

RESOLUTION NO. 14-05

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY (1) APPROVING A BOND PROCEEDS EXPENDITURE AGREEMENT BETWEEN THE CITY OF MONTCLAIR, CALIFORNIA, AND THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY PROVIDING FOR THE TRANSFER OF EXCESS BOND PROCEEDS TO THE CITY FOR BOND-ELIGIBLE PURPOSES; (2) DIRECTING THE TRANSFER OF SUCH FUNDS TO THE CITY; AND (3) MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH

WHEREAS, the City of Montclair ("City") is a municipal corporation organized and operating under the laws of the State of California; and

WHEREAS, the Successor Agency to the City of Montclair Redevelopment Agency ("Successor Agency") is a public body, corporate and politic, organized and operating under Part 1.85 of Division 24 of the Dissolution Act (defined below); and

WHEREAS, the City of Montclair Redevelopment Agency ("former Agency") previously was a California public body, corporate and politic, duly formed by the City Council of the City of Montclair ("City Council") and was organized, existed, and exercised the powers of a community redevelopment agency under the California Redevelopment Law, Health and Safety Code Section 33000, *et. seq.*; and

WHEREAS, Assembly Bill X1 26 ("ABX1 26"), effective on June 28, 2011, added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code and which laws were modified, in part, and determined constitutional by the California Supreme Court in the petition *California Redevelopment Association, et. al. v. Ana Matosantos, et. al.*, Case No. S194861 ("Matosantos Decision"), which laws and court opinion caused the dissolution of all redevelopment agencies and winding down of the affairs of former redevelopment agencies; thereafter, such laws were amended further by Assembly Bill 1484 ("AB 1484") that was effective on June 27, 2012, (together ABX1 26, the Matosantos Decision, and AB 1484 are referred to as the "Dissolution Act"), and

WHEREAS, as of February 1, 2012, the former Agency became a dissolved community redevelopment agency pursuant to the Dissolution Act; and

WHEREAS, as of and on February 1, 2012, the Successor Agency is performing its functions as the successor agency under the Dissolution Act to administer all enforceable obligations of the former Agency and is engaged in activities necessary and appropriate to wind down the affairs of the former Agency, all subject to the review and approval by a seven-member Oversight Board formed thereunder; and

WHEREAS, Section 34191.4(c) of the Dissolution Act allows a successor agency that has received a finding of completion to use bond proceeds from bonds issued prior to 2011 for the purposes for which the bonds were sold, provides that such proceeds in the excess of amounts needed to satisfy approved enforceable obligations shall be expended in a manner consistent with the original bond covenants, and further provides that such expenditures shall constitute "excess bond proceeds obligations" that shall be listed separately on the successor agency's Recognized Obligation Payment Schedule; and

WHEREAS, the Successor Agency received its Finding of Completion under Health and Safety Code Section 34179.7 from the California Department of Finance on May 15, 2013; and

WHEREAS, the California Community Redevelopment Law (Health and Safety Code Section 33000, *et. seq.*) provides for a cooperative relationship between the cities and their redevelopment agencies as well as their successor agencies who have assumed the duties and obligations of the former redevelopment agencies; and

WHEREAS, under Health and Safety Code Section 33220, a city may aid and cooperate in the planning, undertaking, construction, or operation of redevelopment project; and

WHEREAS, Health and Safety Code Section 33220(e) specifically authorizes a city to enter into an agreement with its redevelopment agency or any other public entity to further redevelopment purposes, and

WHEREAS, Health and Safety Code Section 34178(a) allows a successor agency and its sponsoring city to enter into agreements, subject to Oversight Board approval pursuant to Health and Safety Code Section 34180(h); and

WHEREAS, the Successor Agency has and will have proceeds of its City of Montclair Redevelopment Agency Project Area No. I Taxable Bonds, Redevelopment Project Area No. III Taxable and Tax-Exempt Bonds, Redevelopment Project Area No. IV Bonds, and Redevelopment Project Area No. V Taxable and Tax-Exempt Bonds that are not otherwise obligated for projects or other enforceable obligations; and

