
LONG-RANGE PROPERTY MANAGEMENT PLAN

Successor Agency to the Community Development Commission of the City of South Gate

Revised November 12, 2015

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INTRODUCTION

Assembly Bill 1484 (“AB 1484”) enacted in June of 2012, as amended by Senate Bill 107 (“SB 107”; effective September 22, 2015) requires all successor agencies for former redevelopment agencies that owned property as of the time of redevelopment dissolution to prepare a Long Range Property Management Plan (“LRPMP” or “LRPMP”). The LRPMP governs the disposition and use of property held by the former redevelopment agency pursuant to legal requirements of the Health and Safety Code, Division 24, Parts 1.8 and 1.85 (“Dissolution Act”) as detailed in the next section.¹

The Successor Agency to the South Gate Community Development Commission (“Successor Agency”) prepared the first iteration of the LRPMP in October 2013. After receiving Oversight Board approval, the Successor Agency submitted the LRPMP to the California Department of Finance (“DOF”) for review. DOF rejected the LRPMP because DOF decided that under Section 34191.5 there was insufficient evidence to justify retaining certain properties for governmental use, including (1) the Vehicle Parking District Facilities and (2) the Frontage Road property (as those properties are further described in the LRPMP), albeit the Successor Agency disagreed and provided background and other supporting materials to show these properties have been, and are, intended for governmental use.

SB 107 makes many changes both procedurally and substantively to the Dissolution Law, including substantive amendments to the requirements for a successor agency’s LRPMP. SB 107 expressly authorizes a successor agency to transfer to its host city property(ies) that are currently parking facilities and lots dedicated solely to public parking and which do not generate revenues in excess of reasonable maintenance costs of the properties.

The Successor Agency desires to avail the new authority in SB 107 and has revised, amended and restated the LRPMP by this revised plan; therefore, this document presents an amended and restated long range property management plan (“Revised Plan” or “LRPMP”).

EXECUTIVE SUMMARY

The former South Gate Community Development Commission (“Former CDC”) is the owner of record on the title for 13 properties (comprised of 19 parcels) in the City of South Gate (“City”).

- Ten (10) properties are existing governmental use properties that are proposed to be transferred to the City to continue their exclusive and continued governmental use.
- The remaining three (3) properties are to be sold by the Successor Agency at market rate, with the proceeds of the sales to be remitted to and distributed by the Los Angeles County Auditor-Controller in accordance with the Dissolution Act.

STATEMENT OF LEGAL REQUIREMENTS

Pursuant to Section 34191.5 (added by AB 1484), each successor agency that holds property from a former redevelopment agency is required to prepare and submit an LRPMP to its oversight board and then to the State Department of Finance (“DOF”) within six months after receiving a “Finding of

¹ All statutory references are to the Dissolution Act, unless otherwise stated.

Completion” from DOF. This did previously occur here, but the DOF rejected the original plan, so the Successor Agency has prepared this Revised Plan for consideration and action by the Oversight Board and then review and approval by the DOF, and then subsequent implementation.

In general, this Revised LRPMP addresses the disposition and use of the real properties of the Former CDC. The Dissolution Act requires that an LRPMP include all of the following components:

1. Inventory of all properties in the Community Redevelopment Property Trust Fund (“Trust Fund”), established to serve as the repository of the former redevelopment agency’s real properties. This inventory shall consist of all of the following information:
 - a. **Date of acquisition** of the property and the value of the property at that time, and an estimate of the current value of the property.
 - b. **Purpose** for which the property was acquired.
 - c. **Parcel data**, including address, lot size, and current zoning in the former redevelopment agency redevelopment plan or specific, community, or general plan.
 - d. **Estimate of the current value** of the parcel including, if available, any appraisal information.
 - e. **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.
 - f. **History of environmental contamination**, including designation as a brownfield site, and related environmental studies, and history of any remediation efforts.
 - g. Description of the **property’s potential for transit-oriented development and the advancement of the planning objectives** of the successor agency
 - h. Brief history of **previous development proposals** and activity, including the rental or lease of property.
2. Address the use or disposition of all the properties in the Trust Fund. Permissible uses include:
 - a. **Retention for governmental use** pursuant to subdivision (a) of Section 34181;
 - b. **Retention for future development**;
 - c. **Sale** of the property; or
 - d. **Use of property to fulfill an enforceable obligation.**
3. Separately identify and list properties in the Trust Fund dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties, all the following shall apply:

- a. If the plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the city, county, or city and county.
- b. If the plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or other than that specified in subsection 3(a) above, the proceeds from the sale shall be distributed as property tax to the affected taxing entities.
- c. Property shall not be transferred to a successor agency, city, county, or city and county, unless the LRPMP has been approved by the oversight board and DOF.

PROPERTY VALUATION ESTIMATES AND LIMITATIONS

The Dissolution Act requires that an LRPMP include an estimate of the value of each property, as well as recent appraisal information, to provide the Oversight Board, DOF and other interested parties information on the properties involved. DOF has stated officially they do not expect successor agencies to obtain appraisals on properties if none currently exist, so no such appraisals have been prepared for this LRPMP.

Instead, an estimate of property value was prepared by the Successor Agency's independent consultant, RSG, based on a limited amount of analysis, well short of what would normally be conducted for a formal appraisal – but at least useful for providing some information on what are often difficult to assess properties and valuations given the unique deficiencies (size, contamination, location, etc.) of former redevelopment properties. Coming out of a serious real estate recession, it still can be difficult to identify comparable properties in the area because sales volumes of small, infill parcels can be very limited.

