LONG RANGE PROPERTY MANAGEMENT PLAN

SUCCESSOR AGENCY TO THE YORBA LINDA REDEVELOPMENT AGENCY

AUGUST 2013

4845 CASA LOMA AVENUE
YORBA LINDA, CA 92886

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EXECUTIVE SUMMARY

Pursuant to Assembly Bill 1484, within six (6) months of receiving a Finding of Completion, the Successor Agency is to prepare a Long Range Property Management Plan ("LRPMP") that addresses the disposition and use of the former redevelopment agency's real property.

The attached LRPMP consists of three separate plans, with each plan addressing a different category of property, based upon the intended use of the property:

1. Governmental Use Parcels
2. Affordable Housing Parcels
3. Town Center Parcels

1. Governmental Use Parcels. The first plan consists of those former Agency-owned sites that are intended to be used for a government purpose. There are three (3) parcels indentified under this category: 1) a historic home which is intended to be rehabilitated and used for a public purpose, 2) three lots which have been identified as the preferred site for a new public library, and 3) Eastside Community Park, which has been fully improved as a community park, and adjacent natural and undevelopable open space. As a result, the LRPMP recommends that these properties be transferred to the City of Yorba Linda and developed according to the identified use.

2. Affordable Housing Parcels. The second plan includes two parcels which were acquired with low-moderate income housing monies and intended to be developed as one affordable housing development. The plan recommends that these sites be offered for sale to a multi-family residential developer as part of an affordable housing RFP process.

3. Town Center Parcels. The final plan encompasses twenty-seven (27) parcels within the Town Center, which are intended to be sold to a developer to carry out the vision of the approved Town Center Specific Plan. The plan details the history and purpose of the Agency's acquisitions and the numerous efforts and accomplishments that have been made to carry out the planning efforts for the City's downtown area. The past actions of the Agency and continuing efforts of the Successor Agency are in full accordance with the City General Plan (1983), the Agency's Redevelopment Plan (1990), the Agency's Five-Year Implementation Plan (2009-2014), and the Town Center Specific Plan (2011). As result of these approved documents, the proposed retail project in Town Center should be considered a future development that is consistent with past redevelopment efforts, and that will maximize sales tax revenues. The plan recommends these properties be sold at fair market value to a proposed retail developer, Zelman Retail Partners, Inc.

Successor Agency to the Yorba Linda Redevelopment Agency

LONG RANGE PROPERTY MANAGEMENT PLAN

Government Use Parcels

Pursuant to the State of California Health and Safety Code section 34191.5(c), the following information details the Long Range Property Management Plan (LRPMP) of the Successor Agency to the Yorba Linda Redevelopment Agency (Successor Agency) for certain properties that have been identified as sites to be retained for governmental purposes.

The elements of the LRPMP are listed below and addressed in the order that they appear in the statute.

Property Inventory (H&S Code Section 34191.5(c)(1):

(A) Date of acquisition of the property and value of the property at that time, and estimate of current value of the property.

The chart below describes three (3) separate and distinct parcels acquired by the former Yorba Linda Redevelopment Agency (Agency):

Site Reference	APN	Acquisition Date	Acquisition Value	Current Estimated Value
1	334-441-54	Jan. 2010	$ 389,216	$115,000
2	323-231-12,14,15	Dec. 2001 and June 2002	$ 3,890,250	$180,950
3	351-751-10,11	Feb. 1995	$250,000	$no value

(B) Purpose for which the property was acquired.

Site 1. Site 1 was acquired by the Agency to preserve a historic structure, which was at risk of being demolished. The Agency acquired the property with the intent of rehabilitating the 1918 residence to historic standards for the use and benefit of the community. It was envisioned that the Agency would issue a Request for Proposals (RFP) and select a qualified preservation team to renovate the building and ultimately place the site on the State's Historic Register. Ultimately, the City would retain ownership of the building and lease the property for a community benefit.

Site 2. Site 2 was acquired by the Agency as part of the early planning efforts to redevelop the City's downtown core area. The site consists of three parcels totaling 4.7 acres. At the time of acquisition, one of the parcels contained a single family residence and the other 2 parcels were used for farming. The property is located within the site planning boundaries for the Town

Center Specific Plan, on the Eastern boundary. The Specific Plan adoption process took several years due to the level of interest on the part of the City Council, community residents and business owners. A part of the planning process included the issuance of an RFP for a developer to construct the retail/commercial portion of the Town Center plan. In June 2011, the Town Center Specific Plan was adopted, and in June 2012 a developer was selected. The Successor Agency and developer entered into an Exclusive Negotiating Agreement.

Early in the site planning process, a public library was included within the designated public land use portion of the Town Center project, which is located in the center of the retail/commercial portion. However, given numerous site constraints and in order to address certain needs of the library, it was ultimately determined by the City Council that the public library would be better suited on Site 2.

Site 3. Site 3 was acquired in 2005 from the Roman Catholic Bishop of Orange (Diocese) as part of a settlement agreement regarding 106 acres of vacant open space located in the eastern portion of the City. The Diocese received the land through a developer default. The Agency purchased 83 acres of the land from the Diocese for a sales price of $250,000 and a commitment to construct certain infrastructure improvements to service both the 83 acre site and the land retained by the Diocese, which was later developed as a church and school site. The Agency acquired the property with the intent to construct a public park and preserve an area for open space located amidst a large residential development project. The 83 acre site today consists of a 14.5 acre community sports park commonly known as the Eastside Community Park and 68.5 acres of natural open space.

(C) Parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.

Site Reference	Address	Lot Size	Zoning	General Plan Designation
1	4801 Park Avenue	7,362 sq.ft.	(RU) Residential Urban 3 du/acre	Community Core
2	4802 Lakeview 4852 Lakeview	4.7 acres	(RM-20) Residential Multiple 20 du/acre	Community Core
3	5400 Eastside Circle	83 acres	(PD) Planned Development	Residential Medium-Low

(D) An estimate of the current value of the parcel including, if available, any appraisal information.

Site 1. Site 1 is currently occupied by a dilapidated 95 year-old wood frame home, situated on an odd shaped corner parcel. The property lacks typical right-of-way public improvements such as concrete curb, gutter, and sidewalk. Additionally, there are several massive palm trees growing where the public sidewalk should be constructed. Lacking any significant onsite

improvements other than unimproved soil, palm trees, and the deteriorated structure, comprehensive construction costs would be significant. Specifically, the cost to restore the building structure to "period architecture" would probably exceed $600,000. Adding in the cost to construct new street curbing, gutter, sidewalk, onsite landscape, and hardscape improvements, would probably result in negative land value. Therefore, the Site's highest net value if sold "as-is" would be the gross land value less costs for structure demolition, capping utilities, possible structure remediation, and construction of curb, gutter, and sidewalk. However, the City to date has denied requests to sell to private ownership.

