

## PUBLIC NOTICE

### PROPOSED APPROVAL OF THE LONG-RANGE PROPERTY MANAGEMENT PLAN PREPARED BY THE SUCCESSOR AGENCY TO THE OVERSIGHT BOARD OF THE SCOTTS VALLEY REDEVELOPMENT AGENCY PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34191.5

**NOTICE IS HEREBY GIVEN** that on September 11, 2013, at 4:00 pm, or as soon thereafter as possible, at the Scotts Valley City Council Chambers, 1 Civic Center Drive, the Oversight Board of the Successor Agency to the Scotts Valley Redevelopment Agency will hold a public meeting to consider the adoption of the resolution set forth below. The proposed resolution (i) approves the Long-Range Property Management Plan (LRPMP) prepared by the Successor Agency pursuant to Health and Safety Code Section 34191.5, (ii) finds that the approval of the LRPMP is not a project pursuant to the California Environmental Quality Act, and (iii) directs the transmittal of the resolution and the LRPMP to the California Department of Finance. A copy of Oversight Board Resolution No. OB-14 can be viewed on the website of the Successor Agency of the Scotts Valley Redevelopment Agency at:

[www.scottsvalley.org/council/SV\\_RDA\\_SuccessorAgency/PublicNoticeforLRPMP](http://www.scottsvalley.org/council/SV_RDA_SuccessorAgency/PublicNoticeforLRPMP)

All interested persons are invited to appear at the time and place specified above to give testimony regarding the proposed resolution and the LRPMP. Further information may be obtained by contacting Stephen Ando at 1 Civic Center Drive, Scotts Valley, or by telephone at 831.440.5600, or by email at [sando@scottsvalley.org](mailto:sando@scottsvalley.org).



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Tracy A. Ferrara, Secretary

**RESOLUTION NO. OB-14**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY APPROVING THE LONG-RANGE PROPERTY MANAGEMENT PLAN PREPARED BY THE SUCCESSOR AGENCY PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5, DETERMINING THAT APPROVAL OF THE LONG-RANGE PROPERTY MANAGEMENT PLAN IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH**

**RECITALS:**

A. Pursuant to Health and Safety Code Section 34175(b) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.* (53 Cal.4th 231(2011)), on February 1, 2012, all assets, properties, contracts, leases, books and records, buildings, and equipment of the former Scotts Valley Redevelopment Agency (the "Agency") transferred to the control of the Successor Agency to the Agency (the "Successor Agency") by operation of law.

B. Pursuant to Health and Safety Code Section 34191.5(b), the Successor Agency must prepare a long-range property management plan which addresses the disposition and use of the real properties of the former Agency, and which must be submitted to the Oversight Board of the Successor Agency (the "Oversight Board") and the Department of Finance (the "DOF") for approval no later than six months following the issuance by DOF to the Successor Agency of a finding of completion pursuant to Health and Safety Code Section 34179.7.

C. Pursuant to Health and Safety Code Section 34179.7, DOF issued a finding of completion to the Successor Agency on April 3, 2013.

D. The Successor Agency has prepared and submitted to the Oversight Board the long-range property management plan attached hereto as Exhibit A (the "LRPMP"), which LRPMP addresses the disposition and use of the real properties of the former Agency and includes the information required pursuant to Health and Safety Code Section 34191.5(c).

E. Pursuant to Health and Safety Code Section 34180(j), at the same time the Successor Agency submitted the LRPMP to the Oversight Board, the Successor Agency submitted the LRPMP to the County Administrative Officer, the County Auditor-Controller, and DOF.

F. Pursuant to Health and Safety Code Section 34181(f), the public was provided notice of the date of the meeting at which the Oversight Board proposes to consider approval of the LRPMP.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SCOTTS VALLEY REDEVELOPMENT AGENCY HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

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

Section 2. This Resolution is adopted pursuant to Health and Safety Code Section 34191.5.

