

AGENDA

City of El Cajon

Successor Agency – Oversight Board

8:00 a.m., Wednesday, April 16, 2014

BOARD MEMBERS:

SAHAR ABUSHABAN

*Chancellor of the California
Community Colleges
Representative*

SCOTT BUXBAUM

*County Board of Education
Representative*

GLORIA CHADWICK

*Grossmont Healthcare District
Representative*

JIM GRIFFIN

*County Board of Supervisors
Representative*

MICHAEL GRIFFITHS

City of El Cajon

ANTHONY SHUTE

*(Former RDA/MMPEG
Employee) City of El Cajon*

DEBRA TURNER- EMERSON

*County Board of Supervisors
Representative*

OB LEGAL COUNSEL:

MEYERS NAVE

SUCCESSOR AGENCY

STAFF:

DOUGLAS WILLIFORD

*Executive Director/
City Manager*

MAJED AL-GHAFRY

*OB Secretary /
Assistant City Manager*

MORGAN FOLEY

General Counsel

CLAY SCHOEN

Director of Finance

HOLLY REED-FALK

Financial Operations Manager

VICTORIA DANGANAN

Senior Accountant

RON LUIS VALLES

Administrative Secretary

El Cajon Police Station Community Room #161, 100 Civic Center Way, El Cajon, CA 92020

I. CALL TO ORDER & PLEDGE OF ALLEGIANCE:

II. ROLL CALL:

III. AGENDA CHANGES:

IV. PUBLIC COMMENT: (This is the opportunity for a member of the public to address the Oversight Board on any item of business within the jurisdiction of the Board that is not on the agenda. Under State law no action can be taken on items brought forward under Public Comment, except to refer the item to the staff for administrative action or to place it on a future agenda.)

V. ACTION ITEMS:

1. Approval of Action Minutes – March 19, 2014, meeting
2. Resolution approving 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
3. Resolution approving transfer of Successor Agency property and related agreements for Site 4, APN 488-211-21-00, 201 East Main Street, to the City of El Cajon for governmental purposes
4. Resolution approving transfer of Successor Agency property and related agreements for Site 5, APN 488-212-19-00, a vacated alley, to the City of El Cajon for governmental purposes
5. Resolution approving transfer of Successor Agency property and related agreements for Site 6, APN 488-212-20-00, a vacation portion of Prescott Avenue, to the City of El Cajon for governmental purposes
6. Resolution approving transfer of Successor Agency property and related agreements for Site 7, APN 488-212-22-00, a parking lot for senior housing and municipal facilities, to the El Cajon Housing Authority for governmental purposes
7. Resolution approving transfer of Successor Agency property and related agreements for Site 8, APN 488-072-38-00, the northeast corner of Magnolia Avenue and Civic Center Way, to the City of El Cajon for governmental purposes.
8. Resolution approving Professional Services Agreement with Hargrave Environmental Consulting, Inc. to perform ongoing hazardous remediation activities on the property located at the Southwest Corner of West Main Street and South Magnolia Avenue ("SW Corner) Project.

VI. OTHER ITEMS FOR CONSIDERATION:

VII. STAFF COMMUNICATIONS:

1. Upcoming work program

VIII. BOARD REPORTS/COMMENTS:

IX. ADJOURNMENT:

SUMMARY MINUTES

Successor Agency to the El Cajon Redevelopment Agency Oversight Board

**Meeting - Wednesday, March 19, 2014
El Cajon Police Station Community Room #161
100 Civic Center Way, El Cajon, CA 92020**

BOARD PRESENT: Sahar Abushaban, Scott Buxbaum, Gloria Chadwick, Jim Griffin, Michael Griffiths, Anthony Shute and Debra Turner-Emerson (Chair)

BOARD ABSENT: None

OB LEGAL COUNSEL: George Eiser III, representing law firm of Meyers Nave

STAFF PRESENT: Assistant City Manager Majed Al-Ghafry, Director of Finance Clay Schoen, Senior Accountant Victoria Danganan, and Administrative Secretary Ron Luis Valles

CALL TO ORDER AND PLEDGE OF ALLEGIANCE:

The meeting was called to order at 8:00 a.m. by TURNER-EMERSON.