The limitations of this methodology aside, the value estimates themselves (or even appraisal values) are not necessarily representative of what the properties could be worth when offered for sale on the open market by the Successor Agency. For example, one property to be sold (APN 6223-001-907 at 3500 Tweedy Boulevard, a parking lot adjacent to the South Gate Senior Villas development) has a significant history of hazardous materials contamination that may affect not only value, but the number of potential buyers and reuse potential, the potential high costs of remediation and monitoring, thus the choice by South Gate to not transfer the parking lot to the City due to the real potential for liability and responsibility arising from the physical and environmental condition of the parcel. Even if and after further studies were to be conducted, as has occurred previously for this parcel, the scope of the contamination could be more serious than what is known currently and there will be uncertainty related to investment based on unknown cleanup and ongoing monitoring costs. Not just in South Gate, but elsewhere, many redevelopment agencies have a number of blighted properties in their inventory that were not yet restored to a marketable condition at the time of dissolution.

The Successor Agency will be developing a marketing plan to solicit viable purchase offers on properties designated for sale following DOF approval of this LRPMP. Once these offers are provided, these may ultimately be a much more precise determination of value than what is included in this LRPMP. As such, the reader is encouraged to understand this context when reviewing the LRPMP estimated values contained herein.

PROPERTY INVENTORY – FORMER CDC PROPERTIES

The Former CDC owned 13 properties (consisting of 19 parcels) at dissolution. The properties are grouped into property sites with specific property numbers shown in the Property Inventory Data table attached. The property sites are organized by “Permissible Uses” under the Dissolution Act and a detailed description of the properties is provided below.

The Property Inventory Data table (Attachment 1) utilizes the DOF-created database that provides a matrix of all of the information required pursuant to Section 34191.5(c).

It is important to note the following in reviewing the LRPMP:

- Estimates of current values of properties were provided by RSG based on the individual methodologies described under each property profiled in this LRPMP. As the DOF has provided to RSG in written communication, the DOF does not require a new appraisal report to be prepared for the purposes of an LRPMP, even if a recent appraisal does not exist. The ultimate value of the properties sold will be determined based on what the market bears and not what an appraisal estimates. For the properties to be retained for governmental use, the value estimate is based on the value of each property at the current land use and zoning; which yields a \$0 market value because the properties in question are existing, operating public uses. As such, they hold no value to anyone other than the City for the continued governmental use. More details for each value estimate are provided in the individual property profiles.
- Data contained in the “Value at Time of Purchase” column in the Property Inventory Data table includes all available information obtained resulting from comprehensive title research and Successor Agency staff’s reasonable efforts to locate the information. In many cases, this information was not available and is noted accordingly.

Retention of Properties for Governmental Use

The properties listed below are proposed to be transferred to the City of South Gate pursuant to Section 34181(a), as amended by SB 107, that allows properties of a former redevelopment agency to be transferred to a public jurisdiction. A description of the properties, including the legally required information, aerial map, and photograph of the properties, are presented in this section.

9200 STATE STREET (PROPERTY 1)

Address: 9200 State Street.

APN: 6209 001 900.

Lot Size: 0.69 Acres.

Acquisition Date: December 23, 1992.

Value at Time of Purchase:
Purchased for \$280,000.

Purpose of Acquisition: To develop and maintain the City of South Gate Westside Community Resource Center that provides public programs and human services.



Property Type (DOF Category): Public Building.

Property Type (City Proposed): Transfer to City for Public Purpose (governmental use per Sections 34181(a), 34191.3, 34191.5).

Current Zoning: Main Street.

Estimated Current Value: \$0 - Based on market value estimate as an existing public use and governmental use.

Estimate of Income Revenue: There is no income generated from the property.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: None known at this date and not applicable.

Description of Property's Potential for Transit Oriented Development: None/not applicable.

Advancement of Planning Objectives: Provide public facilities for persons availing public programs and resources at the Westside Community Resource Center, including without limitation, the California State Preschool Program and the Los Angeles Universal Preschool (LAUP) that is a Proposition 98 Children & Families Commission program.

History of Previous Development Proposals: None.

Summary: This property, surrounded by other public uses, was originally purchased by the Former CDC for the purposes of developing and maintaining a Community Resource Center known as the Westside Community Resource Center, which currently provides human resource services to the community, including public programs such as the California State Preschool Program and the Los Angeles Universal Preschool (LAUP) that is a Proposition 98-funded Los Angeles Children & Families Commission program. In 2007, it was determined that the Former CDC did not have the resources to continue operation of this public facility; thus, the Former CDC entered into an Operating Agreement with the Human Services Association (“HSA”), a non-profit organization (see Attachment 2 for original agreement and extension) that provides human services funded through federal, state and local programs. HSA agreed to operate the Westside Resource Center by funding programming and custodial services, and utilities and maintenance costs, while still maintaining the building’s public purpose and providing resources and services to the community. In consideration, the Former CDC allowed HSA use of the building with no additional rental costs. The Operating Agreement is binding until at least March 31, 2016.

CITY HALL PARKING LOT (PROPERTY 2)

Address: 8681, 8677, and 8673 San Antonio Avenue.

APNs: 6210-017-905, 6210-017-906, and 6210-017-907.

Lot Size: 0.41 acres combined.

Acquisition Dates: April 5, 1990 for 8681 and 8677 San Antonio Ave. and September 27, 1991 for 8673 San Antonio Ave.

Value at Time of Purchase: Purchase for \$98,000 (total purchase price).

Purpose of Acquisition: To provide public parking for City Hall, in particular permit-only parking for City employees and limited public parking, as to time and number of spaces, solely for members of the public doing or with business at City Hall.