Section 3. The Oversight Board hereby approves the LRPMP as presented by the Successor Agency and attached hereto as Exhibit A.

Section 4. The staff of the Successor Agency is hereby directed to transmit to DOF this Resolution together with written notice and information regarding the action taken by this Resolution. Such notice to DOF shall be provided by electronic means and in a manner of DOF's choosing.

Section 5. The staff and the Board of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution and any such actions previously taken are hereby ratified.

Section 6. This Resolution has been reviewed with respect to the applicability of the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*) ("CEQA"). Pursuant to the State CEQA Guidelines (14 Cal Code Regs 15000 *et seq.*)(the "Guidelines"), the Oversight Board has determined that the approval of the LRPMP is not a project pursuant to CEQA and is exempt therefrom because it is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment (Guidelines Section 15378(b)(5)). Further, it can be seen with certainty that there is no possibility that approval of the LRPMP may have a significant effect on the environment, and thus the action is exempt from CEQA (Guidelines Section 15061(b)(3)). Staff of the Successor Agency is hereby directed to prepare and post a notice of exemption pursuant to Guidelines Section 15062.

**PASSED AND ADOPTED** this 11th day of September 2013.

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Dene Bustichi, Chair

ATTEST:

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Tracy Ferrara, Secretary

**EXHIBIT A**  
**Long-Range Property Management Plan**

# SCOTTS VALLEY REDEVELOPMENT SUCCESSOR AGENCY

## LONG RANGE PROPERTY MANAGEMENT PLAN



Successor Agency  
of the Scotts Valley  
Redevelopment Agency

### **Board of Directors**

Chair Randy Johnson

Vice-Chair Jim Reed

Board Member Stephany E. Aguilar

Board Member Dene Bustichi

Board Member Donna Lind

September 4, 2013

## TABLE OF CONTENTS

	<u>Page #</u>
Cover Memo.....	1
Property 1: Vacant Lot, Kings Village Road.....	3
Property 2: Vacant Lot, Mt. Hermon Road.....	4
Property 3: Vacant Lot, 260 Mt. Hermon Road.....	5
Property 4: City Park, 361 Kings Village Road.....	6
Property 5: Library, 251 Kings Village Road.....	7
Property 6: Vacant Lot, Erba Lane.....	8
Aerial Map of Properties 1, 2, 3, 4, 5.....	9
Aerial Map of Property 6.....	10

# Scotts Valley Redevelopment Successor Agency Long-Range Property Management Plan

This Long-Range Property Management Plan (the "Plan") has been prepared and will be processed by the Scotts Valley Redevelopment Successor Agency (the "Successor Agency") for the Redevelopment Agency of the City of Scotts Valley (the "Former Redevelopment Agency") in accordance with Health and Safety Code Section 34191.5.

The Former Redevelopment Agency was dissolved on February 1, 2012. The Successor Agency is now responsible for disposition of the Property in accordance with the procedures and requirements of ABx1 26 and AB 1484 (the "Redevelopment Dissolution Statutes"), the statutes that govern the dissolution of the Former Redevelopment Agency and the liquidation of its former property.

On April 3, 2013, the Successor Agency was issued its Notice of Completion. Therefore, the remaining actions needed for this Plan to become effective are the approvals of the Oversight Board and the State Department of Finance.

Attached is a separate page for each of the six properties discussed in this Plan. These pages include the information required by Health and Safety Code Section 34191.5. After each of these pages is a County Assessor's parcel map of the property. At the end of this Plan are aerial maps of the properties.

The properties include in this Plan are:

<u>Property #</u>	<u>Description</u>	<u>Location</u>
1	Vacant Land	Kings Village Road
2	Vacant Land	Mt. Hermon Road
3	Vacant Land	260 Mt. Hermon Road
4	Developed City Park	361 Kings Village Road
5	Library/Performing Arts Theater	251 Kings Village Road
6	Vacant Land	Erba Lane

Further background information for Properties 1, 2, and 3 is provided on the next page.