The City retained Mr. Don Lamm, a real estate broker and managing partner with Diamond Star Associates, to provide a valuation analysis of Site 1. Diamond Star Associates has determined that the net land value of Site 1 is approximately $115,000

Site 2. Site 2 was acquired for future consideration of multi-family affordable housing. The City has since decided the site is perfectly situated to fulfill the need for a new public library. Community interest is very intense, with the current library experiencing over 1,000 visitors each day. Therefore, this new facility is desperately needed.

Concept development plans indicate an approximately 50,000 square foot building with 225 parking spaces. Since the property is adjacent to a community retail shopping center, is located across from Yorba Linda Town Center, and is bounded by residential property on two sides, the library is a logical infill choice to meet community needs in this mid-block area. Therefore, this property will not be offered for private acquisition.

The City retained Diamond Star Associates to provide a valuation analysis of Site 2. Considering its varying topography, significant lack of abutting infrastructure improvements, need for traffic signalization, inadequate utility and storm drainage capacity, and site development costs to support construction of the library, Diamond Star has determined that the residual land value of Site 2 is approximately $38,500 per acre, or $180,950.

Site 3. Site 3 was acquired for public park purposes in an isolated area bounded by steep terrain. While the total land area is 83.0 acres, the net developed park land is only 14.5 acres. The cost of maintaining government owned open space is significant, in that it requires drainage channel maintenance to avoid soil erosion, access road maintenance, and most importantly public park maintenance.

The City retained Diamond Star Associates, a real estate brokerage firm, to provide a valuation analysis of Site 3. Diamond Star has determined that since the park is identified in the City's General Plan as a public park site and contributes to the statutory need for provision of public parks in Yorba Linda, the park cannot be valued for private ownership purposes, and has no monetary value as permanent public open space.

(E) An estimate of any lease, rental, or other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.

Site 1. Site 1 contains a dilapidated residence. There are no current leases, rentals or other revenues being generated from the site.
Site 2. Site 2 is currently vacant land and has no revenue stream.
Site 3. Site 3 is a fully improved public park and natural open space area with revenues being generated solely from resident picnic shelter facility rentals, which generate an average of $10,000 annually. The revenue received only partially offsets the ongoing maintenance costs of the picnic facility.

(F) The history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts.

Site 1. An Environmental Impact Report (EIR) was prepared for Site 1 in 2008 by the prior landowner, who intended to demolish the structure and construct a new custom residence. The EIR took into account certain environmental impacts associated with the proposed project and identified certain findings related to the environmental review process. The City Council ultimately certified the EIR, but denied the applicant's entitlement request due to certain impacts to cultural resources that were deemed unable to be mitigated. There were no other significant effects acknowledged in the EIR and the City has not identified any other environmental issues associated with the property.

Site 2/Site 3. No known environmental issues have been identified with regards to Sites 2 and 3.

(G) A description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

Site 1. Site 1 is located near the core area of the City's Town Center district and is convenient to current transit operations run by the Orange County Transit Authority. There are no regional or local plans to enhance transit operations beyond bus service due to the suburban build out of Yorba Linda.

The Successor Agency has not adopted planning objectives, but looks to the Agency's Five-Year Implementation Plan and the Town Center Specific Plan for direction. The planned use of Site 1 associated with this LRPMP is for the development or maintenance of a governmental use in accordance with these City approved documents.

The Agency's most recent Implementation Plan covered the planning period of 2009-2014 and highlighted the goals of the Agency including economic development, housing and historic

preservation. The Town Center Specific Plan was adopted in June 2011 and also identified certain objectives for the ultimate redevelopment of a blighted and underutilized project area.

Site 1 is specifically identified in the Agency's Implementation Plan (page 20), which states:

"The Agency has purchased the property and is in the process of mothballing the structure to stabilize and prevent further damage. The Agency desires to retain the historic nature of the building, particularly since it is a resource for National Register Eligibility. Options discussed for the home's future use include reuse for a civic purpose..."

Site 2. Site 2 is located near the core area of the City's Town Center district and is convenient to current transit operations run by the Orange County Transit Authority. There are no regional or local plans to enhance transit operations beyond bus service due to the suburban build out of Yorba Linda.

The Successor Agency has not adopted planning objectives, but looks to the Agency's Five-Year Implementation Plan and the Town Center Specific Plan for direction. The planned use of Site 2 associated with this LRPMP is for the development or maintenance of a governmental use in accordance with these City approved documents.

The Agency's most recent Implementation Plan covered the planning period of 2009-2014 and highlighted the goals of the Agency including economic development, housing and historic preservation. The Town Center Specific Plan was adopted in June 2011 and also identified certain objectives for the ultimate redevelopment of a blighted and underutilized project area.

Site 2 is within the boundaries of the Town Center Specific Plan and was intended to be inclusive of the overall planning efforts for various land use considerations, including the construction of a public library. Both the Specific Plan and Implementation Plan encourage a civic component to the Town Center as a community draw to the retail and restaurants proposed in the commercial core area of the project.

Site 3. Site 3 is located in a residential neighborhood and no potential exists for the park or open space area to be developed as a transit-oriented project.

The Successor Agency has not adopted planning objectives, but looks to the Agency's Five-Year Implementation Plan and the Town Center Specific Plan for direction. The planned use of Site 3 associated with this LRPMP is for the development or maintenance of a governmental use in accordance with these City approved documents.

The Agency's most recent Implementation Plan covered the planning period of 2009-2014 and highlighted the goals of the Agency including economic development, housing and historic

preservation. The Town Center Specific Plan was adopted in June 2011 and also identified certain objectives for the ultimate redevelopment of a blighted and underutilized project area.

The Eastside Community Park (Site 3) was developed in accordance with the City's Master Plan of Parks and is considered a public benefit in providing recreational facilities to adjoining neighborhoods, schools and the greater community.

(H) A brief history of previous development proposals and activity, including the rental or lease of the property.