WHEREAS, the Successor Agency desires to transfer its Excess Bond Proceeds (defined in the Agreement) to the City to enable the City to use such Excess Bond Proceeds for redevelopment purposes, including to undertake projects and programs that were not previously funded and obligated by the Successor Agency or the City, and in a manner consistent with the original bond covenants; and

WHEREAS, City and Successor Agency staff have prepared a spending plan for using such Excess Bond Proceeds ("Bond Spending Plan") to advance the City's community development goals while maximizing fiscal and social benefits flowing to the taxing entities from successful development; and

WHEREAS, in order to facilitate the use of Excess Bond Proceeds consistent with all applicable bond covenants, the Successor Agency and the City have negotiated the terms of that certain Bond Proceeds Expenditure Agreement ("Agreement") requiring the transfer of current and future excess bond proceeds consistent with all applicable covenants; and

WHEREAS, the Successor Agency and City intend that the Agreement shall constitute an excess bond proceeds obligation within the meaning of Health and Safety Code Section 34191.4(c)(2)(A) to be paid from Excess Bond Proceeds; and

WHEREAS, the Successor Agency will list obligations to be funded with Excess Bond Proceeds on its Recognized Obligation Payment Schedule (ROPS) for January 2015 through June 30, 2015, (ROPS 14-15B) and upon receiving Oversight Board approval and California Department of Finance approval will transfer excess bond proceeds set forth herein; and

WHEREAS, the Oversight Board desires to approve the Agreement and the Bond Spending Plan in substantially the form attached hereto as Exhibits A and B, respectively

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Oversight Board to the Successor Agency to the City of Montclair Redevelopment Agency does hereby find and determine as follows:

Section 1. Each of the foregoing recitals is true and correct.

Section 2. The Oversight Board hereby finds and determines, based on all evidence and testimony contained in the record before it, that the use of Excess Bond Proceeds in accordance with the Bond Spending Plan to fund the projects that involve City-owned public buildings, facilities, structures, or other public or private improvements is an accordance with the Health and Safety Code Sections 33445, 33445.1, and 33679 and other applicable law.

Section 3. The Oversight Board has determined that the expenditure of Excess Bond Proceeds in accordance with this Agreement will benefit the affected taxing entities and has approved the execution of this Agreement and the transfer of Excess Bond Proceeds to the City for the purposes described herein and in the Bond Spending Plan.

Section 4. The Oversight Board hereby approves the Bond Proceeds Expenditure Agreement in substantially the form attached hereto as Exhibit A and incorporated herein.

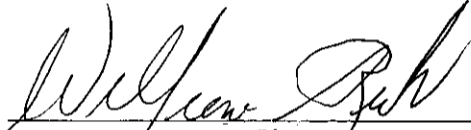
Section 5. The Oversight Board hereby approves the Bond Spending Plan in substantially the form attached hereto as Exhibit B and incorporated herein. The Oversight Board acknowledges that, pursuant to the terms of the Bond Proceeds Expenditure Agreement, the City may amend the Bond Spending Plan, subject to compliance with all applicable bond covenants.

Section 6. The Successor Agency is hereby authorized and directed as follows:

- a. Execute the Bond Proceeds Expenditure Agreement in the form presented herewith with such changes, insertions, and omissions as may be approved by the Executive Director of the Successor Agency; and
- b. List the Agreement and the requirement to transfer excess bond proceeds set forth therein, on the Successor Agency's Recognized Obligation Payment schedule for January 1, 2015 through July 30, 2015 ("ROPS 14-15B") and any future Recognized Obligation Payment Schedule as necessary as an obligation to be funded with Excess Bond Proceeds until approved by the California Department of Finance; and
- c. Upon receiving approval of ROPS 14-15B from the California Department of Finance, transfer all Excess Bond Proceeds to the City for use by the City in accordance with the Bond Expenditure Agreement and the Bond Spending Plan.


Section 7. This Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED this 13th day of August, 2014.