PUBLIC COMMENT:

Debra Turner-Emerson, introduced newly-appointed Oversight Board Commissioner Anthony Shute, and Majed Al-Ghafry, introduced Clay Schoen, the City's new Director of Finance, and also informed that Jenny Ficacci retired as Housing Manager last week. Kerry Schimpf, Commercial Properties Group, and Adriana Castañeda, City of El Cajon Housing Division, introduced themselves.

ACTION ITEM NO. 1: APPROVAL OF ACTION MINUTES – February 19, 2014

GRIFFIN made a motion, seconded by BUXBAUM, to approve the minutes of the regularly-scheduled meeting. **Motion carried 5-0 (CHADWICK and SHUTE, abstained due to absence at meeting).**

ACTION ITEM NO. 2: APPROVAL TO EXECUTE AN AGREEMENT WITH COMMERCIAL PROPERTIES GROUP AND RETAIL INSITE FOR REPRESENTATION IN THE SALE OF SELECT SUCCESSOR AGENCY PROPERTIES.

AL-GHAFRY summarized the staff report.

GRIFFIN made a motion, seconded by CHADWICK, that adopted the revised Resolution OB-12-14 as presented by staff, approving the execution of an agreement between Commercial Properties Group, Retail Insite and the City of El Cajon, in its capacity as Successor Agency, for representation in the sale of select Successor Agency properties.

Motion carried 7-0.

ACTION ITEM NO. 3: APPROVAL OF SECOND AMENDMENT TO AFFORDABLE HOUSING AGREEMENT – JAMES C. MILLER AND MARCIA M. MILLER, DBA BAY KITCHEN AND BATH REMODELERS.

RANU summarized the staff report.

BUXBAUM made a motion, seconded by GRIFFIN, that adopted Resolution OB-13-14 as presented by staff, approving the second amendment to the affordable Housing Agreement – James C. Miller and Marcia M. Miller, dba, Bay Kitchen and Bath Remodelers.

Motion carried 7-0.

STAFF COMMUNICATIONS:

AL-GHAFRY praised Victoria Danganan and former Housing Manager Jenny Ficacci for excellent job in working with Department of Finance on many Oversight Board items, including the Long Range Property Management Plan.

BOARD REPORTS/COMMENTS:

None.

ADJOURNMENT:

CHADWICK made a motion, seconded by GRIFFIN, to adjourn the meeting of the El Cajon Successor Agency Oversight Board at 8:10 a.m. this 19th day of March 2014, to 8:00 a.m., to April 16, 2014, in the Police Station's Community Room, 100 Civic Center Way, El Cajon, California.

Motion carried 7-0.

APPROVED:

Debra Turner-Emerson, Chairperson

ATTEST:

Majed Al-Ghafry, Oversight Board Secretary

AGENDA REPORT
CITY OF EL CAJON SUCCESSOR AGENCY OVERSIGHT BOARD
April 16, 2014, Meeting

SUBJECT: 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.

RECOMMENDED ACTION: That the Oversight Board adopts the proposed Resolution No. OB-14-14 to:

1. Approve the 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; and
2. Approve 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.

BACKGROUND: Pursuant to the Amended Long Range Property Management Plan ("Amended Plan") approved by the Oversight Board on January 15, 2014, as Resolution No. OB-07-14, and the Department of Finance on February 21, 2014, Site #3, APN 488-083-27-00 ("Property"), with a site address of 149 Rea Avenue, is scheduled for transfer 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 and Safety Code Section 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. The property is currently leased to the Olaf Wieghorst Museum Foundation.

As the Property currently is subject to a long term lease, documents for assignment of the lease and execution of an Estoppel Certificate will be necessary, which can be executed under the authority granted by approving the recommendation today.

Transfer of the Property must also be approved by the City Council at a public hearing tentatively scheduled for April 22, 2014, and 10 days public notice of today's action was provided in accordance with California Health & Safety Code Section 34181(f).

FISCAL IMPACT: Transfer of property by the Successor Agency will result in the elimination of funding requests for future direct property and project management costs from the Recognized Obligation Payment Schedule.