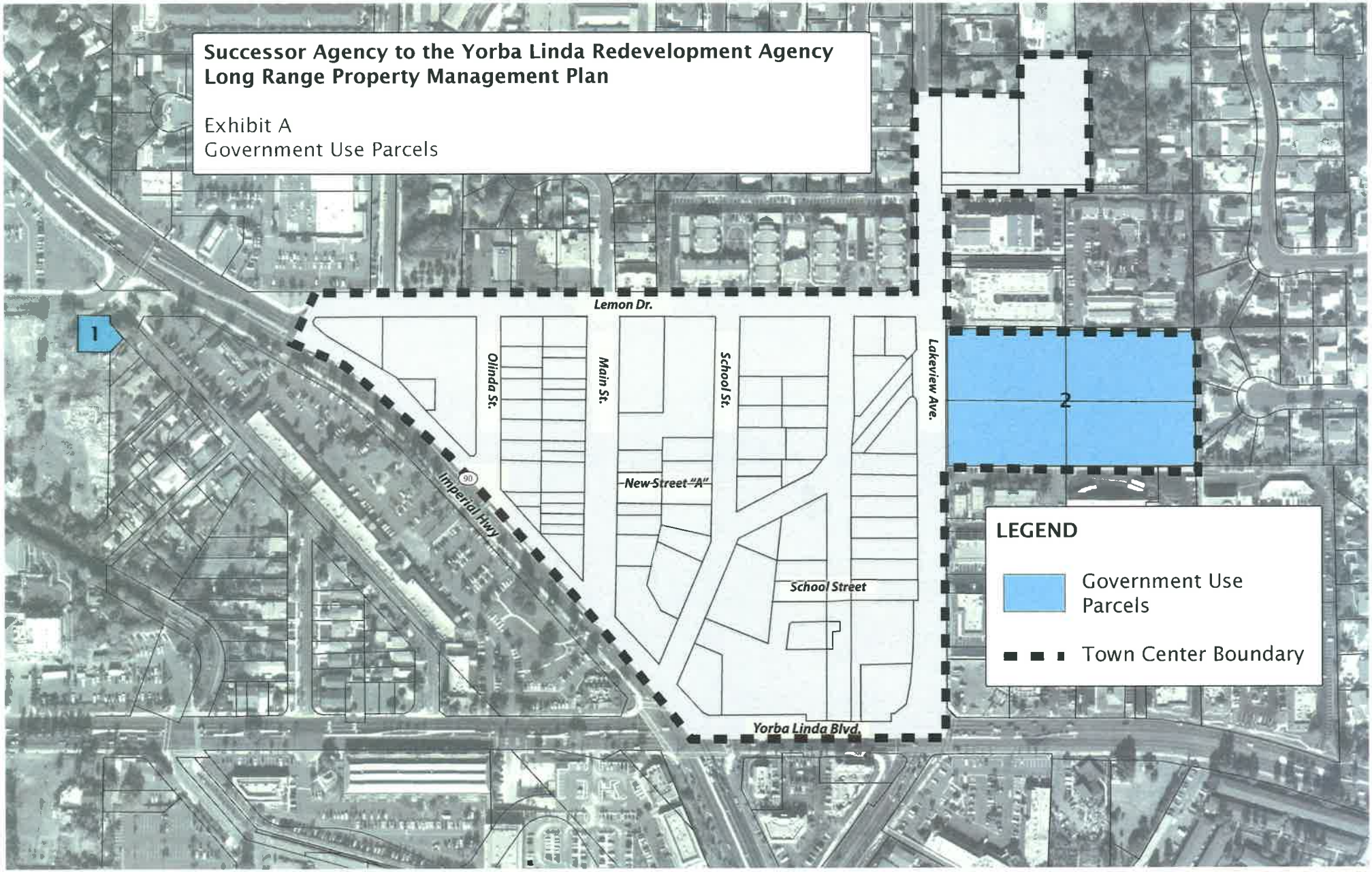
Site 1. Since acquisition of Site 1, there have been no formal or approved plans to redevelop the property. The Agency offered the site as a development opportunity through an RFP process; however, no contract or agreement was entered into due to the uncertainty in the use of agency properties during the early stages of redevelopment dissolution.

Site 2. Several development ideas have been discussed for Site 2 as part of the Town Center Specific Plan process, including a public library, residential project, site for relocation of historic cottages, and commercial retail. No formal development plans have been submitted or reviewed since the Agency's acquisition of the site in 2002. However, the City Council narrowed the possible use options in 2011 when the property was identified as the preferred site for the City's public library relocation project. Since that time, a concept plan for the site has been prepared and the City continues to explore public financing options for a new library on the site.

Site 3. A portion of Site 3 was developed as a public park following the Agency's acquisition, with the remaining area being left as natural open space. As previously stated, a small amount of revenue is currently generated from the park site for rental of the picnic shelters. The remaining 68.5 acres consists of rugged terrain and steep hillside slopes. Although generally considered undevelopable, the City continues to explore public benefit options for the natural open space, including outdoor recreational uses such as a hiking trail, dirt bike track, and/or dog park.

Use & Disposition (Health & Safety Code Section 34191.5(c)(2)

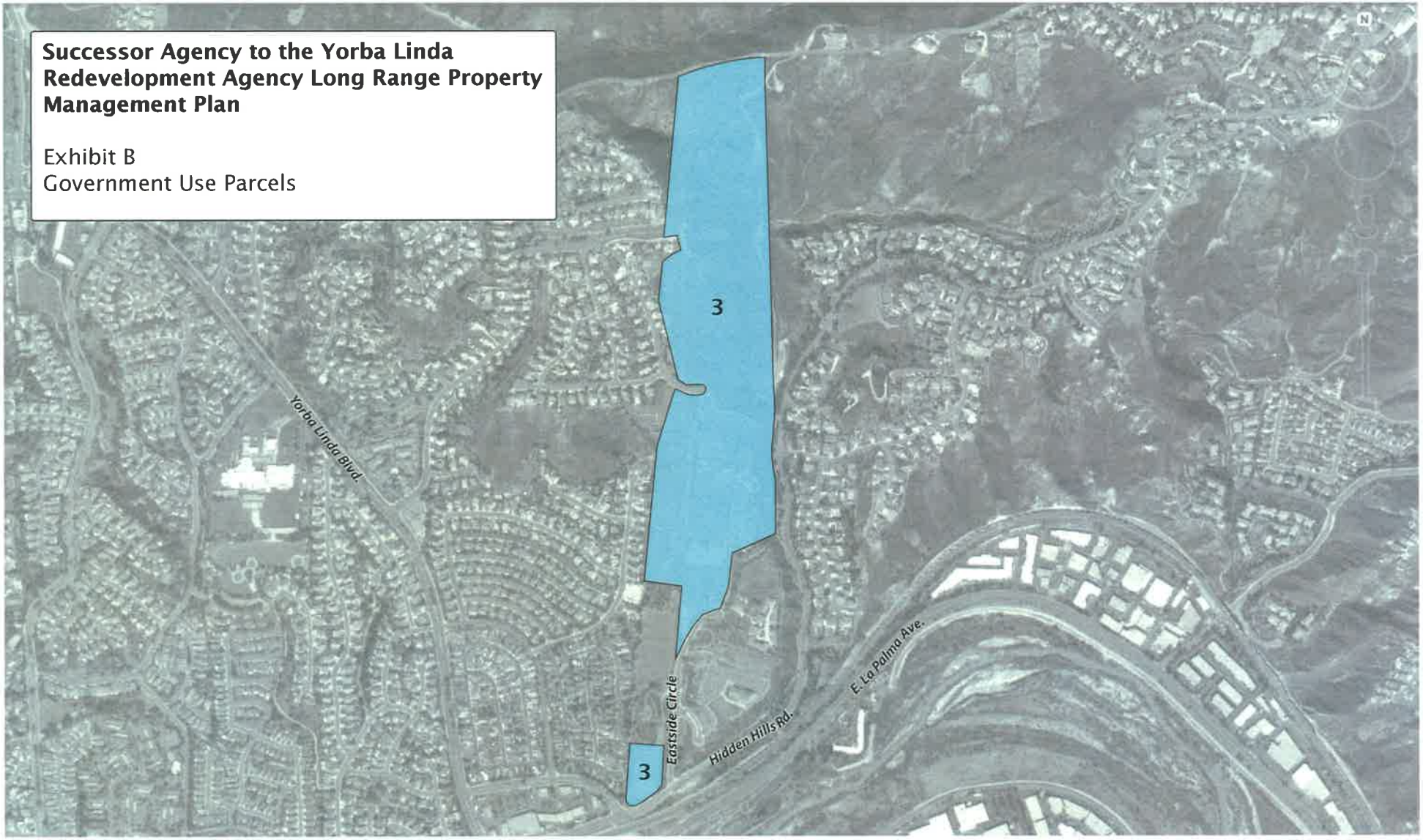
Site 1/Site 2/Site 3. By way of submitting this LRPMP, the Successor Agency determines that the properties identified should be retained for governmental use due to the existing and proposed development plans intended for each of the sites. Therefore, the Successor Agency requests approval by the Oversight Board and the Department of Finance to transfer the aforementioned properties to the City of Yorba Linda for the purposes hereby described in this plan and pursuant to Health & Safety Code Section 34181(a).