Chairman


ATTEST:



Secretary

I, Yvonne L. Smith, Secretary of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency, DO HEREBY CERTIFY that Resolution No. 14-05 was duly adopted by the Oversight Board of Directors at a regular meeting thereof held on the 13th day of August, 2014, and that it was adopted by the following vote, to-wit:

AYES: Richardson, Piotrowski, Hillman, Valencia, Johnson, Ruh
NOES: None
ABSTAIN: None
ABSENT: Erickson



Yvonne L. Smith
Secretary

EXHIBIT A

BOND EXPENDITURE AGREEMENT

This Bond Expenditure Agreement (the "Agreement") is entered into effective _____, 2014, by and between the City of Montclair (City), a municipal corporation (the "City"), and the City of Montclair as Successor Agency to the City of Montclair Redevelopment Agency ("Successor Agency") under Health and Safety Code Section 34173 pursuant to City Council Resolution No. 14-3045, Successor Agency Resolution No. 14-04, and the Oversight Board to the Successor Agency of the City of Montclair Redevelopment Agency ("Oversight Board") Resolution No. 14-05.

RECITALS

- A. The Successor Agency received its Finding of Completion under Health and Safety Code Section 34179.7 from the California Department of Finance on May 16, 2013.
- B. Health and Safety Code Section 34191.4(c) allows a successor agency that has received a finding of completion to use bond proceeds from bonds issued prior to 2011 for purposes for which the bonds were sold, provides that such proceeds in excess of amounts needed to satisfy approved enforceable obligations shall be expended in a manner consistent with the original bond covenants, and further provides that such expenditures shall constitute "excess bond proceeds obligations" that shall be listed separately on the successor agency's Recognized Obligation Payment Schedule ("ROPS").
- C. The Successor Agency has and will have so-called "excess bond proceeds," *i.e.*, pre-2011 tax allocation bond proceeds that are not otherwise obligated for a project or other enforceable obligation. The Successor Agency wishes to use such proceeds for redevelopment purposes consistent with applicable bond covenants.
- D. The California Community Redevelopment Law (Health and Safety Code Section 33000, *et seq.*) provides for a cooperative relationship between cities and their redevelopment agencies, as well as their successor agencies that have assumed the duties and obligations of the former redevelopment agencies. Under Health and Safety Code Section 33220, a city may aid and cooperate in the planning, undertaking, construction, or operation of redevelopment projects. Health and Safety Code Section 33220(e) specifically authorizes a city to enter into an agreement with its redevelopment agency or any other public entity to further redevelopment purposes. Health and Safety Code Section 34178 allows a successor agency and its sponsoring city to enter into agreements with the approval of the oversight board.
- E. The Successor Agency desires to provide excess bond proceeds to the City to enable the City to use such funds, in a manner consistent with the original bond covenants, to undertake projects and programs that were not previously funded and obligated by the Successor Agency or the City. The City has adopted a spending plan for using such excess bond proceeds (the "Bond Spending Plan") to advance the City's community development goals while maximizing fiscal and social benefits flowing to the taxing entities from successful development. The City Council has found that the use of excess bond proceeds to fund projects that involve City-owned public buildings, facilities, structures, or other improvements is in accordance with Health and Safety Code Sections 33445, 33445.1, and 33679 and other applicable law. The Oversight Board has determined that the expenditure of excess bond proceeds in accordance with this Agreement will benefit the affected taxing entities, and has approved the execution of this Agreement and the provision of excess bond proceeds to the City for the purposes described herein.
- F. In order to facilitate the use of excess bond proceeds consistent with the bond covenants, the Successor Agency and the City have negotiated this Agreement requiring the transfer of current and future excess bond proceeds by the Successor Agency to the City, and the City's use of such proceeds consistent with

applicable bond covenants. The parties intend that this Agreement shall constitute an excess bond proceeds obligation within the meaning of Health and Safety Code Section 34191.4(c)(2)(A) to be paid from excess bond proceeds. With Oversight Board approval, the Successor Agency has listed this Agreement, and the requirement to transfer excess bond proceeds herein, on its Recognized Obligation Payment Schedule ("ROPS") for January 1, 2015, through June 30 of 2015 ("ROPS 14-15B") as an obligation to be funded with excess bond proceeds.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. RECITALS

The recitals above are an integral part of this Agreement and set forth the intentions of the parties and the premises on which the parties have decided to enter into this agreement.