Property Type (DOF Category): Public Parking Lot.

Property Type (City Proposed): Transfer to City for Public Purpose, Continued Public Use.

Current Zoning: Civic Center Zone

Estimated Current Value: \$0 - Based on market value estimate as an existing public use.

Estimate of Income Revenue: There is no income generated from the property.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: None known at this date and not applicable.

Description of Property's Potential for Transit Oriented Development: None/not applicable.

Advancement of Planning Objectives: Provide permit-only parking spaces for City employees and a limited number of short-term public parking spaces for the public only for those doing or with business at City Hall. There are no other open lots at City Hall for parking by City employees or available to the public with business at City Hall.

History of Previous Development Proposals: None.

Summary: This site provides permit-only parking to City employees working at City Hall, and a limited number of short-term parking spaces for the public doing or with business at City Hall. There are multiple signs posted within the lot "parking by permit-only for staff" and a few spaces with signage stating the spaces are only for the public with business at City Hall; this signage is



enforced by the City pursuant to the Vehicle Code. There are no other open lots for permit-only parking for City employees working at City Hall or short-term parking for persons conducting business at City Hall. The surrounding uses are not authorized to park in this parking lot, and the parking restrictions are enforced by the City. Further, on top of the parking canopy in the lot, the City has installed photovoltaic panels to capture solar energy and offset the City's electric costs.

MAIN AND GARFIELD PARKING LOT (PROPERTY 3)

Address: No Situs.

APN: 6243 009 901.

Lot Size: 0.15 Acres.

Acquisition Date: September 23, 1977.

Value at Time of Purchase: According to public record research, the purchase price was \$0.

Purpose of Acquisition: Provide public parking facilities to nearby commercial uses.



Property Type (DOF Category): Public Parking Lot.

Property Type (City Proposed): Transfer to City for Public Purpose, Continued Public Use.

Current Zoning: Multiple Residential

Estimated Current Value: \$0 - Based on market value estimate as an existing public use.

Estimate of Income Revenue: There is no income generated from the property.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: None known at this date and not applicable.

Advancement of Planning Objectives: Provide public parking to nearby commercial uses.

History of Previous Development Proposals: None.

Summary: The subject property is currently used as public parking for surrounding commercial uses.

5821 FIRESTONE BLVD (PROPERTY 4)

Address: 5821 Firestone Blvd.

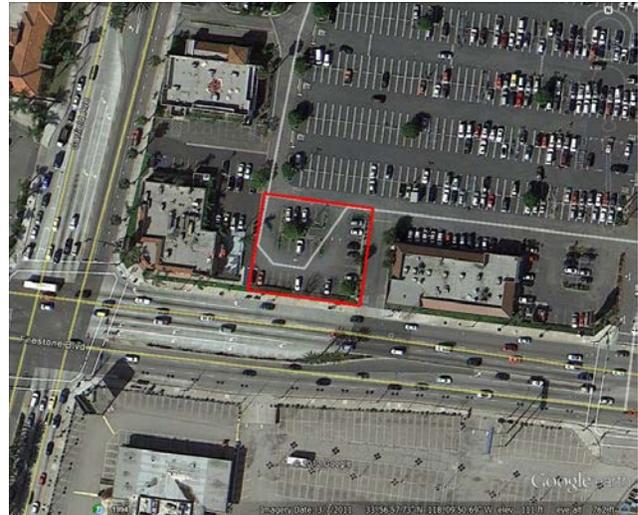
APN: 6232 004 907.

Lot Size: 0.46 Acres.

Acquisition Date: May 18, 1994.

Value at Time of Purchase: According to public record research, the purchase price was \$0.

Purpose of Acquisition: The subject property was purchased to provide public parking for nearby restaurant uses.



Property Type (DOF Category): Public Parking Lot.

Property Type (City Proposed): Transfer to City for Public Purpose, Continued Public Use.

Current Zoning: Regional Commercial with residential/mixed use overlay.

Estimated Current Value: \$0 - Based on market value estimate as an existing public use.

Estimate of Income Revenue: There is no income generated from the property.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: None known at this date.

Advancement of Planning Objectives: This site is part of a larger shopping center. It provides public parking to surrounding businesses.

History of Previous Development Proposals: This site is part of a larger retail development. There have not been any specific proposals for development of the site.

Summary: As mentioned, this public parking lot is part of a larger retail center. Currently, the lot provides public parking to surrounding businesses.

9475 FRONTAGE ROAD (PROPERTY 5)

Address: 9475 Frontage Rd.

APN: 6222 001 916.

Lot Size: 6.9 Acres.

Acquisition Date: March 2, 2009.

Value at Time of Purchase: According to public record research, the purchase price was \$0.

Purpose of Acquisition: To develop property for public or private reuse.

Property Type (DOF Category): Vacant Land.

Property Type (City Proposed): Transfer to City for use as public street/local connector roadway in connection with the expansion and extension of the I-710 Corridor and the I-710 Livability Initiative (together, "I-710 Project") as this parcel is included and planned for local connector road improvements for the I-710 Project by the State Department of Transportation (CalTrans), regional and joint powers planning entities (including Los Angeles County Metropolitan Transportation Authority ("Metro"), the Gateway Cities Council of Governments ("GCCOG") (of which South Gate is a member), the Southern California Association of Governments ("SCAG"), the Ports of Los Angeles ("POLA") and Long Beach ("POLB"), and the Interstate 5 Joint Powers Authority ("I-5 JPA"); all of these state, regional and local agencies are all working together cooperatively to improve the I-710 in Los Angeles County between Ocean Blvd. and State Route 60 in the I-710 Project and planned implementation.