ATTACHMENTS:

1. Proposed Resolution No. OB-14-14
2. Property Profile – Site #3

Oversight Board Agenda Report
Approval of Transfer of Site 3, APN
488-083-27-00 to the City of El Cajon
For Governmental Purposes
April 16, 2014, Agenda

Prepared by:



Clay Schoen
Director of Finance

Reviewed by:



Majed Al-Ghafry
Secretary / Assistant City Manager

Approved by:



Douglas Williford
Executive Director / City Manager

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:

AYES :
NOES :
ABSENT :
ABSTAIN :

Debra Turner-Emerson, Chairperson

ATTEST:

Majed Al-Ghafry, Oversight Board Secretary

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PROPERTY PROFILE

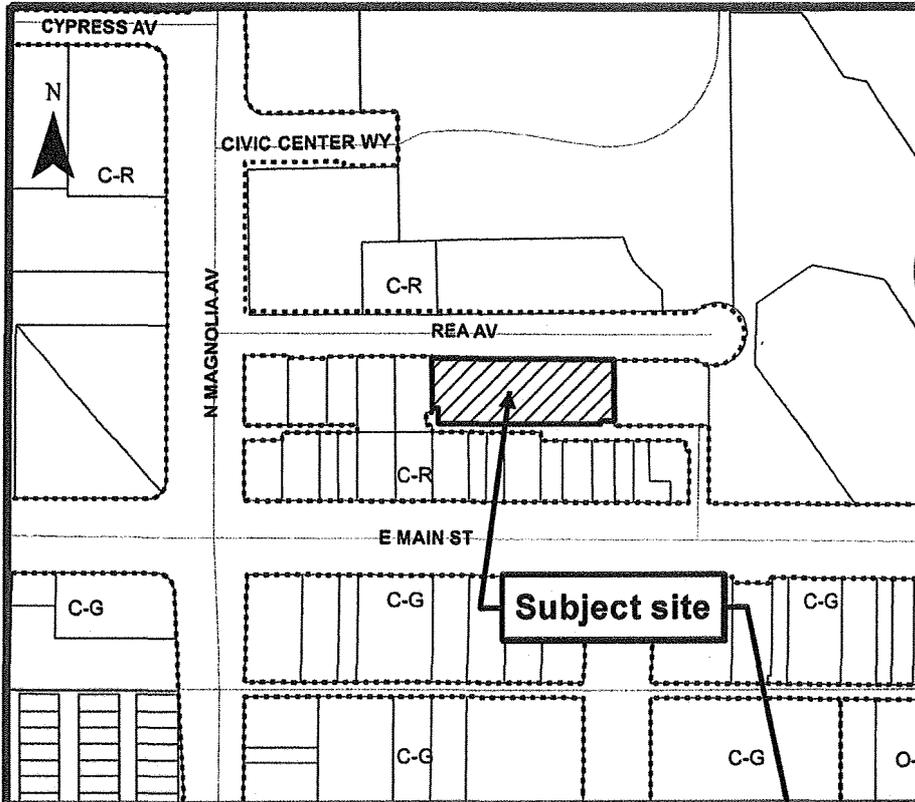
Site # 3	Parcel leased to Olaf Wieghorst Museum
Location:	149 Rea Avenue, El Cajon, CA 92020
APN:	488-083-27-00
Lot Size (SF):	21,780
Building SF:	Not applicable; former Olaf Wieghorst home moved to property
General Plan:	SDA # 9 (Also within Specific Plan 182)
Zoning:	C-R, Regional Commercial
Highest/Best 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 Weighorst 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