Successor Agency to the Yorba Linda Redevelopment Agency
Long Range Property Management Plan
Exhibit A
Government Use Parcels
Lemon Dr.
Olinda St.
Main St.
School St.
Lakeview Ave.
Imperial Hwy
90
New Street "A"
School Street
Yorba Linda Blvd.
1
2
LEGEND
Government Use Parcels
Town Center Boundary

July 12, 201

Successor Agency to the Yorba Linda Redevelopment Agency Long Range Property Management Plan

Exhibit B
Government Use Parcels



July 12, 2013

Successor Agency to the Yorba Linda Redevelopment Agency

LONG RANGE PROPERTY MANAGEMENT PLAN

Affordable Housing Parcels

Pursuant to the State of California Health and Safety Code section 34191.5(c), the following information details the Long Range Property Management Plan (LRPMP) of the Successor Agency to the Yorba Linda Redevelopment Agency (Successor Agency) for certain properties that have been identified as sites to be sold for the purpose of affordable housing.

The elements of the LRPMP are listed below and addressed in the order that they appear in the statute.

Property Inventory (H&S Code Section 34191.5(c)(1):

(A) Date of acquisition of the property and value of the property at that time, and estimate of current value of the property.

The chart below describes two (2) parcels acquired by the former Yorba Linda Redevelopment Agency (Agency):

Site Reference	APN	Acquisition Date	Acquisition Value	Current Estimated Value
1	323-231-08	June 2002	$ 580,617	$692,135
2	323-231-09	Sept. 2002	$ 1,071,694	$1,281,651

(B) Purpose for which the property was acquired.

Site 1. Site 1 was acquired by the Agency in June 2002 for future redevelopment purposes and to effectuate a Town Center planning effort that included an affordable housing component. The property consisted of a fire damaged single family residence, which was demolished shortly after acquisition due to safety concerns.

Site 1 was acquired with the Agency's Low-Moderate Income Housing Funds with the intent of soliciting developers for an affordable housing project. The site was identified on the Agency's Housing Asset list in July 2012, but was deemed ineligible as a housing asset by the Department of Finance in a letter dated August 31, 2012. As a result, the property was returned to the Successor Agency and instructed to be addressed during the Long Range Property Management Plan process.

Site 2. Site 2, which is adjacent to Site 1, was acquired by the Agency in September 2002 for future redevelopment purposes and to effectuate a Town Center planning effort that included an affordable housing component. The property had a single family residence on site which was demolished as part of the City's collective redevelopment efforts in 2010.

Site 2 was acquired with the Agency's Low-Moderate Income Housing Funds with the intent of soliciting developers for an affordable housing project. The site was identified on the Agency's Housing Asset list in July 2012, but was deemed ineligible as a housing asset by the Department of Finance in a letter dated August 31, 2012. As a result, the property was returned to the Successor Agency and instructed to be addressed during the Long Range Property Management Plan process.

(C) Parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.

Site Reference	Address	Lot Size	Zoning	General Plan Designation
1	4672 Lakeview	36,480 sq.ft.	(RM-20) Residential Multiple 20 du/acre	Residential Medium
2	18551 Altrudy	67,562 sq.ft.	(RM-20) Residential Multiple 20 du/acre	Residential Medium

(D) An estimate of the current value of the parcel including, if available, any appraisal information.

Site 1/Site 2. While Sites 1 & 2 were acquired at different times, they are dependent upon each other to create one buildable site. Site 2 in particular is somewhat isolated, has limited frontage on Lakeview Avenue as a flag lot, and would likely not be sold or developed as an individual parcel. Additionally, the City's General Plan and Town Center Specific Plan identify and anticipate these two properties being combined and developed as one affordable housing project.

The combined site creates a square-shaped property which is conducive to design and construction of attached housing units, but the site has varying topography creating construction issues. The combined area is 104,042 square feet (2.388 acres). Based on the combined area, the General Plan density of 20 units per acre would yield 47 affordable units. Since construction of affordable ownership housing is quite difficult to accomplish, and few home builders would pursue, the most likely housing product would be multi-family attached apartments, Type V wood frame two story buildings. The 47 units would probably be a mixture of two and three bedroom apartments to meet the City's current City's Regional Housing Needs Assessment (RHNA) obligation.

In 2002, both properties were purchased at a combined price of $15.76 per sq. ft. or $34,889 per unit/door at 20 units per acre. Land values continued to appreciate through 2007 but started declining in 2008 with onset of the recession. While the housing market has been recovering in

2012-13, government economic assistance for underwriting affordable housing has substantially diminished subsequent to dissolution of redevelopment agencies.

Affordable apartments generate lower net operating income than market rate apartments. Therefore, the capitalized residual land value for an affordable apartment project would be significantly less than for an equivalent market rate project. Furthermore, while market rate (unrestricted rent) projects have widely varying rental rates based on geographic location, affordable rental rates are somewhat similar since they are tied to qualifying income levels.