Current Zoning: Light Manufacturing.

Estimated Current Value: \$0 – Based on market value estimate as an existing public use.

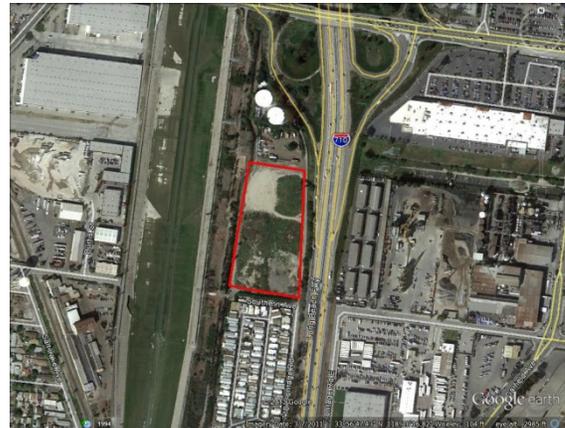
Estimate of Income Revenue: There is no income generated from the property.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: None known at this date.

Description of Property's Potential for Transit Oriented Development: None/not applicable.

Advancement of Planning Objectives: The site will be utilized as part of the CalTrans, Metro, other regional agencies, and the Gateway cities relating to the planning and implementation of the I-710 Project because the City is directly impacted and affected by the I-710 Project. The I-710 Project will improve circulation and transportation within the entire area of the I-710 Corridor. The infrastructure improvements that make up I-710 Project are wide-ranging, and span beyond just the



actual freeway improvements. The I-710 Corridor follows the freeway alignment, but is approximately *six (6) miles wide*. Public improvements for the I-710 Project include the actual freeway expansion/extension, along the necessary arterials, connector roads, intersections, bikeways, complete streets improvements, etc. This parcel is part of the local connector road improvements required to mitigate the impacts of the freeway expansion and extension on the City, South Gate, as one of the many “Gateway” cities and public agencies involved in the planning and implementation of the I-710 Project.

History of Previous Development Proposals: In the 1980s, the City approved a proposal by Lewis Homes for a 140 unit condominium project, which proposed project was never developed. In 2002, the City solicited proposals to redevelop the property with 250 senior apartment homes and 27 single family residences, which project too was never built. Then in 2002, GWS Nursery & Supplies, Inc. bought the property as part of a larger site to develop it as a wholesale nursery business, a recycling facility for green and solid waste, automobile storage, and parking facilities and landscaping. Due to alleged breach, the property was reconveyed to the Former CDC in 2009 as part of a legal settlement with GWS Nursery and Supplies.

Summary: In the original version of the LRPMP, the Successor Agency proposed transferring the subject property to the City to serve as the new well and water tank site and to be preserved as open land. The Successor Agency could not locate adequate supporting documentation (from DOF’s perspective) to carry out this long-standing plan. The City is not aware if this is the case or not, but DOF should be made aware that due to seizure of certain records by the federal government in the early 2000s from the City, there have been other instances when the City could not locate one or more City records because not all of the documents provided to the federal government were returned in full to the City. The Successor Agency informs DOF too that there was a water tank located on the parcel adjacent to this one, but that water facility failed and cannot be rebuilt, so this adjacent parcel was the right location to construct and operate the necessary new water facility needed in the community.

During the LRPMP revision process, the Successor Agency consultants through new staff became aware of plans dedicating this Frontage Road property for the local connector road improvements that are part of the I-710 Project. Due to various changes in staffing at the City, while preparing the original LRPMP, the consultants to the Successor Agency were not informed by prior staff about the long-time planning and inclusion of this parcel relating directly to the I-710 Project; in particular, this parcel is part of an local arterial connector road necessary for this vital State transportation project, which will link the ports of Long Beach and Los Angeles to major Southern California distribution centers and intermodal rail facilities.

CalTrans, in cooperation with Metro, GCCOG, SCAG, POLA, POLB, and the I-5 JPA have been working for years, well prior to dissolution of the Former CDC, together to improve the I-710 Corridor in Los Angeles County between Ocean Blvd. and State Route 60. The I-710 Project includes, among other improvements, expansion of the I-710 and local infrastructure improvements spanning up to six-miles on either side of the I-710. The subject property has been dedicated to one such local infrastructure improvement, to be part of the local connector road for the I-710 Project.

In March 2005 (almost seven years before dissolution), following an extensive technical and community participation process, Metro completed the I-710 Freeway Major Corridor Study

("MCS"). As part of the public outreach component of the MCS, South Gate formed a Tier 1 Community Advisory Committee ("CAC") along with all of the other communities bordering the freeway/I-710. The South Gate Tier 1 CAC primarily focused on key issues and areas that affected the community including health, environmental and quality of life issues, safety and mobility issues as well as economic development and land use issues. In addition, South Gate was asked to appoint one member to a Tier 2 CAC. The roles and origination of the CAC's are explained in more detail in the MCS Executive Summary, included as Attachment 3.

After many meetings and public outreach, the South Gate Tier 1 CAC submitted recommendations to the Tier 2 CAC, who in turn submitted a report to the I-710 Oversight Policy Committee in 2004 titled, *Major Opportunity/Strategy Recommendations and Conditions* ("Tier 2 CAC Report"). The Tier 1 and Tier 2 CAC's also reviewed technical drawings and design proposals based on their recommendations. The Tier 1 and Tier 2 CAC recommendations ultimately defined the Locally Preferred Strategy identified in the MCS.