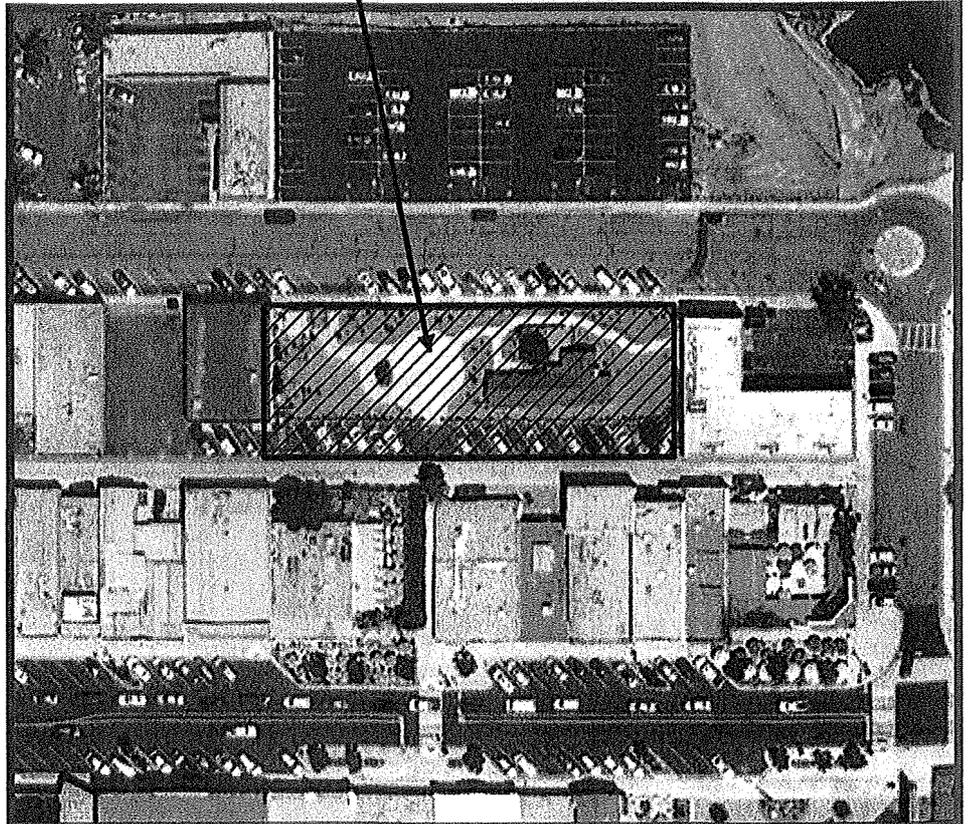


Property Features:

- 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

200 Civic Center Way
El Cajon, CA 92020
Phone: 619.441.1741
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.

AGENDA REPORT
CITY OF EL CAJON SUCCESSOR AGENCY OVERSIGHT BOARD
April 16, 2014, Meeting

SUBJECT: TRANSFER OF SUCCESSOR AGENCY PROPERTY AND RELATED AGREEMENTS FOR SITE #4, APN 488-211-21-00, 201 EAST MAIN STREET, TO THE CITY OF EL CAJON FOR GOVERNMENTAL PURPOSES.

RECOMMENDED ACTION: That the Oversight Board adopts the proposed Resolution No. OB-15-14 to:

1. Approve the transfer of Site #4, APN 488-211-21-00, 201 East Main Street and all Leases, 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; and an Indemnification and Hold Harmless Agreement to retain the Successor Agency's obligation to remain responsible for hazardous material cleanup; all pursuant to the Amended Long Range Property Management Plan; and
2. Approve 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, including an Indemnification and Hold Harmless Agreement, necessary to complete the sale on behalf of the Successor Agency.

BACKGROUND: Pursuant to the Amended Long Range Property Management Plan ("Amended Plan") approved by the Oversight Board on January 15, 2014, as Resolution No. OB-07-14, and the Department of Finance ("DOF") on February 21, 2014, Site #4, APN 488-211-21-00 ("Property"), with a site address of 201 East Main Street, is scheduled for transfer to the City of El Cajon for continued use as a municipal park with ancillary commercial uses, identified as a governmental purposes pursuant to California Health and Safety Code Section 34181(a) and 34191.5(c)(H)(2) at no cost due to the source of funding for acquisition, public improvements paid with Federal and Tax Exempt Bonds. In addition, transfer of leases to the City and the obligation of the Successor Agency to remain responsible for environmental remediation costs were also identified as part of the disposition strategy.

The Property is currently encumbered by two leases and a Settlement Agreement for hazardous waste remediation. The leases include: Burner Nicolosi's, Inc. dba Nicolosi's Italian Restaurant (under Assignment Agreement and Consent with Domenico Donato dba Mangia Bene), and Clear Channel. Documents for the assignment of the leases and execution of Estoppel Certificates will be necessary, which can be executed under the authority granted by approving the recommendation today.