## Background Information Regarding Properties 1, 2, and 3:

These three properties are a part of what is known as the Scotts Valley Town Center Project (Project). The Project encompasses nine parcels totaling 15 acres of currently undeveloped land and was originally proposed in the Redevelopment Plan in 1991 and as part of the Skypark Specific Plan which was originally approved in September 1992. Earlier, the Town Center project area was known as Skypark. The Specific Plan was later amended in November 1994, November 1996, March 1998 and finally in November 2008 when it became the Scotts Valley Town Center Specific Plan.

The need for the preparation of a Specific Plan for Skypark was identified during the process of preparing the 1986 General Plan for the City of Scotts Valley. The General Plan emphasizes the need for a commercial development and housing within the city's commercial core area. The Skypark area was identified in the General Plan as a preferred commercial infill site.

The Project has had several developers analyze it over the years. However, a major step forward for this Project came in August of 2007 when the former Scotts Valley Redevelopment Agency (RDA) entered into an agreement with RRM Design Group to prepare a more detailed specific plan that would provide the blueprint for the Project and detailed design principles and guidelines, land use, circulation, landscape/streetscape guidelines, infrastructure and implementation. The Town Center Specific Plan and associated Environmental Impact Report were completed and approved in October 2008. The Specific Plan allows for 180,000 square feet of retail and 250 residential units on the 15 acres.

One of the major impediments to the Project was the location of two propane companies adjacent to the Project area. In January 2010 the RDA entered into a purchase agreement with one of the companies to purchase its property and assist with relocation costs. In May 2011 the City adopted an ordinance prohibiting propane facilities within the City after a period of years. That company is now in the process of relocating outside the Scotts Valley city limits. The elimination of the propane facilities in the Project Area was the second major step for the Project.

Since that time, the former RDA entered into exclusive negotiating agreements with 3 different developers. Each time the developers were unable to complete the Project due to the project costs. To assist with the development of the Project, the RDA purchased Property 1 in July 2008, Property 2 in April 2009, and Property 3 in February 2011, with the intent of selling them to the developer of the Project.

In December 2012, the City entered into an Exclusive Negotiating Agreement with Property Development Centers, LLC (PDC) for the development of the Project. This Long-Range Property Management Plan calls for the sale of these three properties to a developer of this Project. With an executed development agreement, these three properties would be sold at the appraised value determined by a certified real estate appraiser to PDC. PDC has already entered into property purchase agreements for properties other than the three identified in this Plan.

**Scotts Valley Redevelopment Successor Agency  
Long-Range Property Management Plan  
Property 1**

**Property Address:** Vacant Land, Kings Village Road, Scotts Valley, CA 95066  
**APN #:** 022-211-36  
**Lot Size:** 46,542 sq ft  
**Zoning:** Commercial - Service

**Date of Acquisition:** July 28, 2008  
**Purchase Price:** \$1,021,755  
**Estimated Current Value:** Unknown

**Environmental Contamination:** No

**Transit-Oriented Development:** See "Use or Disposition" below.

**History of Development Proposals:** See "Use or Disposition" below.

**Lease/Rental Income Estimate:** None.

**Use or Disposition:**

(See additional background information for this property on page 2)

This property was purchased with affordable housing funds of the former Scotts Valley Redevelopment Agency (Agency) in connection with the mixed-use development of a Town Center in Scotts Valley. The City has already approved a Specific Plan for this development and approved the related Environmental Impact Report. The property was to provide a location of affordable housing along with retail businesses within the Town Center project area.

This property is situated within 250 feet of a bus transit center, providing nearby transit service for future residents in this development.