As representative bodies empowered with making recommendations on behalf of various communities and stakeholders, the Tier 1 and Tier 2 CAC recommendations were expected to be incorporated into the ultimate design and redevelopment of the I-710 Corridor. It is stated in the "Conclusion and Next Steps" section of the Tier 2 CAC Report:

The Committee expects that its recommendations will be carried forward by the OPC, the Gateway Cities COG, the Los Angeles County Metropolitan Transportation Authority (Metro), the Southern California Association of Governments (SCAG) and the California State Department of Transportation (Caltrans). Further, we expect our recommendations to be used as required guidance in the planning and development of future corridor improvements.

One of the recommendations made to the OPC and other bodies by the Tier 1 CAC, which the Tier 2 CAC endorsed, was to *widen and extend Southern Ave over or under the I-710 Freeway*. The concept drawing included in Appendix P of the MCS detailed how this would occur and included, and continues to include, use of the Subject Property (please see Attachment 4 for description of the improvement from Appendix S and the concept drawing from Appendix P).

After a multi-year process, Caltrans and Metro circulated a Draft Environmental Impact Report/Environmental Impact Statement ("EIR/EIS") for the I-710 Corridor Project in June 2012. Plans to develop the Subject Property as a public roadway were included in this 2012 EIR/EIS. Excerpts from Chapter 2.0 and Appendix O specifically addressing the Subject Property and showing its use as a new public roadway are included as Attachment 5.

Currently, the I-710 Corridor Project is still very active, and will be implemented by CalTrans and Metro. Caltrans and Metro are planning to recirculate the Draft EIR/EIS in Fall 2016. However, recent *Geometric Review Drawings* (included as Attachment 6) show the continued commitment to use the Subject Property for public roadway/local connector road improvements. The Successor Agency proposes to transfer the Subject Property to the City to fulfill the long-standing plans utilize the property as a public roadway in connection with the I-710 Project.

Vehicle Parking District Properties

In 1965, the City of South Gate adopted Resolution No. 2663 (Attachment 7) pursuant to the 1913 Improvement Act, which authorized the City to acquire parcels, construct parking facilities, and assess properties within certain boundaries of the City. Then on August 7, 1970, the City adopted Resolution No. 3049 (Attachment 8) that established various Vehicle Parking Districts throughout the City pursuant to State law, including the Parking and Business Improvement Area Law of 1965, California Streets and Highways Code Section 36000, *et seq.* In order to further implement the Parking and Business Improvement Area Law of 1965, on November 2, 1970 the City adopted Ordinance No. 1129 that amended the South Gate Municipal Code (Attachment 9) to carry out the public parking district laws. Pursuant to the Streets and Highways Code, the formation of the Vehicle Parking District was initiated in response to a petition submitted by the Tweedy Mile Downtown Merchants Association per the statutory authority vested in property owners. The proposed purpose, among others, was to acquire, construct and maintain parking facilities for the benefit of the “Tweedy Mile” commercial area pursuant to the Streets and Highways Code and the City’s implementing ordinances and amended parking standards.

Section 11.52 of the South Gate Municipal Code establishes that off-street parking must be provided to businesses or residences within given Parking Districts; so in order to facilitate this code requirement, the Former CDC acquired multiple vacant lots throughout the City as they became available, improved the lots to become part of the Vehicle Parking District public parking lots available for public parking, and these lots have been maintained and operated as public parking pursuant to the Streets and Highways Code. Once these public parking lots were established, nearby commercial businesses were not required to provide their own on-site parking because the public parking lots satisfied the parking standards. Six of these lots are now held by the Successor Agency. The City intends and must maintain these properties as parking lots in order to continue to maintain the Vehicle Parking District public parking facilities pursuant to the Streets and Highways Code and as required by the City’s zoning code. Maintaining the lots will help the City avoid the potential liability to businesses and property owners if forced disposition to a private owner of these parcels would create non-conforming uses or allegations of taking or diminution of value of private property. With two exceptions relating to contaminated parking lots as explained later (in the section relating to properties to be sold), the Successor Agency plans under this LRPMP, when approved, to transfer all of the following public parking lots to the City for continued governmental use as authorized by SB 107 and the Dissolution Act.

9926 MALLISON (PROPERTY 6)

Address: 9926 Mallison Avenue.

APN: 6218 016 900.

Lot Size: 0.15 acres.

Acquisition Date: June 30, 1992.

Value at Time of Purchase: According to public record research, the purchase price was \$0.

Purpose of Acquisition: Provide public parking facilities pursuant to the Streets & Highways Code, South Gate Municipal Code, and Vehicle Parking District requirements.



Property Type (DOF Category): Public Parking Lot.

Property Type (City Proposed): Transfer to City for Continued Vehicle Parking District Public Purpose.

Current Zoning: Multiple Residential.

Estimated Current Value: \$0 - Based on market value estimate as an existing public use.

Estimate of Income Revenue: There is no income generated from the property.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: None.

Description of Property's Potential for Transit Oriented Development: None/not applicable.

Advancement of Planning Objectives: Provide public parking pursuant to the Parking and Business Improvement District Law of 1965 and continue operation of the Vehicle Parking District.

History of Previous Development Proposals: None.

Summary: The property provides public parking to surrounding uses.

SAN JUAN AVENUE PROPERTIES (PROPERTY 7)

Address: 9830 San Juan Ave and 9824 San Juan Ave.

APNs: 6203 019 915 and 6203 019 916.

Lot Size: 0.22 Acres.

Acquisition Dates: March 23, 2011 and May 20, 1992 respectively.