The Property is also subject to a DOF approved enforceable obligation – a Settlement Agreement, executed on September 15, 1995, for hydrocarbon contamination cleanup and executed between Phyllis S. Chrisman, the former El Cajon Redevelopment Agency, Texaco Refining and Marketing Inc., Shell Oil Company, Inc., and Union Oil Company of California dba Unocal. This Settlement Agreement will remain an obligation of the Successor Agency and authorization to execute an Indemnification and Hold Harmless Agreement between the City of El Cajon as Successor Agency and the City of El Cajon is also requested as part of this report.

Transfer of the Property and approval of the Indemnification and Hold Harmless Agreement must also be approved by the City Council at a public hearing tentatively scheduled for April 22, 2014, and 10 days public notice of today's action was provided in accordance with California Health & Safety Code Section 34181(f).

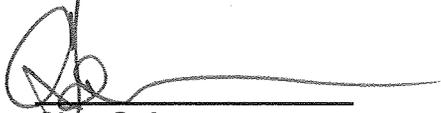
FISCAL IMPACT: Transfer of property by the Successor Agency will result in the elimination of funding requests for future direct property and project management costs from the Recognized Obligation Payment Schedule. The Settlement Agreement and funding for hazardous waste remediation activities required on the site will remain enforceable obligations of the Successor Agency

ATTACHMENTS:

1. Proposed Resolution No. OB-15-14
2. Property Profile – Site #4
3. Indemnification and Hold Harmless Agreement

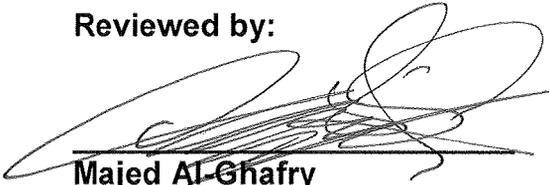
Oversight Board Agenda Report
Approval of Transfer of Site 4, APN
488-211-21-00, 201 East Main Street
to the City of El Cajon for Governmental
Purposes
April 16, 2014, Agenda

Prepared by:



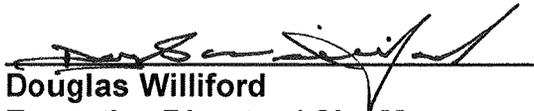
Clay Schoen
Director of Finance

Reviewed by:



Majed Al-Ghafry
Secretary / Assistant City Manager

Approved by:



Douglas Williford
Executive Director / City Manager

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RESOLUTION NO. OB-15-14

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 #4, APN 488-211-21-00, 201 EAST MAIN STREET, 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 #4, APN 488-211-21-00, commonly known as 201 East Main Street, 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 34181(f); and

WHEREAS, the disposal strategy for Site #4, APN 488-211-21-00, of the Amended Plan (the "Property"), addressed as 201 East Main Street, authorizes the transfer of the Property to the City of El Cajon for continued use as a municipal park with ancillary commercial uses, 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, public improvements paid with Federal and Tax Exempt Bonds; and

WHEREAS, the Amended Plan also authorizes the transfer of the leases with Mangia Bene (assigned to Burner Nicolosi's, Inc. dba Nicolosi's Italian Restaurant) and Clear Channel Outdoor to the City of El Cajon; and

WHEREAS, the Amended Plan also requires the City of El Cajon as Successor Agency to the former El Cajon Redevelopment Agency remain responsible for environmental remediation under the existing enforceable obligation/Settlement Agreement until site closure from the County Department of Environmental Health is obtained;

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 #4, APN 488-211-21-00, 201 East Main Street and all existing leases, 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, and an Indemnification and Hold Harmless Agreement to retain the Successor Agency's obligation to remain responsible for hazardous materials cleanup, 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, including an Indemnification and Hold Harmless Agreement, 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:

AYES :
NOES :
ABSENT :
ABSTAIN :

Debra Turner-Emerson, Chairperson

ATTEST:

