

RESOLUTION NO. OB-14-14

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER EL CAJON REDEVELOPMENT AGENCY APPROVING THE TRANSFER OF SUCCESSOR AGENCY PROPERTY AND RELATED AGREEMENTS FOR SITE #3, APN 488-083-27-00, 149 REA AVENUE, TO THE CITY OF EL CAJON FOR GOVERNMENTAL PURPOSES.

WHEREAS, on January 15, 2014, the Oversight Board approved the Amended Long Range Property Management Plan ("Amended Plan") as Resolution No. OB-07-14; and

WHEREAS, the California Department of Finance ("DOF") approved by the Amended Long Range Property Management Plan on February 21, 2014; and

WHEREAS, at its public meeting of April 16, 2014, the Oversight Board considered the transfer of Successor Agency Property and related agreements for Site #3, APN 488-083-27-00, commonly known as 149 Rea Avenue, to the City of El Cajon for governmental purposes; and

WHEREAS, at least 10 days' notice to the public of the proposed transfer and other actions was provided pursuant to Health & Safety Code Section 38181(f); and

WHEREAS, the disposal strategy for Site #3, APN 488-083-27-00, of the Amended Plan (the "Property"), addressed as 149 Rea Avenue, authorizes the transfer of the Property to the City of El Cajon for continued use by a nonprofit tenant to provide cultural opportunities to the community, identified as a governmental purpose pursuant to California Health & Safety Code Sections 34181(a) and 34191.5(c)(H)(2) at no cost due to the source of funding for acquisition and the long-term enforceable obligation encumbering the property that expires on July 22, 2049; and

WHEREAS, the long-term enforceable obligation is a Lease Agreement with the Olaf Weighorst Museum, which expires on July 22, 2049, which requires assignment to the City of El Cajon; and

WHEREAS, the proposed transfer would be in the best interests of the Successor Agency, the City of El Cajon, and all taxing entities by disposing of properties under enforceable obligations in an expeditious manner, as approved in the Amended Plan by the DOF.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER CITY OF EL CAJON REDEVELOPMENT AGENCY AS FOLLOWS:

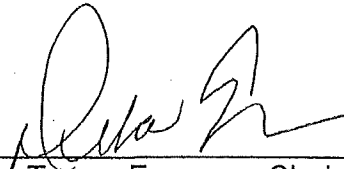
- A. The Oversight Board finds that:
 - 1. The recitals above are true and correct and have been incorporated herein by reference; and
 - 2. The proposed transfer is exempt from the California Environmental Quality Act (CEQA) under Section 15061 (b) (3) (General Rule) of the CEQA Guidelines because it will have no physical effect on the environment; and
 - 3. The proposed Transfer would be in the best interest of the taxing entities because it will dispose of properties under enforceable obligations to the City of El Cajon for governmental purposes in an expeditious manner, as approved in the Amended Plan by the DOF; and
 - 4. At least 10 days' notice to the public of the proposed transfer and other actions was provided pursuant to Health & Safety Code Section 34181(f).

- B. The Oversight Board hereby APPROVES the proposed transfer of Site #3, APN 488-083-27-00, 149 Rea Avenue, and all necessary and related agreements and/or assignments, from the City of El Cajon, as successor agency to the former El Cajon Redevelopment Agency ("Successor Agency"), to the City of El Cajon for governmental purposes, pursuant to the Amended Long Range Property Management Plan.

- C. The Oversight Board hereby approves execution by the City Manager of the City of El Cajon, or such person designated by the City Manager, acting in the capacity of chief executive officer for the Successor Agency, of all documents, agreements and/or assignments necessary to complete the sale on behalf of the Successor Agency.