Value at Time of Purchase: According to public record research, the purchase price was \$0.

Purpose of Acquisition: Provide public parking facilities pursuant to the Streets & Highways Code, South Gate Municipal Code, and Vehicle Parking District requirements.

Property Type (DOF Category): Public Parking Lot.

Property Type (City Proposed): Transfer to City for Continued Vehicle Parking District Public Purpose.

Current Zoning: Multiple Residential.

Estimated Current Value: \$0 - Based on market value estimate as an existing public use.

Estimate of Income Revenue: There is no income generated from the property.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: None known at this date and not applicable.

Description of Property's Potential for Transit Oriented Development: None/not applicable.

Advancement of Planning Objectives: Provide public parking pursuant to the Parking and Business Improvement District Law of 1965 and continue operation of Vehicle Parking District.

History of Previous Development Proposals: None.

Summary: The property provides public parking to surrounding uses.



**ALEXANDER AND BRYSON ROAD
(PROPERTY 8)**

Address: 9836 Alexander Ave and
9837 Bryson Ave.

APNs: 6217 016 900 and 6217 016 901.

Lot Size: 0.22 Acres.

Acquisition Date: November 18, 1982 and April 1,
1985 respectively.

Value at Time of Purchase: According to public
record research, the purchase price was \$0.

Purpose of Acquisition: Provide public parking
facilities pursuant to the Streets & Highways Code,
South Gate Municipal Code, and Vehicle Parking
District requirements.

Property Type (DOF Category): Public Parking Lot.

Property Type (City Proposed): Transfer to City for Continued Vehicle Parking District Public
Purpose.

Current Zoning: Multiple Residential.

Estimated Current Value: \$0 - Based on market value estimate as an existing public use.

Estimate of Income Revenue: There is no income generated from the property.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

**History of Environmental Contamination, Studies, and/or Remediation, and Designation as a
Brownfield Site:** None known at this date and not applicable.

Description of Property's Potential for Transit Oriented Development: None/not applicable.

Advancement of Planning Objectives: Provide public parking pursuant to the Parking and
Business Improvement District Law of 1965 and continue operation of Vehicle Parking District.

History of Previous Development Proposals: None.

Summary: The property provides public parking to surrounding uses.



9836 SAN MIGUEL AVE (PROPERTY 9)

Address: 9836 San Miguel Ave.

APN: 6203 021 900.

Lot Size: 0.12 Acres.

Acquisition Date: February 15, 1991.

Value at Time of Purchase: According to public record research, the purchase price was \$0.

Purpose of Acquisition: Provide public parking facilities pursuant to the Streets & Highways Code, South Gate Municipal Code, and Vehicle Parking District requirements.



Property Type (DOF Category): Public Parking Lot.

Property Type (City Proposed): Transfer to City for Continued Vehicle Parking District Public Purpose.

Current Zoning: Multiple Residential.

Estimated Current Value: \$0 - Based on market value estimate as an existing public use.

Estimate of Income Revenue: There is no income generated from the property.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: None known at this date and not applicable.

Description of Property's Potential for Transit Oriented Development: None/not applicable.

Advancement of Planning Objectives: Provide public parking pursuant to the Parking and Business Improvement District Law of 1965 and continue operation of Vehicle Parking District.

History of Previous Development Proposals: None.

Summary: The property provides public parking to surrounding uses.

SAN ANTONIO AVENUE LOTS (PROPERTY 10)

Address: 10009 and 10013 San Antonio Avenue.

APN: 6223 001 904 and 6223 001 909.

Lot Size: 0.2 Acres.

Acquisition Date: June 7, 1990 and February 18, 1999.

Value at Time of Purchase: According to public record research, the purchase price was \$0.

Purpose of Acquisition: Provide public parking facilities pursuant to the Streets & Highways Code, South Gate Municipal Code, and Vehicle Parking District requirements.

Property Type (DOF Category): Public Parking Lot.

Property Type (City Proposed): Transfer to City for Continued Vehicle Parking District Public Purpose.

Current Zoning: Multiple Residential.

Estimated Current Value: \$0 - Based on market value estimate as an existing public use.

Estimate of Income Revenue: There is no income generated from the property.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: None known at this date and not applicable.

Description of Property's Potential for Transit Oriented Development: None/not applicable.

Advancement of Planning Objectives: Provide public parking pursuant to the Parking and Business Improvement District Law of 1965 and continue operation of Vehicle Parking District.

History of Previous Development Proposals: None.

Summary: The property provides public parking to surrounding uses.





Retention of Properties for Future Development

There are no properties to be retained for future development purposes by the Successor Agency in this LRPMP.

Properties to be Sold by Successor Agency

Three properties listed below are proposed to be offered for sale. A description of the properties, including the legally required information and aerial maps, are presented in this section.

EL PASEO PARKING LOT (PROPERTY 11)

Address: Within the El Paseo Shopping Center Parking Lot.

APNs: 6232 003 907.

Lot Size: 0.7 acres.

Acquisition Date: August 23, 1999.

Value at Time of Purchase: According to public record research, the purchase price was \$0.

Purpose of Acquisition: To provide an on-site contaminated soil repository for the El Paseo shopping center.

Property Type (DOF Category): Other.

Property Type (City Proposed): Following the approval of the LRPMP. Sales price to be determined by market.

Current Zoning: Heavy Manufacturing.

Estimated Current Value: \$0 due to contamination.

Date of Estimated Current Value: August 11, 2015

Proposed Sale Date: Following the approval of the LRPMP.