Majed Al-Ghafry, Oversight Board Secretary

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PROPERTY PROFILE

Site # 4	Municipal Park; Prescott Promenade
Location:	201 E. Main Street, El Cajon, CA 92020
APN:	488-211-21-00
Lot Size (SF):	15,423
Building SF:	Not applicable
General Plan:	SDA # 9 (Also within Specific Plan 182)
Zoning:	C-G, General Commercial
Highest/Best Use:	Municipal Park; 492 sq. ft. encroachment Ground Lease to Mangia Bene for outdoor dining; remaining 450 sq. ft. of Ground Lease is for sidewalk area in the public (City) right of way; an additional 205 sq. ft. of restricted premises is leased for \$1.00.
Date Acquired:	July 12, 1984 (215 E. Main St.) and February 16, 1989 (217 E. Main St.)
Purchase Price:	\$331,090.93
Source of Funds:	Loan obtained from City of El Cajon for acquisition which was subsequently paid with \$2M in taxable and/or \$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:	The property was acquired for redevelopment purposes set forth in the 1971 Redevelopment Plan, and was/continues to be the site of a hydrocarbon contamination case. The Seller, Phyllis Chrisman, the Agency, Texaco Refining and Marketing Inc., Shell Oil Company, Inc., and Union Oil Company of California dba Unocal, are all parties to a Settlement Agreement for the remediation and cleanup of the site.
Status & Revenues:	<p>Land with leasehold improvements; Municipal Park.</p> <p>492 sq. of the Municipal Park is encumbered by a Ground Lease dated 11/22/2002, with Mangia Bene for outdoor dining. The remaining 450 sq. ft. is leased sidewalk or restricted premises area in the public (City) right-of-way. Lease rate is \$0.84 PSF for total rent of \$792.28, of which \$413.28 is associated with this parcel. An additional 205 sq. ft. of restricted premises is leased for \$1.00. The Lease expires 30-years upon issuance of the certificate of occupancy dated April 16, 2003.</p> <p>The property is also encumbered by a lease dated May 1, 1972, assigned to Clear Channel Outdoor, for installation of a billboard sign. The lease term renews each 15-year period, unless terminated by Lessor with 30-days' notice. The lease now expires on April 30, 2017, and generates revenue of \$480.00 per year.</p>
Environmental issues, Brownfield or other Restrictions:	<p>Environmental: The Agency acquired the property in 1984 and 1989. A portion of the property, originally located at 201-215 E. Main Street, is the subject of an existing Underground Storage Tank (UST) case for hydrocarbon contamination and Corrective Action Plan until site clearance and closure. The Agency also entered into a Settlement Agreement with the seller and three oil companies in 1985, under which the Seller is responsible for 80% of the site cleanup and the Agency is responsible for 20%, until closure.</p> <p>Through close of escrow, a portion of the seller's proceeds were held in trust with a law firm for management and payment of site remediation costs. The Seller is responsible for 80% of remediation costs and the Agency is responsible for 20%, until closure status can be achieved.</p> <p>Brownfield: Not applicable</p>