The City has entered into an Exclusive Negotiating Agreement (Agreement) with a developer for the Town Center project. This Plan hereby directs that this property be held for this future development. Because the property was originally purchased with affordable housing funds and to ensure that the property, or its proceeds, be used for affordable housing purposes, the property will be transferred to and held by the Successor Housing Agency. The property will be sold to the current developer under Agreement, or other future developer, at a price established by an appraisal by a certified real estate appraiser. The proceeds of the sale will be placed in the Successor Housing Agency Fund to be used for low and moderate income housing purposes.

**Scotts Valley Redevelopment Successor Agency  
Long-Range Property Management Plan  
Property 2**

**Property Address:** Vacant Land, Mt. Hermon Road, Scotts Valley, CA 95066  
**APN #:** 022-601-01  
**Lot Size:** 126,321 sq ft  
**Zoning:** Commercial - Service

**Date of Acquisition:** April 21, 2009  
**Purchase Price:** \$2,689,763  
**Estimated Current Value:** Unknown

**Environmental Contamination:** No

**Transit-Oriented Development:** See "Use or Disposition" below.

**History of Development Proposals:** See "Use or Disposition" below.

**Lease/Rental Income Estimate:** See "Use or Disposition" below.

**Use or Disposition:**

(See additional background information for this property on page 2)

This property was purchased with affordable housing funds of the former Scotts Valley Redevelopment Agency (Agency) in connection with the mixed-use development of a Town Center in Scotts Valley. The City has already approved a Specific Plan for this development and approved the related Environmental Impact Report. The property was to provide a location of affordable housing within the Town Center project area. Prior to its acquisition by the Agency, this property was used to rent space as a storage facility for trailers and recreational vehicles. After its acquisition, the Agency leased the property to the former owner who continued to operate it as a storage facility. Until this location is developed the Successor Housing Agency continues to lease the property. The rents received are currently being deposited in the Successor Housing Agency Fund because the property was purchased with low/moderate income housing funds.

This property is situated within 250 feet of a bus transit center, providing nearby transit service for future residents in this development.

The City has entered into an Exclusive Negotiating Agreement (Agreement) with a developer for the Town Center project. This Plan hereby directs that this property be held for this future development. Because the property was originally purchased with affordable housing funds and to ensure that the property, or its proceeds, be used for affordable housing purposes, the property will be transferred to and held by the Successor Housing Agency. The property will be sold to the current developer under Agreement, or other future developer, at a price established by an appraisal by a certified real estate appraiser. The proceeds of the sale will be placed in the Successor Housing Agency Fund to be used for low and moderate income housing purposes.

**Scotts Valley Redevelopment Successor Agency  
Long-Range Property Management Plan  
Property 3**

**Property Address:** 260 Mt. Hermon Road, Scotts Valley, CA 95066  
**APN #:** 022-231-03  
**Lot Size:** 66,178 sq ft  
**Zoning:** Commercial-Service

**Date of Acquisition:** February 18, 2011  
**Purchase Price:** \$2,410,509  
**Estimated Current Value:** Unknown

**Environmental Contamination:** No

**Transit-Oriented Development:** See "Use or Disposition" below.

**History of Development Proposals:** See "Use or Disposition" below.

**Lease/Rental Income Estimate:** None.

**Use or Disposition:**

(See additional background information for this property on page 2)

This property was purchased by the former Scotts Valley Redevelopment Agency in connection with the mixed-use development of a Town Center in Scotts Valley. The City has already approved a Specific Plan for this development and approved the related Environmental Impact Report. The City has entered into an Exclusive Negotiating Agreement (Agreement) with a developer for the Town Center project. This Plan hereby directs that this property be held by the Scotts Valley Redevelopment Successor Agency for this future development. The property will be sold either to the current developer under Agreement, or other future developer, at a price established by an appraisal by a certified real estate appraiser. The proceeds will be transmitted to the County of Santa Cruz where they will be distributed to the taxing entities.