To confirm research conducted for this report, the City retained Mr. Don Lamm, a real estate broker and managing partner with Diamond Star Associates, a consulting firm, to provide a valuation analysis of these sites. In addition, the City contacted both a market rate and affordable apartment builder to provide opinions and estimates of value. Mr. Lamm and the two builders came to nearly the same conclusions. Based on their conclusions, the acquisition of the combined sites for a 100% affordable apartment project should result in the following values:

Net land value-both sites: $1,973,786
Value per square foot: $18.97
Value per unit/door: $42,000+/-

- Value of Site 1 $692,135
- Value of Site 2 $1,281,651

(E) An estimate of any lease, rental, or other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.

Site 1/Site 2. Sites 1 and 2 are currently vacant. There are no current leases, rentals or other revenues being generated from the sites.

(F) The history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts.

Site 1/Site 2. No known environmental issues have been identified with regards to Sites 1 and 2.

(G) A description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

Site 1/Site 2. Sites 1 and 2 are located near the core area of the City's Town Center district and are convenient to current transit operations run by the Orange County Transit Authority.

The Successor Agency has not adopted planning objectives, but looks to the Agency's Five-Year Implementation Plan, the Town Center Specific Plan, and the Housing Element for direction. The planned use of the sites associated with this LRPMP is for the development of affordable housing to address the City's housing needs in accordance with these approved documents.

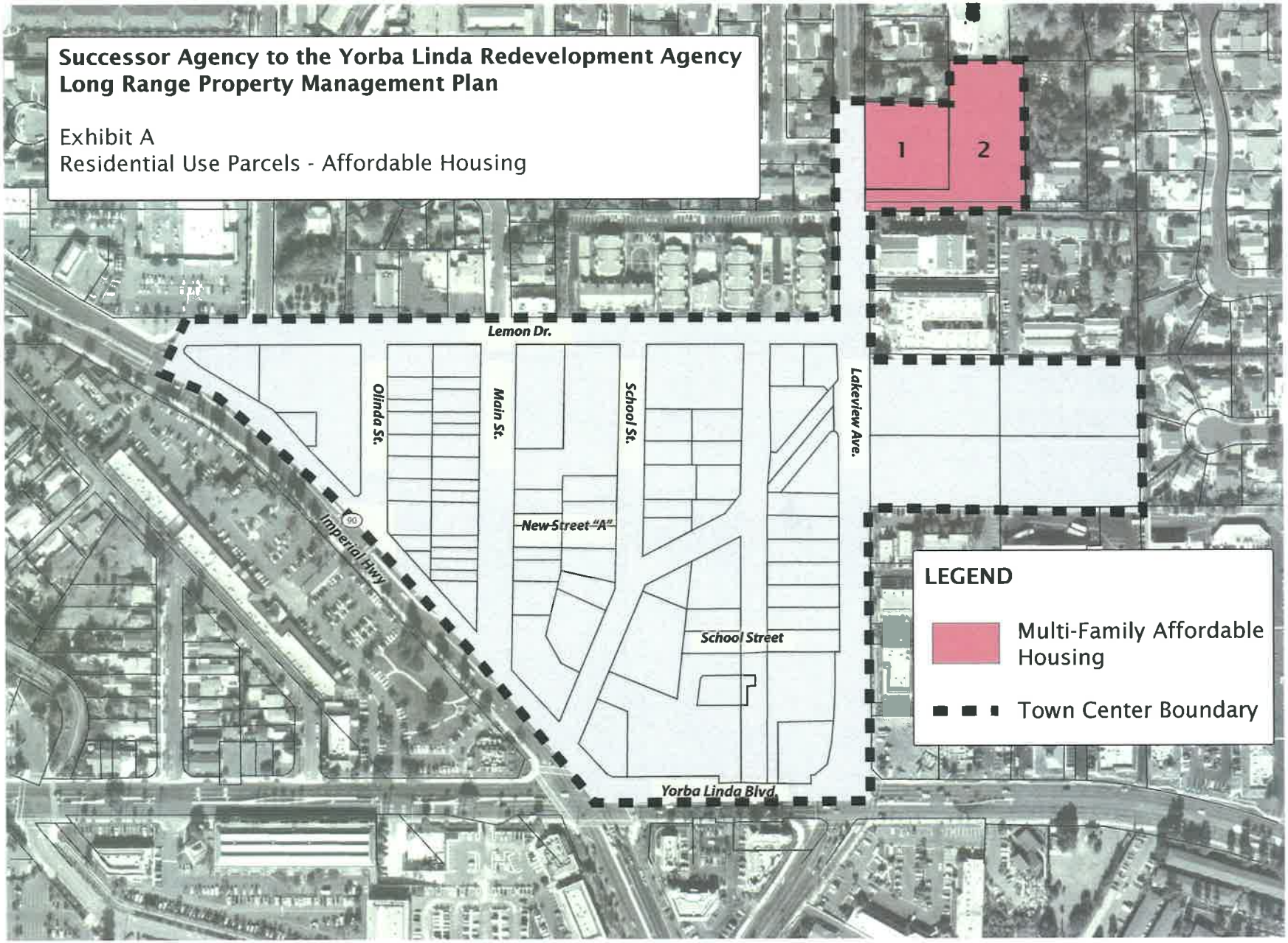
The Agency's most recent Housing Element covered the planning period of 2008-2014 and identified certain sites in an inventory of properties that were identified as potential sites to meet the City's RHNA obligation. Additionally, the Town Center Specific Plan was adopted in June 2011 and also identified certain objectives for the ultimate redevelopment of the project area, including these two sites for a future multi-family residential development.

(H) A brief history of previous development proposals and activity, including the rental or lease of the property.

Site 1/Site 2. Since acquisition of both properties there have been no formal or approved plans to redevelop the sites.

Use & Disposition (Health & Safety Code Section 34191.5(c)(2)

By way of submitting this LRPMP, the Successor Agency determines that the properties identified should be transferred to the City of Yorba Linda, Acting as the Housing Successor Agency to the Redevelopment Agency of the City of Yorba Linda (City as Housing Successor) and retained by the City as Housing Successor for future affordable housing development. The Successor Agency and City as Housing Successor wish to issue a Request for Proposals from residential developers to develop the sites as an affordable multi-family residential project in accordance with the City's adopted Housing Element. Therefore, the Successor Agency requests approval by the Oversight Board and the Department of Finance to transfer the two properties to the City as Housing Successor, for retention by the City as Housing Successor and use for the purposes hereby described in this plan.