2. DEFINITIONS

For purposes of this Agreement, the following terms shall have the indicated meaning:

The "Dissolution Law" means Parts 1.8 and 1.85 of Division 24 of the California Health and Safety Code, commencing with Section 34170, and other statutes governing the dissolution of redevelopment agencies and the wind-down of redevelopment activities.

"Bond Proceeds" mean (1) proceeds from tax allocation bonds issued on or before December 31, 2010; (2) rents, sale proceeds and other revenues generated by properties acquired and/or improved with proceeds from tax allocation bonds issued on or before December 31, 2010; (3) interest and principal paid on loans funded by proceeds from tax allocation bonds issued on or before December 31, 2010; and (4) other income or revenues generated from assets acquired or funded with proceeds from tax allocation bonds issued on or before December 31, 2010.

"Excess Bond Proceeds" means Bond Proceeds that are not needed to satisfy Enforceable Obligations approved on a ROPS.

"Enforceable Obligations" mean enforceable obligations, other than Excess Bond Proceeds obligations, as defined under the Dissolution Law.

"Bond Spending Plan" is defined in Recital E.

3. SUCCESSOR AGENCY'S OBLIGATIONS

The Successor Agency shall have the following obligations under this Agreement:

3.1. CURRENT EXCESS BOND PROCEEDS. The Successor Agency shall transfer to the City, no later than June 30, 2015, Excess Bond Proceeds currently held by the Successor Agency. As of the date of this agreement, the amount held is \$14,221,593.38 and the transfer will include this amount and any interest earned to the date of transfer.

3.2. FUTURE EXCESS BOND PROCEEDS. The Successor Agency shall transfer to the City all future Excess Bond Proceeds held or received by the Successor Agency. Such future Excess Bond Proceeds shall include, without limitation, (1) Bond Proceeds previously obligated to a project or other Enforceable Obligation that become unobligated for any reason; (2) Bond Proceeds that become available in the form of rents, sale proceeds, loan repayments, or other revenues that are generated by properties or other assets acquired and/or improved with Bond Proceeds and that are not otherwise obligated to a project or other Enforceable Obligation; and (3) any other funds held by the Successor Agency that qualify as Excess Bond Proceeds under this Agreement.

The parties intend that payments of future Excess Bond Proceeds be made to the City as soon as possible after such Excess Bond Proceeds become available. The transfer of future Excess Bond Proceeds shall be made

pursuant to an approved ROPS within 30 days of the commencement of the relevant ROPS period. The Successor Agency shall be responsible for ensuring that payments of future Excess Bond Proceeds, as such funds become available, are included on the next possible ROPS.

- 3.3. PROJECTS FUNDED BY EXCESS BOND PROCEEDS. The Successor Agency assigns to the City all responsibilities in relation to the administration of any projects or programs funded by Excess Bond Proceeds. The Successor Agency assigns to the City all contracts entered into by the Successor Agency or the former Redevelopment Agency of the City of Montclair related to activities to be funded by Excess Bond Proceeds, with the exception of those contracts retained by the Successor Agency related to Enforceable Obligations.

4. CITY'S OBLIGATIONS

The City shall have the following obligations under this Agreement:

- 4.1. EXCESS BOND PROCEEDS. The City shall accept, hold, and disburse Excess Bond Proceeds transferred to the City by the Successor Agency under this Agreement including current Excess Bond Proceeds and future Excess Bond Proceeds. The City shall retain any Excess Bond Proceeds that it receives, such as revenue generated from properties acquired or improved with Excess Bond Proceeds or payments on loans funded from Excess Bond Proceeds, without any obligation to return such funds to the Successor Agency, and shall use such funds for uses consistent with applicable bond covenants.