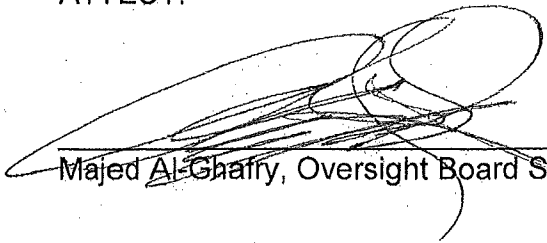
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PASSED AND ADOPTED by the Oversight Board of the Successor Agency of the former El Cajon Redevelopment Agency at a regularly-scheduled meeting held this 16th day of April 2014, by the following vote to wit:



Debra Turner-Emerson, Chairperson

ATTEST:



Majed Al-Ghafry, Oversight Board Secretary

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PROPERTY PROFILE

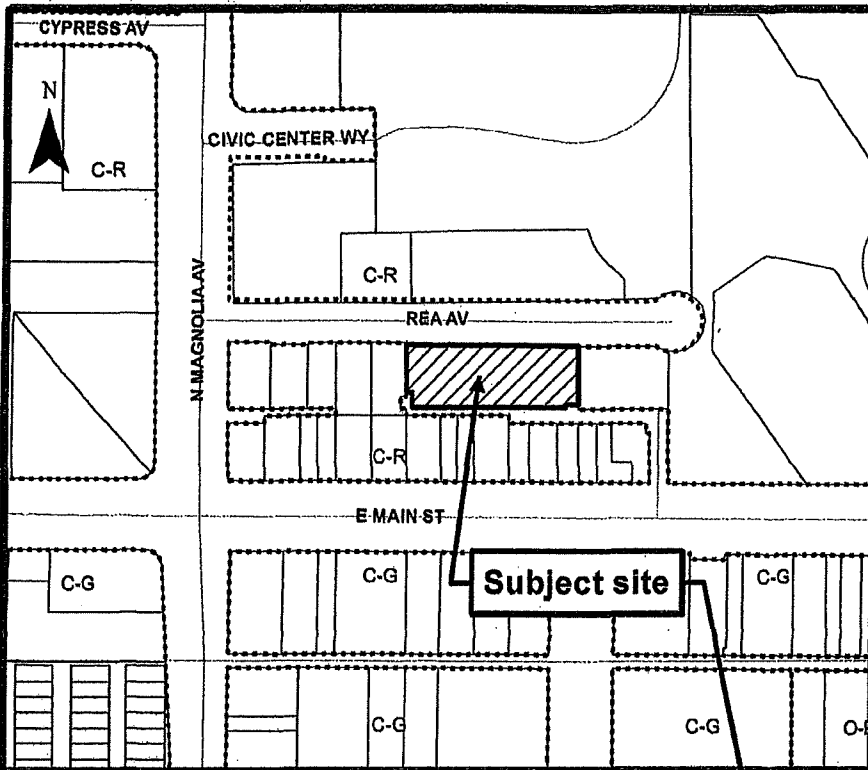
Site # 3	Parcel leased to Olaf Wieghorst Museum
Location:	149 Rea Avenue, El Cajon, CA 92020
APN:	488-083-27-00
Lot Size (SF):	21,780
Building SF:	Not applicable; former Olaf Wieghorst home moved to property
General Plan:	SDA # 9 (Also within Specific Plan 182)
Zoning:	C-R, Regional Commercial
Highest/Best Use:	Museum
Date Acquired:	June 18, 1993 and March 24, 1987; lots consolidated to 488-083-27-00 in 2003, PW cut 1280.
Purchase Price:	\$208,038.94
Source of Funds:	Loan obtained from City of El Cajon for acquisition which was subsequently paid with \$2M in taxable and \$11M in tax-exempt financing from California Federal Savings & Loan Association (CalFed). CalFed was satisfied with \$35,600,000 in tax exempt bond proceeds of the Tax Allocation Refunding Bonds Issue of 1992. The 1992 bonds were refinanced with \$35,745,000 in tax exempt bond proceeds of the Tax Allocation Refunding Bonds Issue of 1997. The 1997 bonds were satisfied with \$40,000,000 in tax exempt bond proceeds of the Tax Exempt Allocation Refunding Bonds Issue of 2005 and remain an outstanding enforceable obligation.
Purpose of Acquisition:	<p>The Redevelopment Plan for the El Cajon Central Business District Redevelopment Project dated November, 1971, Section 407, authorizes the establishment of public, semi-public, institutional or nonprofit uses, including, but not limited to: educational, philanthropic and charitable institutions, and facilities or other similar associations or organizations.</p> <p>The property was acquired for purposes of redevelopment in the Civic Center Superblock where City Hall, the County Regional Courthouse, and the El Cajon Performing Arts Center are located.</p> <p>The initial parcel became available as the result of an unsafe/substandard abatement case that was destroyed due to fire and eventually was identified as the location of the historic home of Olaf Wieghorst, now a museum as part of the Wieghorst Western Heritage Center.</p>
Status & Revenues:	Land with Leasehold Improvements; The lease generates revenue of \$1.00 per year through July 22, 2049, plus reimbursement of Property Business Improvement District (PBID) assessments.
Environmental issues, Brownfield or other Restrictions:	<p>Environmental: None known</p> <p>Brownfield: Not applicable</p> <p>Restrictions: Any sales proceeds must be used in accordance with bond covenants.</p>
Transit Oriented Development Site:	Not applicable