Successor Agency to the Yorba Linda Redevelopment Agency
Long Range Property Management Plan
Exhibit A
Residential Use Parcels - Affordable Housing
1
2
Lemon Dr.
Olinda St.
Main St.
School St.
Lakeview Ave.
New Street "A"
Imperial Hwy
90
School Street
Yorba Linda Blvd.
LEGEND
Multi-Family Affordable Housing
Town Center Boundary

July 12, 2013

Successor Agency to the Yorba Linda Redevelopment Agency

LONG RANGE PROPERTY MANAGEMENT PLAN

Town Center Parcels

Pursuant to the State of California Health and Safety Code section 34191.5(c), the following information details the Long Range Property Management Plan (LRPMP) of the Successor Agency to the Yorba Linda Redevelopment Agency (Successor Agency) for certain properties that have been identified as sites to be held for future development purposes.

The elements of the LRPMP are listed below and addressed in the order that they appear in the statute.

Property Inventory (H&S Code Section 34191.5(c)(1):

(A) Date of acquisition of the property and value of the property at that time, and estimate of current value of the property.

The chart below describes twenty-seven (27) separate and distinct parcels acquired by the former Yorba Linda Redevelopment Agency (Agency):

Site Reference	APN	Acquisition Date	Acquisition Value	Current Estimated Value
1	323-321-01	July 1991	$ 178,941	See Section D
2	323-321-02	Nov. 1991	$ 181,297	See Section D
3	323-321-03	Sept. 2003	$ 524,443	See Section D
4	323-321-04	Sept. 2003	$ 732,822	See Section D
5	323-321-06	June 2002	$ 230,599	See Section D
6	323-321-07	Jan. 2006	$ 569,419	See Section D
7	323-321-08	Feb. 2003	$ 289,039	See Section D
8	323-321-11	May 1998	$ 129,846	See Section D
9	323-323-23	Feb. 1991 thru Aug. 1993	$2,712,864	See Section D
10	323-323-25			See Section D
11	323-323-24			See Section D
12	323-323-14	April 2003	$1,055,000	See Section D
13	323-323-04	May 1990	$ 751,940	See Section D
14	323-323-03			See Section D
15	323-323-17			See Section D
16	323-323-15			See Section D
Site	APN	Acquisition	Acquisition Value	Current Estimated

Reference		Date		Value
17	323-322-06	Dec. 1998	$ 180,648	See Section D
18	323-322-07			See Section D
19	323-322-05	April 2005	$ 678,757	See Section D
20	323-322-04	April 2005	$ 620,224	See Section D
21	323-324-02	April 2005	$ 592,468	See Section D
22	323-324-03	April 2005	$ 819,425	See Section D
23	323-324-04			See Section D
24	323-324-05	Aug. 1999	$ 168,070	See Section D
25	323-324-06	Jan. 2003	$ 277,681	See Section D
26	323-324-07	March 2005	$1,182,295	See Section D
27	323-324-08	April 2003	$1,005,087	See Section D

(B) Purpose for which the property was acquired.

The Agency began acquiring individual properties in the Town Center area soon after the Amended Redevelopment Project Area was adopted in 1990. Over the past 20 years, the Agency acquired sites on a willing-seller basis with the intent to effectuate a retail project in the blighted downtown, core area of the city. Each of the properties acquired by the Agency have been land-banked since acquisition while the community and elected officials considered the vision and various conceptual site plans for a future mixed-use Town Center project. The City Council adopted the Town Center Specific Plan (TCSP) in June 2011, which established allowable land uses and development standards to ensure the site is developed as a mixed-use project with community benefit.

(C) Parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.

Site Reference	Address	Lot Size	Zoning	General Plan Designation
1	4801 Lakeview	6,510	Town Center Specific Plan	Community Core
2	4802 Valencia	7,199	Town Center Specific Plan	Community Core
3	4860 Valencia	18,417	Town Center Specific Plan	Community Core
4	4861 Lakeview & 4832 Valencia	18,296	Town Center Specific Plan	Community Core
5	4881 Lakeview	7,900	Town Center Specific Plan	Community Core
6	4891 Lakeview	7,900	Town Center Specific Plan	Community Core
7	4895 Lakeview	7,900	Town Center Specific Plan	Community Core
8	No situs	8,077	Town Center Specific Plan	Community Core
9	18453 Yorba Linda	14,810	Town Center Specific Plan	Community Core
10	No Situs	96,703	Town Center Specific Plan	Community Core
11	No Situs	36,327	Town Center Specific Plan	Community Core
Site	Address	Lot Size	Zoning	General Plan

Reference				Designation
12	4922 Arroyo	26,775	Town Center Specific Plan	Community Core
13	4911 Valencia	6,500	Town Center Specific Plan	Community Core
14	4901 Valencia	6,200	Town Center Specific Plan	Community Core
15	4881 Arroyo	15,290	Town Center Specific Plan	Community Core
16	4892 Arroyo	6,000	Town Center Specific Plan	Community Core
17	18401 Arroyo	6,048	Town Center Specific Plan	Community Core
18	4862 School	4,290	Town Center Specific Plan	Community Core
19	4865 Valencia	3,850	Town Center Specific Plan	Community Core
20	4861 & 4863 Valencia	7,615	Town Center Specific Plan	Community Core
21	4861 School	7,540	Town Center Specific Plan	Community Core
22	4871 School	6,670	Town Center Specific Plan	Community Core
23	No Situs	6,500	Town Center Specific Plan	Community Core
24	4897 School	8,178	Town Center Specific Plan	Community Core
25	4901 School	7,462	Town Center Specific Plan	Community Core
26	4911 School	15,682	Town Center Specific Plan	Community Core
27	18351 Imperial Hwy	22,070	Town Center Specific Plan	Community Core

(D) An estimate of the current value of the parcel including, if available, any appraisal information.

The twenty-seven sites comprise the Yorba Linda Town Center community core for which the City has planned and worked towards developing over the past 20 years. The Yorba Linda Town Center Specific Plan was adopted by ordinance and established zoning and development standards applicable to all 27 sites. As such, none of the 27 sites can be developed as a stand-alone site due to inadequate land area and inability to meet the development requirements of the Specific Plan. Neighboring and abutting similar properties, which are still privately owned, may also be included in the Plan's boundary area. However, those sites currently qualify as "legal non-conforming" uses, and if new construction was proposed, any proposed new use would only be allowed if compliant with the Town Center Specific Plan.

Sites 3-27 are collectively valued as a single property, and are currently being designed and proposed to be developed by a selected commercial builder, Zelman Retail Partners, Inc. (Zelman). That sub-area, known as the "Town Center Commercial District", is restricted in the Specific Plan to a single planned retail center comprised of shopping, dining, and entertainment businesses. Sites 1 & 2 are within the "Cottage" sub-district of the TCSP.

