommended to carry out long-term community objectives outlined in the Greater Downtown Strategic Plan, the Agency's 2010-2014 Implementation Plan and the Downtown Specific Plan (Art & Entertainment District). Maintaining and operating the substandard units supports vibrancy in this area, which is critical to the long-term success of the DSP Art & Entertainment District and surrounding uses.

Previous Development Proposals/Activity
The property is part of a larger retail oriented project developed in partnership by multiple property owners and the Redevelopment Agency.

5) Americana Parking Structure Parcel – Fee Interest in Land Only



Summary

The Americana Parking Structure Parcel is composed of 5 parcels adjacent to the Americana Open Space site which is also owned by the Agency. The Parcel is improved with a 2,700-space parking garage (112 spaces reserved for residents) which improvements are privately owned by the developer. The parking structure was developed to serve the parking needs of the public open space, the Americana development, and neighboring businesses in the community who rely on the structure to meet their code-required and practical parking demand.

The Parking Structure Parcel is the subject of a long-term ground lease between the Agency and the developer; the rent is $1.00 per year in recognition of the developer's requirement to build the improvements, maintain and make them available for customers and users of the public open space over an extended period of time.

The initial agreements contemplated that the parking would be free to users. A provision was added to the ground lease that should parking ever be fee-based, the Agency and developer would split net proceeds of the garage operation. This is after deducting for a set-list of costs associated with the operation of the garage. At this time, there is an approved fee structure for parking in the garage.

In accordance with HSC 34191.5(c)(2)(B), the proceeds from the sale shall be distributed as property tax to the taxing entities.

Land Use

Property Type: Parking Structure
Permissible Use: Sale of property
Permissible Use Detail: Subject to 55-year ground lease agreement with 4 - 10-year options; tied to contracts and revenue sharing agreements.

Property Information

APN: 5642-014-057, -059, -060, -074, -075
Zoning: TCSP
Lot Size: 221,793 sq. ft.

Acquisition & Valuation

Acquisition Date: 1979-2006
Value at time of purchase: $18M
Estimated current value: $1.25M
Value Basis: Market
Date of estimated current value: 2013
Proposed sale value: Reasonable value
Proposed sale date: Expeditiously
Purpose for which property acquired: Parking garage

Estimate of current parcel value: $1.25M
Estimate of income/revenue: Percentage rent of 50% of net revenue if charging for parking; dependent on performance
Contractual requirements for use of income/revenue: None

History of Environmental Contamination

No environmental contamination detected during construction of the site; the site is subject to a shared insurance policy between the Redevelopment Agency and developer. Environmental contamination was discovered in an area just adjacent to the subject parcel. It was remediated with construction and cleared by the appropriate authorities.

TOD Potential

The site is located in the heart of downtown near major retail and employment areas on a major thoroughfare serviced by numerous bus lines.

Advancement of Planning Objectives

Continued operation of the current use is recommended to carry out long-term community objectives of the Greater Downtown Strategic Plan, the Agency's 2010-2014 Implementation Plan, the Downtown Specific Plan, the Town Center Specific Plan and community objectives for the Americana at Brand project. The required parking for all the commercial and public uses within the project are dependent on the availability of the parking structure located on the property. To ensure its availability and implement the various agreements controlling the use of the property, it should remain in public ownership.

Previous Development Proposals/Activity

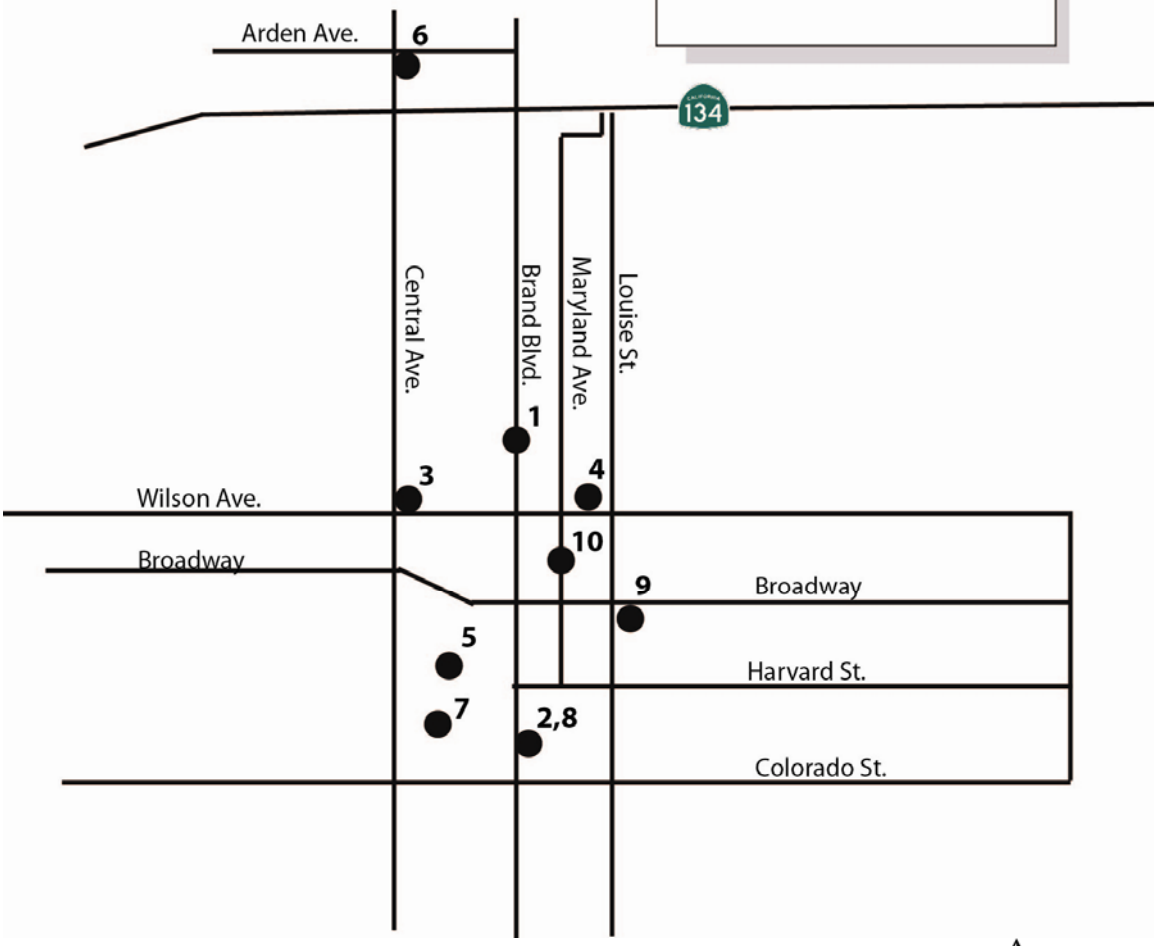
Subject to 95-year ground lease agreement (55-year term with four 10-year options).

LRPMP PROPERTIES LOCATION MAP

FULFILL ENFORCEABLE OBLIGATION
1) 216 N. Brand - Alex Theatre
2) 212 & 216 S. Brand - MONA
3) 225 W. Wilson - Komar/Marriot
4) 111 E. Wilson - Panda Restaurant
5) Americana Parking Structure
6) 820 N. Central - Parking lot

GOVERNMENT USE
7) Americana Open Space
8) 218-222 S. Brand - Paseo

SALE
9) 300 E. Broadway - Parking lot
10) 117-131 N. Maryland



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