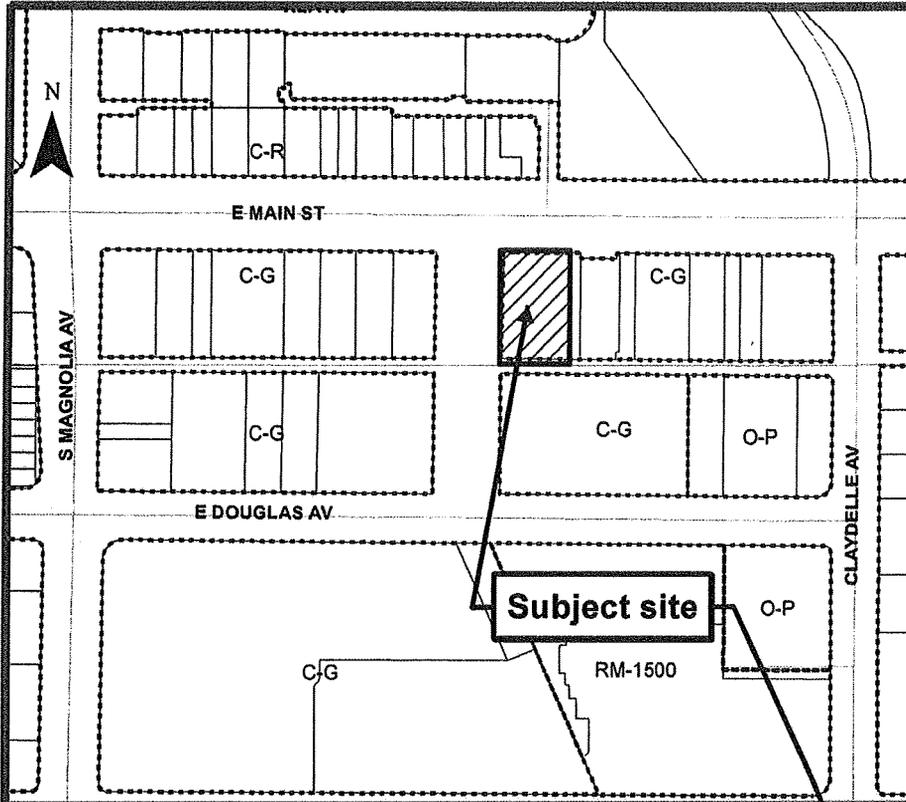
PROPERTY PROFILE

Site # 4	Municipal Park; Prescott Promenade
	Restrictions: Sales proceeds, if any, must be used in accordance with bond covenants.
Transit Oriented Development Site:	Not applicable.
Discussion & History:	<p>The Redevelopment Plan for the adopted El Cajon Central Business District Redevelopment Project dated November, 1971, Section 317, authorizes installation and construction of public improvements, public facilities, including, but not limited to: parks, plazas, and landscaped areas. Section 407 also authorizes the establishment of public or other park and recreational facilities.</p> <p>The Preliminary Report for the adopted El Cajon Redevelopment Project Area dated May, 1987, Table 3, identifies a new City park as a proposed redevelopment project.</p> <p>On July 12, 1984, and February 16, 1989, the Agency acquired the subject properties for a total \$331,090.93 through a loan from the City of El Cajon that was ultimately satisfied with tax exempt bond proceeds.</p> <p>"Prescott Promenade", a municipal park, was subsequently developed and dedicated as a City park in November 1996 with funding through a combination of CDBG and tax increment funds on both Agency and City property.</p> <p>In Fiscal Year 2009-10, Prescott Promenade was completely renovated with approximately \$2M in 2007 Tax Exempt Bond Proceeds to remove and replace impervious concrete with new pavements systems, install energy efficient lighting, electrical and surveillance cameras, high-efficiently irrigation systems, low water usage turf, new landscaping, a new stage with canvas sails, increased seating, park furniture, and wayfinding signage.</p>
Classification:	<p>Enforceable Obligation; Transfer to City – Governmental Purposes</p> <ol style="list-style-type: none"> 1. Site is/has been utilized as a municipal park since 1996. 2. Under Ground Lease that encumbers a portion of the park for outdoor dining; currently utilized as a municipal park known as Prescott Promenade; and a Lease for installation of a billboard sign. 3. Under a Settlement Agreement for site remediation until closure
Use of Broker:	See Disposal Strategy
Value As-Is:	Not applicable at this time
Disposal Strategy:	<p>In accordance with requirements for property acquired/satisfied and developed with tax exempt bond proceeds and Federal funds, authorize the Successor Agency to:</p> <ol style="list-style-type: none"> 1. 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, public improvements paid with Federal and Tax Exempt Bonds; and 2. Transfer the Mangia Bene and Clear Channel Outdoor Leases to the City of El Cajon for application of lease revenues toward maintenance costs and ongoing contamination cleanup costs, along with Redevelopment Property Tax Trust Funds (RPTTF). The Mangia Bene Lease area equals approximately 3.1% of the total lot square footage of the overall parcel; and 3. The Successor Agency to remain responsible for environmental remediation costs under the existing enforceable obligation/Settlement Agreement until site closure from the County Department of Environmental Health is obtained.
Appendices:	1,2,5,6,7,25

Long Range Property Management Plan

Site No. 4

201 E Main Street & Prescott Promenade



Property Features:

- C-G Zoning
- 0.35 Acres
- APN No. 488-211-21
- Transfer to City - Governmental use and enforceable obligation
- Disposition timing phase 2