<u>Cottage Sub-District: Sites 1 & 2</u>

Sites 1 & 2 are located at the southwest corner of Lakeview Avenue and Lemon Drive, in the Town Center. Sites 1 & 2 are vacant parcels/sites planned for the possible relocation of certain City-owned residential structures. The residential homes in question are older

structures that are now referred to as "cottages", and that have potential for restoration to period architecture. These salvageable structures do not necessary qualify for historic designation pursuant to State or federal guidelines, but add to the urban form and character of Town Center's heritage.

The conceptual idea is to relocate, substantially restore, and modify the cottage structures to meet current commercial office or retail building standards. As such, four structures ranging in size from 1,750 sf - 1,875 sf could be placed on Sites 1 & 2 for a total of 7,250 sf of building floor area.

The property dimensions for Sites 1 & 2 are conducive to a combined development as one project/owner, or a subdivision into four small lots. Site 1 is 6,510 sf in area and Site 2 is 7,199 sf. The current value of Sites 1 & 2 is simply based on specialty office or retail.

The City retained Don Lamm, a real estate broker and managing partner with Diamond Star Associates, a consulting firm, to provide a valuation analysis of these sites. Based on the limited use of the land constrained by the Town Center Specific Plan, Mr. Lamm has determined that the net land value is as follows:

Site 1-	$135,929
Site 2-	$150,315
Combined	$286,244

Town Center Commercial District: Sites 3-27

The intended purpose for sites 3-27 has been fully and comprehensively detailed in the City's General Plan, the Yorba Linda Town Center Specific Plan, and the Agency's Five-Year Implementation Plan.

These sites qualified as "blighted" due to their irregular subdivision pattern, physical deterioration, lack of sufficient public infrastructure, such as curb, gutter, and pedestrian sidewalks, and, physical location in a drainage watercourse below surrounding street elevations. Combined with public utility inadequacies and overall unsightly conditions, these sites need to be collectively sold to cure physical blight which still exists. Today, the community demands that the Town Center area be renovated and redeveloped into the downtown focal point promised twenty years ago.

Sites 3-27 were acquired at various times and each was valued differently depending upon market conditions, property owner needs, and the Agency's ability to purchase. In the aggregate, sites 3-27, which are planned to be sold to Zelman, total 429,066 square feet – or

9.85 acres of the 10.86 needed for the Town Center project. The Town Center's gross leasable building area is intended to be approximately 149,305 square feet.

The City retained Don Lamm, a real estate broker and managing partner with Diamond Star Associates, a consulting firm, to provide a valuation analysis of sites 3-27. Commercial land value is determined by the "residual land value" which results from deducting site improvements, soft costs, and building construction costs from the capitalized market value of the property. After preparation of multiple project budgets/pro formas, Mr. Lamm has determined that the current proposed design would result in a gross residual land value of $4,612,460, or $10.75 per sf. less off-site infrastructure improvements. Therefore, the net land value/current market value is determined after deduction of infrastructure costs from the gross residual value.

Necessary infrastructure improvements would be substantial, which is why the Town Center was formerly included in a redevelopment project area. The City and Successor Agency retained the civil engineering firm of Harris & Associates to create a scope of work and an engineer's cost estimate. The total cost for infrastructure improvements throughout Town Center project, including bordering roadways, is estimated to be $7,632,415. More specifically, however, infrastructure improvements clearly attributable to any future development of the property include:

Roadway and Parkway Improvements:	$1,930,612
Utility Improvements	$74,887
Traffic and Lighting Improvements	$667,500
Lakeview Storm Drain	$1,118,000
Total:	$3,790,999

Based on the foregoing, Mr. Lamm has determined that the gross residual land value of $4,612,460, minus the costs associated with the related and necessary infrastructure improvements of $3,790,999, would result in a net land value of $821,461.

(E) An estimate of any lease, rental, or other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.

Site 9 contains an existing restaurant, the Original Pancake House. The restaurant owner ground leases the property from the Successor Agency. The site has operated as a restaurant since 1996. The current tenant has been leasing the property since 1998 and is presently paying approximately $96,000 in annual rent. The tenant has been aware of the City's plans for redeveloping the Town Center for many years and has been on a hold-over, month-to-month lease since June 2011. Upon sale of the property, the new land owner

(retail developer) intends to relocate the restaurant within the Town Center retail project area, assuming business terms can be reached between the two parties.

No other Town Center parcels have a lease in place or are generating any revenues.

(F) The history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts.

A Program Environmental Impact Report (EIR) was prepared for the TCSP in 2010. The Program EIR was a fact-finding document used to identify, assess, and analyze potential environmental impacts resulting from implementation of the TCSP. Since the TCSP anticipated development in multiple phases, the Program EIR evaluated broad-scale impacts as well as project-level impacts known at the time of preparation. The Program EIR included all 27 of the properties identified in this LRPMP. Based on the analysis in the Program EIR, no significant, detrimental impacts were noted.

Since City Council certification of the Program EIR, the retail project details have been further defined. In June 2013, Zelman submitted a formal entitlement application to the City for the proposed 155,000 square foot retail project. Additionally, the applicant initiated an addendum to the TCSP Program EIR, inclusive of a specific project description, which is currently in process and expected to be completed in August 2013.

Based upon the Hazardous Materials Screening Assessment by Ninyo & Moore (July 2010), a total of two (2) sites within the Town Center boundary were identified as having potential contaminants of concern. It should be noted that the potential contaminants of concern were identified as concerns only towards groundwater sources (for uses other than drinking water).

1) Site 15. The former Yorba Linda Disposal site received case closure from the Orange County Health Care Agency on August 16, 1990.

2) Site 27. The former auto repair/Tosco 76 Station has undergone extensive remediation using various soil vapor extraction procedures. Based on the Low Threat Closure Criteria, monitoring of the groundwater contaminants has yielded results below maximum allowable thresholds and therefore the site was recommended for case closure.

   A case closure finding by the Orange County Health Care Agency under the Low Threat Closure Policy means the site has met all closure criteria and poses a low threat to human health, safety, and the environment.

(G) A description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

Sites 1-27 are located in the core of the city's Town Center district and are convenient to current transit operations run by the Orange County Transit Authority. There are no regional or local plans to enhance transit operations beyond bus service due to the suburban build out of Yorba Linda.

The Successor Agency has not adopted planning objectives, but looks to the Agency's Five-Year Implementation Plan and the TCSP for direction. The planned use of these sites associated with this LRPMP is for the development of commercial retail use in accordance with these City approved documents.

(H) A brief history of previous development proposals and activity, including the rental or lease of the property.

The planning process for developing the current TCSP began in May of 2009. It involved several steps including data gathering and preparation of special studies; visioning and concept development scenarios; preparation of a draft land use plan; and preparation of CEQA compliance documentation. A key initial step in the overall planning process has been a thorough review of the history and background documentation from previous planning efforts in Town Center dating back to the 1993 General Plan.