PROPERTY PROFILE

Site # 3	Parcel leased to Olaf Wieghorst Museum
Discussion & History:	<p>The Agency acquired this property through two acquisitions on June 18, 1993, for \$87,807 and March 24, 1987, for \$120,231.94. The lots were consolidated as part of a request by the Olaf Wieghorst Museum under CUP 1758 approved October 19, 1998, for a Museum in the C-R (Regional Commercial) Zone.</p> <p>The Agency then entered into a long term Lease Agreement with the museum on July 22, 1999, for fifty years which expires on July 22, 2049. The lessee is required to pay \$1.00 per year, plus PBID assessments of approximately \$1,425.</p> <p>The historic home of Olaf Wieghorst is currently located on the property and the Wieghorst Western Heritage Museum operates in an adjacent building at 131 Rea Avenue.</p>
Classification:	<p>Enforceable Obligation and Transfer to City – Governmental Purposes</p> <p>The Property is currently encumbered by a long term Lease Agreement dated July 22, 1999. Lease expires on July 22, 2049, with rent of \$1.00 per year plus PBID reimbursement of approximately \$1,425.</p>
Use of Broker:	Not applicable; see Disposal Strategy
Value As-Is:	Not applicable at this time
Disposal Strategy:	<p>In accordance with requirements for property acquired/satisfied with tax exempt bond proceeds, authorize the Successor Agency to:</p> <ul style="list-style-type: none"> • Transfer the property to the City of El Cajon for Governmental Purposes pursuant to CH&SC Section 34181(a) and 34191.3 at no cost due to the source of funding for acquisition and the long-term enforceable obligation encumbering the property that expires on July 22, 2049.
Appendices:	1,4,22,23,24