**Scotts Valley Redevelopment Successor Agency  
Long-Range Property Management Plan  
Property 4**

**Property Address:** 361 Kings Village Road, Scotts Valley, CA 95066  
**APN #:** 022-721-02  
**Lot Size:** 678,096 sq ft  
**Zoning:** Public / Quasi Public

**Date of Acquisition:**  
**Purchase Price:** \$3,840,348  
**Estimated Current Value:** Unknown

**Environmental Contamination:** No

**Transit-Oriented Development:** No

**History of Development Proposals:** See "Use or Disposition" below.

**Lease/Rental Income Estimate:** None.

**Use or Disposition:**

This property was purchased by the former Scotts Valley Redevelopment Agency and developed into a City park including soccer fields, playground, bocce ball court, and skateboard facility. This Plan hereby directs that this property be transferred to the City of Scotts Valley to continue to be maintained and used as a City park.

**Scotts Valley Redevelopment Successor Agency  
Long-Range Property Management Plan  
Property 5**

**Property Address:** 251 Kings Village Road, Scotts Valley, CA 95066  
**APN #:** 022-211-80 & 31  
**Lot Size:** 88,336 & 965 sq ft  
**Zoning:** Commercial – Shopping Center

**Date of Acquisition:** July 17, 2009  
**Purchase Price:** \$8,401,783 (including improvements)  
**Estimated Current Value:** Unknown

**Environmental Contamination:** No

**Transit-Oriented Development:** No

**History of Development Proposals:** See “Use or Disposition” below.

**Lease/Rental Income Estimate:** One dollar per year for library.

**Use or Disposition:**

This property includes an approximately 22,250 square foot building that contained a roller skating rink. After the former Scotts Valley Redevelopment Agency purchased the building, approximately 13,150 square feet of the building was renovated into the Scotts Valley Branch Library as part of the County library system. This satisfied an agreement with the County of Santa Cruz when the Redevelopment Agency was formed. The remaining approximately 9,100 square feet of the building is being considered for a City performing arts theater.

The City has paid for architectural renderings to renovate the current vacant side of the building into a performing arts theater. The City has entered into an Exclusive Negotiating Agreement with the Scotts Valley Community Theater Guild (Guild), a 501 (c) (3) organization, to provide them a set time to secure funding for renovations and operations of a performing arts theater at this location.

This Plan hereby directs that the property be transferred to and be retained by the City and continue to lease the library area to the Santa Cruz County Library system to be operated as a library. Further, the City will continue to work with the Guild to renovate the vacant side of the building to be used as a City performing arts theater. If the funding for a performing arts theater does not materialize, then the Successor Agency will review and recommend another civic use compatible with that location.

**Scotts Valley Redevelopment Successor Agency  
Long-Range Property Management Plan  
Property 6**

**Property Address:** Vacant Land, Erba Lane, Scotts Valley, CA 95066  
**APN #:** 022-481-18  
**Lot Size:** 33,147 sq ft  
**Zoning:** High Density Residential (15 units per acre maximum)