The TCSP allows for a precise focus of land use regulations within a defined area to achieve specific goals and objectives, and establishes the regulatory framework for development. The goals and objectives for revitalizing the Town Center area include an emphasis on improving retail and restaurant opportunities for the community, creating a gathering place to engage residents in community activities, and generally improving a dilapidated and blighted area located in the heart of the City.

In April 2012, the City Council interviewed three development teams in response to a Request for Proposals issued in December 2011, seeking a developer and concept plan for the commercial portion of the TCSP. Upon conclusion of the interview process, the City Council unanimously selected Zelman as the preferred developer. In June 2012, the Successor Agency entered into an Exclusive Negotiating Agreement (ENA) with Zelman to initiate the due diligence process.

During the initial term of the ENA, Zelman engaged in several site planning exercises in response to Successor Agency and community input. In addition, delay was experienced due to uncertainty resulting from the dissolution of the Agency, including the funding of certain onsite improvements that were originally identified as an Agency responsibility.

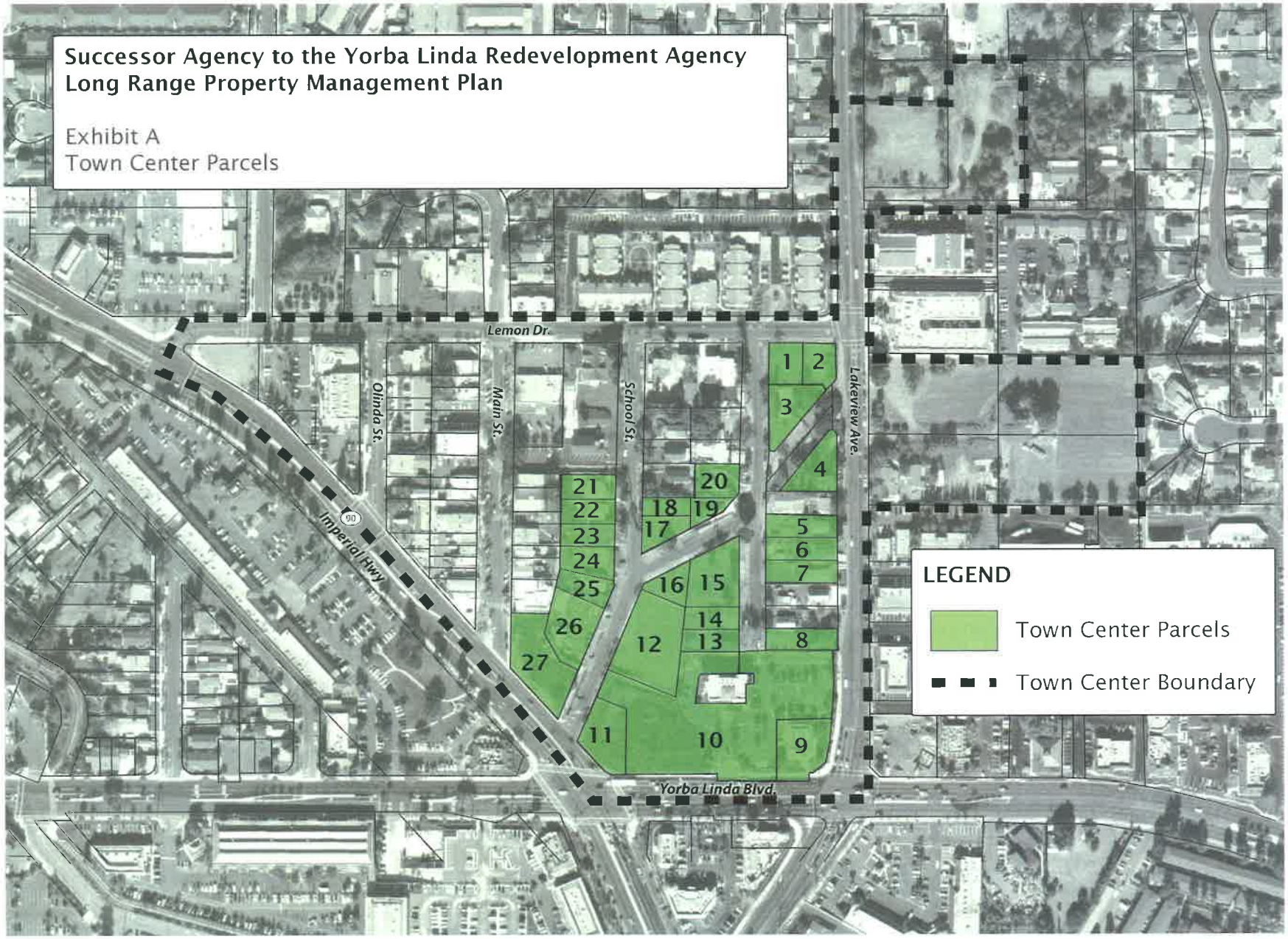
In June 2013, Zelman submitted an entitlement application to the City to initiate the development of the project. The proposed retail project is located on approximately 12 acres and includes 33 parcels of land, 27 of which are owned by the Successor Agency. Zelman is currently engaged in negotiations to acquire the 6 remaining parcels. The project is intended to consist of 1 and 2 story structures organized around a central open park space. Proposed uses include retail, restaurants, a cinema, and a grocery market totaling approximately 155,000 square feet of gross leasable area.

During the past year, the City and Zelman have completed the following steps to advance the project:

- Refinement of the project site plan
- Preparation of preliminary development costs and project proformas
- Discussions with property owners
- Participation in various meetings with stakeholders
- Creation of a base map with property detail, topography and facilities
- Completion of a utility detection survey
- Preparation of conceptual roadway alignments and right-of-way exhibit
- Preliminary geotechnical investigation and report
- Cost estimates for public infrastructure
- Preliminary discussions with interested tenants

Use & Disposition (Health & Safety Code Section 34191.5(c)(2)

By way of submitting this LRPMP, the Successor Agency determines that the properties identified should be sold to Zelman, the intended retail developer for the Town Center project. As discussed more fully above, the Town Center project has been identified in the Agency's Five-Year Implementation Plan and in the TCSP. Therefore, the Successor Agency requests approval by the Oversight Board and the Department of Finance to sell the aforementioned properties at fair market value to Zelman for the purposes hereby described in this plan.


Successor Agency to the Yorba Linda Redevelopment Agency
Long Range Property Management Plan
Exhibit A
Town Center Parcels
Lemon Dr.
Olinda St.
Main St.
School St.
Lakeview Ave.
Imperial Hwy
90
Yorba Linda Blvd.
1
2
3
4
5
6
7
8
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12
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22
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26
27
LEGEND
Town Center Parcels
Town Center Boundary

July 12, 2013