Estimate of Income Revenue: There is no income generated from the property.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: The subject property has been utilized as a contaminated soils repository. It is being remediated by a contamination cap, but there are open issues about the extent of contamination that directly impact the value and potential reuse, if any, of the subject parcel.

Description of Property's Potential for Transit Oriented Development: None.

Advancement of Planning Objectives: None.

Summary: This parcel makes up a portion of the El Paseo Shopping Center Parking Lot. It was once utilized as a contaminated soils repository for the El Paseo Shopping Center. The hazardous waste on the site is currently being remediated by a clay cap. This existing remediation devise restricts the site's use and renders the site inappropriate for development.

In order to estimate the value of the subject property, a comparable sales analysis is included below:

Comparable Sales Analysis - Parking Lot

Property Address	Property Type	Proposed Use	Zoning	Sale Date	Acres	Sale Price	Price/Acre	Property Discount	Discounted Price	Discounted Price/Acre
3615 Brenton Ave Lynwood	Land	Commercial	LYR3*	8/15/2014	0.18	\$ 110,009	\$ 611,161	\$ (11,001)	\$ 99,008	\$ 550,045
13400 Paramount Blvd South Gate	Land	Commercial	C-3	11/12/2013	0.28	157,000	556,935	-	157,000	556,935
3046 E Florence Ave Huntington Park	Land	Commercial	HPCG*	8/15/2013	0.38	124,470	327,036	(12,447)	112,023	294,333
703 S Santa Fe Ave Compton	Land	Commercial	COML*	2/11/2013	0.60	174,600	292,512	(17,460)	157,140	263,260
Average									\$	364,854
Subject El Paseo Lot South Gate	Land	Parking	M3	Not Listed	0.70	Not Listed	\$ 364,854	\$ (500,000)	\$ -	

The four properties included in the analysis all sold recently in areas in relatively close proximity to South Gate. They are all vacant land zoned for commercial use. Taking the average price per acre of the three properties, you get a price per acre of \$364,854; however, none of the four comparable properties shown are known to be contaminated like the subject site. Remediation costs vary widely, but can often run anywhere between \$500,000 and \$1,000,000 or more. Taking the lowest estimate and subtracting that from the estimated sales price, the property has no value on the open real estate market. The Successor Agency will seek to sell the property for a minimal amount of money or grant it to an interested party willing to remediate the site.

This "Donut Hole" parcel is located in the parking area of the El Paseo Shopping Center, the former CDC by contract promised to grant to the owner (referred to as "TCP") certain easements and other rights of access and use, including rights of ingress and egress and for the installation and maintenance of utilities and landscaping, so that TCP could use the Donut Hole parcel as an integral part of the parking lot for the shopping center development. Further, in that contract between the former CDC and TCP, the former CDC agreed to indemnify, protect and hold harmless TCP, its successor and assigns, against all liabilities, orders, decrees, actions (including Environmental Response Actions), losses and damages arising from or connection with any migration and/or release of Hazardous Materials from the Donut Hole parcel, excluding acts, errors or omissions of TCP. The contract between the former CDC and TCP does not expressly provide for a right of first refusal, but these other contractual obligations will run with the land and must be disclosed to potential third party buyers, which may materially impact the valuation of the parcel.

3500 TWEEDY (PROPERTY 12)

Address: 3500 Tweedy Boulevard.

APN: 6223 001 907.

Lot Size: 0.15 acres.

Acquisition Date: May 14, 1996.

Value at Time of Purchase: According to public record research, the purchase price was \$0.

Purpose of Acquisition: Provide public parking facilities pursuant to the Streets & Highways Code, South Gate Municipal Code, and Vehicle Parking District requirements.

Property Type (DOF Category): Parking Lot.

Property Type (City Proposed): Sell on the open real estate market.

Current Zoning: Restricted Commercial.

Estimated Current Value: \$0 based on contamination.

Date of Estimated Current Value: August 11, 2015.

Proposed Sale Date: Following the approval of the LRPMP.

Estimate of Income Revenue: Parking is provided free of charge to the public.

Contractual Requirements for Use of Income/Revenue: None/not applicable.

History of Environmental Contamination, Studies, and/or Remediation, and Designation:

This site has a Leaking Underground Fuel Tank (LUFT) of gasoline contaminating aquifers used for drinking water supply. The Successor Agency is responsible for monitoring three wells and submitting reports to the Regional Water Quality Control Board on a semi-annual basis. The environmental remediation case was opened shortly after the Former CDC purchased the property and remains an open ongoing case.

Description of Property's Potential for Transit Oriented Development: None/not applicable.

Advancement of Planning Objectives: Provide public parking pursuant to the Parking and Business Improvement District Law of 1965 and continue operation of Vehicle Parking District.



History of Previous Development Proposals: None.

Summary: A comparable sales analysis based on the subject property’s continued use as a public parking lot is included below:

Comparable Sales Analysis - Parking Lot

Property Address	Property Type	Proposed Use	Zoning	Sale Date	Acres	Sale Price	Price/Acre	Property Discount	Discounted Price	Discounted Price/Acre
3615 Brenton Ave Lynwood	Land	Commercial	LYR3*	8/15/2014	0.18	\$ 110,009	\$ 611,161	\$ (11,001)	\$ 99,008	\$ 550,045
13400 Paramount Blvd South Gate	Land	Commercial	C-3	11/12/2013	0.28	157,000	556,935	-	157,000	556,935
3046 E Florence Ave Huntington Park	Land	Commercial	HPCG*	8/15/2013	0.38	124,470	327,036	(12,447)	112,023	294,333
703 S Santa Fe Ave Compton	Land	Commercial	COML*	2/11/2013	0.60	174,600	292,512	(17,460)	157,140	263,260
Average									\$	364,854
Subject 3500 Tweedy Blvd South Gate	Land	Parking	C2	Not Listed	0.15	Not Listed	\$ 364,854	\$(1,100,000)	\$ -	

As mentioned, the subject property is contaminated. The Successor Agency received an estimate for the cost to remediate the property of \$1,100,000 (included as Attachment 10). This high cost of remediation renders the property without value. The Successor Agency will seek to sell the property for a minimal amount of money or grant it to an interested party willing to remediate the site.