**Date of Acquisition:** February 16, 2011  
**Purchase Price:** \$725,000  
**Estimated Current Value:** Unknown

**Environmental Contamination:** No

**Transit-Oriented Development:** No

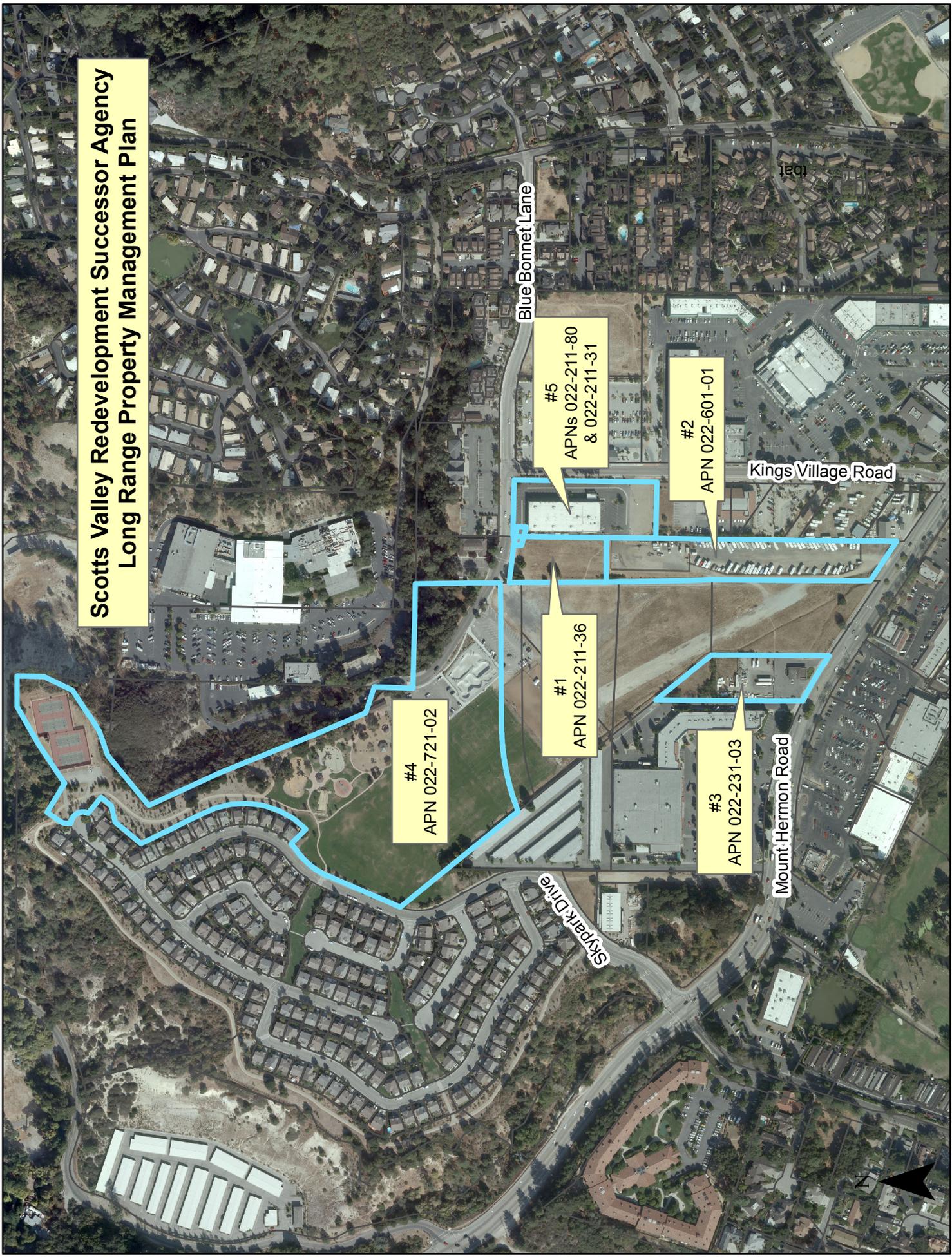
**History of Development Proposals:** Property was purchased with low/moderate income housing funds for development of low/moderate income housing.

**Lease/Rental Income Estimate:** None.

**Use or Disposition:**

This Plan hereby directs that this property be held for future development of low-income housing. Because the property was originally purchased with affordable housing funds and to ensure that the property, or its proceeds, be used for affordable housing purposes, the property will be transferred to and held by the Successor Housing Agency. The property will be sold to a developer at a price established by an appraisal by a certified real estate appraiser. The proceeds of the sale will be placed in the Successor Housing Agency Fund to be used for low and moderate income housing purposes.

**Scotts Valley Redevelopment Successor Agency  
Long Range Property Management Plan**



**Scotts Valley Redevelopment Successor Agency  
Long Range Property Management Plan**

**#6  
APN 022-481-18**

*Elba Lane*

*Scotts Valley Drive*



ibat 080213