The City may spend Excess Bond Proceeds received or retained under this Agreement on any project, program, or activity authorized under the Bond Spending Plan. However, the City must spend Excess Bond Proceeds consistent with the original bond covenants applicable to the particular Excess Bond Proceeds. The City shall be solely responsible for ensuring that Excess Bond Proceeds are maintained and spent in accordance with bond covenants and other applicable laws. The City may transfer funds between approved projects, programs and activities, or between project areas as long as the transfer benefits project areas and applicable bond covenants do not restrict such funds to a particular project area.

The City assumes all contracts entered into by the Successor Agency or the former Redevelopment Agency of the City of Montclair related to activities to be funded by Excess Bond Proceeds, with the exception of those contracts retained by the Successor Agency relating to Enforceable Obligations. The City shall perform its obligations hereunder, and under such assumed contracts, in accordance with the applicable provisions of federal, state, and local laws, including the obligation to comply with environmental laws such as CEQA, and shall timely complete the work required for each project.

- 4.2. BOND SPENDING PLAN. The City shall be solely responsible for maintaining and implementing the Bond Spending Plan. The City may amend the Bond Spending Plan as the City deems necessary in its sole discretion. Any amendments to the adopted Bond Spending Plan will consider uses that advance the City's community development goals while maximizing fiscal and social benefits flowing to the taxing entities from successful development. Notwithstanding any contrary provision hereof, unless the City expressly agrees otherwise, the City shall not be obligated to provide funding for any program or project in an amount exceeding the Excess Bond Proceeds provided to the City pursuant to this Agreement.

5. ENTIRE AGREEMENT; WAIVERS; AND AMENDMENTS

- 5.1. This Agreement constitutes the entire understanding and agreement of the parties with respect to the transfer and use of Excess Bond Proceeds. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to the subject matter of this Agreement.

5.2. This Agreement is intended solely for the benefit of the City and the Successor Agency. Notwithstanding any reference in this Agreement to persons or entities other than the City and the Successor Agency, there shall be no third party beneficiaries under this Agreement.

5.3. All waivers of the provisions of this Agreement and all amendments to this Agreement must be in writing and signed by the authorized representatives of the parties.

6. SEVERABILITY

If any term, provisions, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the parties have been materially altered or abridged by such invalidation, voiding, or unenforceability. In addition, the parties shall cooperate in good faith in an effort to amend or modify this Agreement in a manner such that the purpose of any invalidated or voided provision, covenant, or condition can be accomplished to the maximum extent legally permissible.

7. DEFAULT

If either party fails to perform or adequately perform an obligation required by this Agreement within thirty (30) calendar days of receiving written notice from the nondefaulting party, the party failing to perform shall be in default hereunder. In the event of default, the nondefaulting party will have all the rights and remedies available to it at law or in equity to enforce the provisions of this contract including, without limitation, the right to sue for damages for breach of contract or to seek specific performance. The rights and remedies of the nondefaulting party enumerated in this paragraph are cumulative and shall not limit the nondefaulting party's rights under any other provision of this Agreement, or otherwise waive or deny any right or remedy, at law or in equity, existing as of the date of the Agreement or hereinafter enacted or established, that may be available to the nondefaulting party against the defaulting party.

8. BINDING ON SUCCESSORS

This Agreement shall be binding on and shall inure to the benefit of all successors and assigns of the parties, whether by agreement or operation of law.

9. FURTHER ASSURANCES

Each party agrees to execute, acknowledge and deliver all additional documents and instruments and to take such other actions as may be reasonably necessary to carry out the intent of this Agreement.

IN WITNESS WHEREOF, the undersigned parties have executed this Bond Expenditure Agreement effective as of the date first above written.

"CITY"

THE CITY OF MONTCLAIR,
a municipal corporation

Paul M. Eaton
Mayor

APPROVED AS TO FORM AND LEGALITY:

Diane E. Robbins
City Attorney

"SUCCESSOR AGENCY"

THE CITY OF MONTCLAIR AS SUCCESSOR AGENCY,
successor agency to the City of Montclair Redevelopment
Agency under Health and Safety Code Section 34173

William A. Ruh
Chair of Successor Agency Board

EXHIBIT B
 BOND SPENDING PLAN
 FOR
 FORMER CITY OF MONTCLAIR REDEVELOPMENT AGENCY
 BOND PROCEEDS

- **Reconstruct Central Avenue Alignment to Montclair Plaza:** This project would consist of the reconstruction of the Central Avenue entrance to the Montclair Plaza to align with the entrance of Montclair East Shopping Center to create a new intersection. The improvements would involve planning, design, engineering, costs associated with RFP and bid solicitation, signal relocation, additional signalization, onsite drive aisle and parking modifications, median island modifications and relandscaping, and installation of monument signage.