Long Range Property Management Plan

Site No. 3
149 Rea Avenue

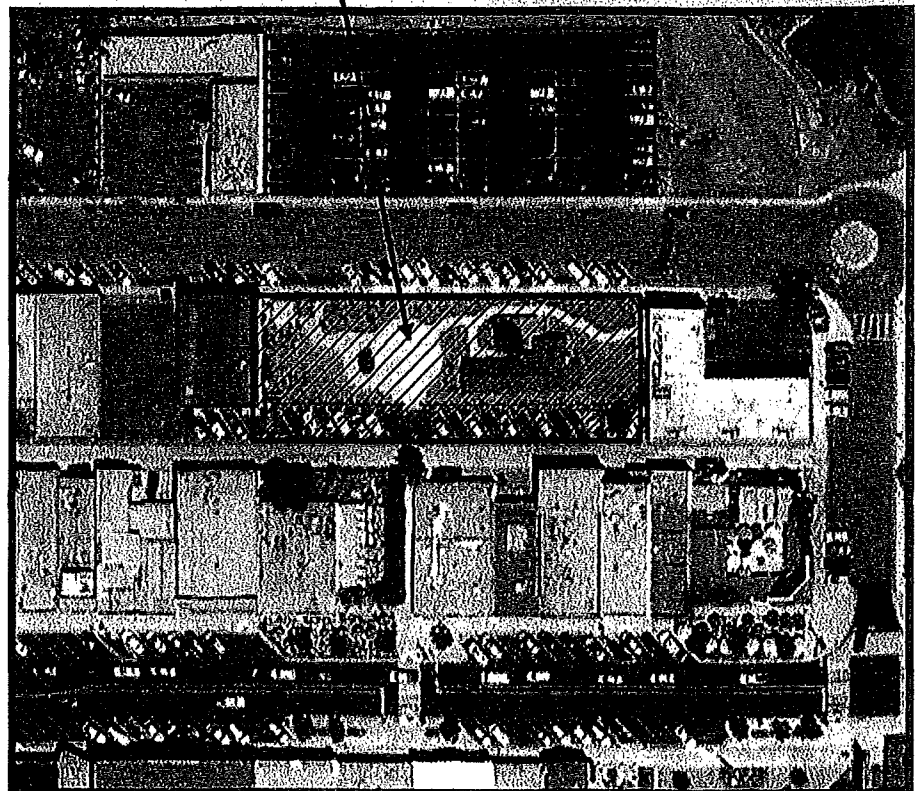


Property Features:

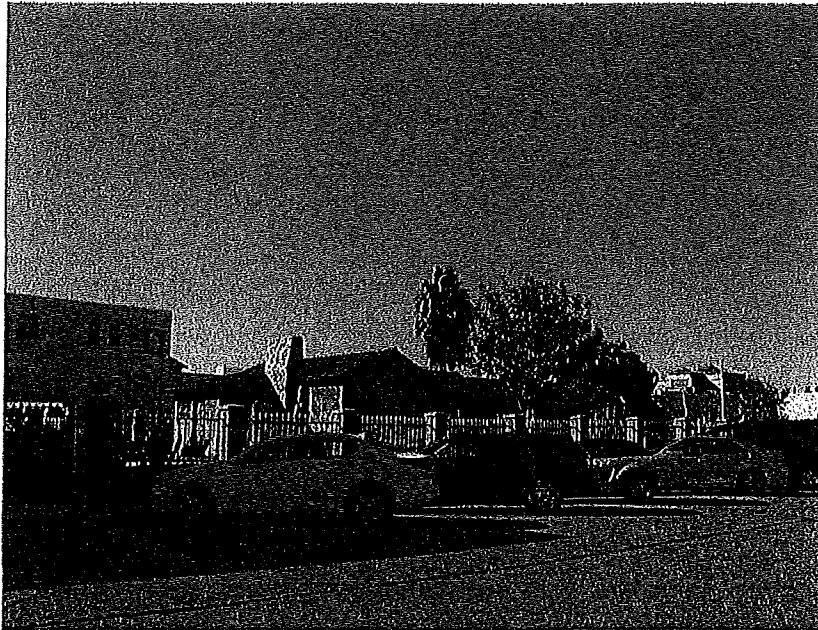
- C-R Zoning
- 0.50 Acres
- APN No. 488-083-27
- Transfer to City - Governmental use and enforceable obligation
- Disposition timing phase 1

City of El Cajon Successor Agency Oversight Board

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El Cajon, CA 92020
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Fax: 619.441.1743
cityofelcajon.us



SUBJECT PHOTOGRAPHS
November 5, 2012



Looking southwesterly toward site from Rea Ave.



Looking westerly toward site Museum entrance from Rea Ave.