Further, an agreement between the Former CDC and the developer/owner (referred to as “SGSV”) grants to SGSV and its successors an option to purchase certain Easement Parcels, including this parking lot, for a price of \$100,000 on an “as is” basis which is exercisable by SGSV only after site remediation by the Agency and clearance from the regulatory agencies. These rights and contractual obligations, as well as the physical and environmental condition of the subject parcel, must be disclosed to SGSV and to potential third party buyers, and these obligations most likely materially impact the fair market value of the parcel. The City does not intend to accept transfer of this parcel and its associated potential material liabilities and legal obligations.

GDS INSTITUTE (PROPERTY 13)

Address: 7916 Long Beach Boulevard.

APN: 6202 010 900 and 6202 010 901.

Lot Size: 0.41 acres (combined).

Acquisition Date: July 31, 1979.

Value at Time of Purchase: According to public record research, the purchase price was \$0.



Purpose of Acquisition: To develop additional commercial uses to provide jobs.

Property Type (DOF Category): Commercial.

Property Type (City Proposed): Properties for Sale.

Current Zoning: Urban Neighborhood

Proposed Sale/Estimated Current Value: Between \$0 and \$276,134.

Date of Estimated Current Value: August 11, 2015.

Proposed Sale Date: Following the approval of the LRPMP. Sales price to be determined by market; parcel will be offered for sale on open market.

Estimate of Income Revenue: Property is being leased for \$1,873 per month to the Helping Hand Center which runs a trade school in the building called the GDS Institute.

Contractual Requirements for Use of Income/Revenue: None

History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site: This is the site of a former auto body shop (Freedom Ford) and is known to have a Leaking Underground Fuel Tank (LUFT). Potential contaminants include benzene, tetrachloroethylene (PCE), toluene, and trichloroethylene (TCE). On July 1, 2015, the Los Angeles Region of the California Regional Water Quality Control Board ("RWQCB") issued an annual estimate to the South Gate Successor Agency for costs associated with site cleanup for fiscal year 2015-16 (see Attachment 11). The RWQCB intends to recover any costs it incurs while overseeing the investigation and cleanup of the subject property.

Description of Property's Potential for Transit Oriented Development: None/not applicable

Advancement of Planning Objectives: Commercial development to provide jobs

History of Previous Development Proposals: None

Summary: The subject property is currently occupied by the GDS institute. The tenant is paying \$1,873 a month to lease the space and pays for maintenance and its insurance of the property. An appraisal of the property was conducted in 2007 that estimated the fair market value at about \$1,080,000. The appraisal stated the conditions and affirmative presumption that there was no known contamination on the property or other encumbrances that affect valuation. However, it was discovered at a later date that the site has a Leaking Underground Fuel Tank (LUFT). This significantly, materially and negatively affects the value of the property. A rental income analysis has been included below using the current lease rate of the property.

Rental Income Analysis		
Income:		
Rent	\$1,873 per month	\$22,476
Vacancy & Collection	5.00%	(1,124)
Gross Effective Income		21,352
Operating Expenses:		
Management	5.00%	(1,124)
Reserves	2.00%	(450)
Non-reimbursables	2.00%	(450)
Subtotal - Operating Expenses		(2,023)
Net Operating Income		19,329
Capitalization Rate		7.00%
Value		\$276,134

Source: CoStar Group, RSG

Using the current lease rate of \$1,873 per month, the value of the property could be estimated at \$276,134. However, this does not take into account the costs of environmental testing/assessment and remediation, and potential long-term monitoring of the land or the physical and environmental condition of the on-site improvements. In connection with offering the site for sale, the Successor Agency under the law must, and intends to disclose and include provisions in the purchase/sale agreement that affirmatively informs the buyer of the known physical and environmental conditions at the subject property and for the buyer to assume all responsibility for the physical and environmental conditions at the subject property, which are known to exist, and still exist. Upon purchase, the buyer must assume all financial responsibility for the clean-up costs, however, it is difficult to know what the exact cost of remediation will be. The costs could easily exceed the prior estimated value of \$276,134, rendering the property with a negative value. For the purpose of the LRPMP, the estimated value of the property is between \$0 and \$276,134.

Properties Retained for Purposes of Fulfilling an Enforceable Obligation

There are no properties to be retained for the purpose of fulfilling an Enforceable Obligation, as defined in the Dissolution Act.

ATTACHMENTS

- 1 – Property Inventory Data (DOF Form)**
- 2 – Operating agreement with the Human Services Association**
- 3 – 2005 Major Corridor Study Executive Summary**
- 4 – 2005 Major Corridor Study Appendix S**
- 5 – 2012 EIR/EIS Excerpts from Chapter 2 and Appendix O**
- 6 – 2015 Geometric Review Drawings**
- 7 – Resolution No. 2663**
- 8 – Resolution No. 3049**
- 9 – Ordinance No. 1129**
- 10 – Trust for Public Land Letter of Intent**
- 11 – Letter from Regional Water Quality Control Board dated July 1, 2015**