Estimated Project Cost: \$ 1,015,000
 Source of Funds: \$ 491,379 Project Area No. III Taxable Bonds
 \$ 523,621 Project Area No. III Tax-Exempt Bonds

- **Construction of a Transition to the Montclair Transcenter from Arrow Highway to Accommodate Future Needs for Relocation of the Metrolink Track/Gold Line:** This project would construct a walkable path of travel to the Montclair Transcenter for commuters. The project would entail design, engineering, costs associated with RFP and bid solicitation, acquisition of easements, construction of a sidewalk in the No. 3 north bound lane of Monte Vista Avenue north of Arrow Highway, construction of walkway improvements in the Montclair Transcenter from Monte Vista Avenue, installation of lighting and landscaping along the sidewalk and walkway, and associated construction of certain walkway improvements from Arrow Highway.

Estimated Project Cost: \$ 1,041,200
 Source of Funds: \$ 1,041,200 Project Area No. III Tax Exempt Bonds

- **Construction of Street Improvements to Implement North Montclair Downtown Specific Plan:** This project consists would construct a variety of street improvements in North Montclair that would assist in the implementation of the North Montclair Downtown Specific Plan Transit Oriented Development. Project elements would include design, landscape plans, street plans, engineering and costs associated with RFP and bid solicitation. The project would reconstruct Central Avenue from the I-10 Freeway to the City limits, reconstruct and install median and streetscape improvements on Arrow Highway from Central Avenue to Monte Vista Avenue, reconstruct Fremont Avenue including streetscape improvements from Arrow Highway to Moreno Street and reconstruct Moreno Street from Central Avenue to Monte Vista Avenue.

Estimated Project Cost: \$ 6,032,500
 Source of Funds: \$ 4,299,915 Project Area No. III Tax Exempt Bonds
 \$ 13,132 Project Area No. IV Tax Exempt Bonds
 \$ 1,719,347 Project Area No. V Tax Exempt Bonds

- **Complete Utility Undergrounding Project on Central Avenue from North City Limit to Richton Street:** The former City of Montclair Redevelopment Agency had begun a project to underground the overhead utilities on Central Avenue from Richton Street to the northern City limits. Payment was made to Southern California Edison Company for preparation of the plans. This project would complete the undergrounding process of this segment of Central Avenue with the bid solicitation and construction of the project.

Estimated Project Cost: \$ 385,000
 Source of Funds: \$ 385,000 Project Area No. III Tax Exempt Bonds

- **Landscape Central Avenue I-10 Freeway On and Off Ramps:** This project would have the City work with the California Department of Transportation to obtain the appropriate permits and agreements to relandscape the Central Avenue on- and off-ramps at the I-10 Freeway. The current landscape consists of several pine trees and ice plant ground cover, which is dead in many areas. The landscape has

become weed choked and unsightly. The sprinkler system installed by the state frequently lacks maintenance, causing jets of water to spray in the air until repairs can be made, which can take weeks or months. The City would seek to prepare landscape and irrigation plans subject to review by Caltrans and to relandscape the subject area with a water-saving landscape palette that would benefit the City's image. It is likely Caltrans would require the City to assume maintenance responsibility for the landscape upon its installation.

Estimated Project Cost: \$ 760,000
Source of Funds: \$ 54,823 Project Area No. I Taxable Bonds
 \$ 705,177 Project Area No. V Tax Exempt Bonds

- **Alma Hofman Park Improvements:** The proposed improvements to Alma Hofman Park would involve construction or placement of a small building near the Skateboard Park to facilitate supervision of the skateboard park. The building would include a check-in counter, area for rental of equipment, and restroom. Persons using the Skateboard Park would be required to check in and check out through the staffed building. Supervision and management of the Skate Park would help to ensure that appropriate gear is worn by skateboarders. The facility would also allow for programming of events at the Skate Park, whereby trained staff could offer lessons, camps, and positive activities centered on physical fitness and personal development. Facilitating supervision of the Skate Park would greatly reduce the number of Police and Fire Department service calls to the Park.

Estimated Project Cost: \$ 128,000
Source of Funds: \$ 128,000 Project Area No. I Taxable Bonds

- **Reeder Ranch Park Site:** The proposed project would construct a historical and cultural center park site on land owned by the former City of Montclair Redevelopment Agency. The location of the proposed park site is 4385 Holt Boulevard adjacent to the existing historical Reeder Ranch. Project costs would include architectural, engineering, landscape design costs, and costs associated with bid solicitation. A preliminary site plan of the park has been developed. Development of the park site would include construction of a building that would act as a historical and cultural center regarding the City's citrus-related past to be owned and operated by the City. The facility would house artifacts related to the City's citrus heritage and development. The building would include restroom facilities. The City would partner with the Ontario-Montclair School District on development of programs to instruct school children about the City's past, suburban and urban development, and environmental issues. The facility would also include an outdoor amphitheatre for City/School District-sponsored community events. This amphitheatre would be used for environmental and healthy-eating programs associated with the community orchard (fruit park) and a community garden, to be developed onsite, where fresh fruits and produce would be furnished to children and the community at large. A parking lot would be constructed to serve the cultural center and the community activities associated with the city programs. **The planned use of this property is not a parking lot for the adjacent Reeder Foundation site; it is a community park with historical influences that would be an attraction to the community and beneficial to the local school system. Bond proceeds associated with this project would NOT be used for projects or programs at the adjoining Reeder Foundation site.**

Estimated Cost: \$ 4,850,000
Source of Funds: \$ 3,755,029 Project Area No. V Taxable Bonds
 \$ 1,094,971 Project Area No. V Tax Exempt Bonds

- **Acquisition of 5326 San Bernardino Street:** Taxable bond proceeds would be used to acquire the property at 5326 San Bernardino Street. The property was purchased by the former Redevelopment Agency in 2003. The property houses the first City Hall structure for the City of Montclair. The property contains a single-family dwelling unit and garage with attached structures. The property is zoned C2-Restricted Commercial. The site can no longer be used for residential purposes. **The size and pie shape of the 5326 San Bernardino Street parcel make the site impossible to develop commercially.** The portion of the structure containing the original City Hall building gives the location and that structure some

slight historical significance to the City. However, the site can only be sold and developed if it becomes part of a larger land assemblage. The property is located adjacent to a vacant pie-shaped commercial lot on the corner of Central Avenue and San Bernardino Street. The adjoining property has very limited development potential without the addition of the 5326 San Bernardino Street property.

The property also contains a number of illegal building additions. The property has not been tested for lead or asbestos. Given the age of the structures, lead and asbestos are likely to be found, making for costly demolition of the onsite structures. DOF has disallowed funds from the RPTTF for appraisal services for this property. Staff attempted to get an estimate of value of the location from a real estate professional, but the professional declined because of the development constraints on the property. Staff therefore looked back at the last valuation of the site. The total assessed value of the property was \$39,998. Of this value, \$21,900 was for the improvements. However, the improvements must be removed from the site because the property cannot be redeveloped residentially. Given demolition, asbestos abatement, and lead removal costs, the demolition cost of the structures is estimated to be \$30,000. It is, therefore, suggested the value for the site would be approximately \$10,000 given the demolition costs.

The City would propose to purchase the site for \$10,000 from the Successor Agency. Upon sale, any proceeds would be sent to the County of San Bernardino for distribution to the taxing entities.

Estimated Cost:	\$	10,000
Source of Funds:	\$	10,000 Project Area No. V Taxable Bonds

Total Estimated Project Costs: \$ 14,221,700

Total Bond Proceed Costs: \$ 14,221,594