City of El Cajon Successor Agency Oversight Board

200 Civic Center Way
El Cajon, CA 92020
Phone: 619.441.1741
Fax: 619.441.1743
cityofelcajon.us

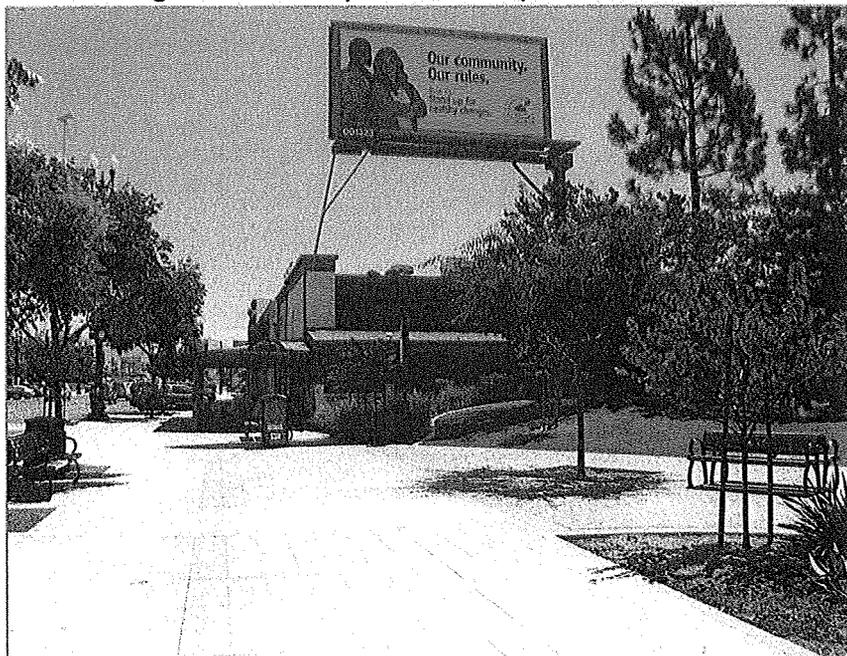


SUBJECT PHOTOGRAPHS

November 5, 2012



Looking southeasterly toward the park from E. Main St.



Looking easterly toward E. Main Street. View of Mangia Bene patio structure and billboard lease.



Looking southerly toward the park from E. Main St.



Looking northeasterly toward the park from Douglas Ave.

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INDEMNIFICATION AND HOLD HARMLESS AGREEMENT

THIS INDEMNIFICATION AND HOLD HARMLESS AGREEMENT (the “Agreement”) is made this _____ day of _____, 2014, by and between the CITY OF EL CAJON SOLELY IN ITS CAPACITY OF SUCCESSOR AGENCY OF THE FORMER EL CAJON REDEVELOPMENT AGENCY, a public body, corporate and politic (the “Successor Agency”), and the CITY OF EL CAJON, a California charter city and municipal corporation (the “City”).

WHEREAS, the Successor Agency, pursuant to that certain Amended Long Range Property Management Plan (the “Amended Plan”) approved by the Oversight Board for the Successor Agency on January 15, 2014, by Resolution No. OB-07-14, and the Department of Finance (the “DOF”) on February 21, 2014, has received approval for the transfer of Site 4 of the Amended Plan, (APN 488-211-21-00) (the “Property”), with a site address of 201 East Main Street, to the City for governmental purposes; and

WHEREAS, a condition precedent to the transfer of the Property, is the Successor Agency’s obligation to remain responsible for hazardous material cleanup; all pursuant to the Amended Plan; and

WHEREAS, the Successor Agency has not completed removal of all hazardous waste or toxic substances from the Property; and

WHEREAS, the Successor Agency desires to complete transfer of the Property to the City prior to the completion of the removal of all hazardous waste or toxic substances from the Property (the “Remediation Work”) while at the same time remaining responsible for the completion of the Remediation Work; and

WHEREAS, the City will agree to accept title to the Property, as long as it does not incur any liability or responsibility for the Remediation Work.

NOW, THEREFORE, in furtherance of this Agreement, and FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. For the promises contained in this Agreement by the parties, City will accept transfer of the Property from Successor Agency pursuant to the terms of the Amended Plans, and subject to the following terms and conditions:
 - a. Successor Agency, in coordination with other parties responsible for the Remediation Work, will complete the removal of all hazardous waste or toxic substances from the Property subject to the full terms and conditions of this Agreement.

- b. Successor Agency will provide to City, in a timely manner, all reports, studies, correspondence and memoranda including electronic communication regarding the removal of all hazardous waste or toxic substances from the Property completed by Successor Agency, both prior to, and following, the acquisition of Property by City.
- c. Successor Agency covenants that in completing the removal of all hazardous waste or toxic substances from the Property it shall perform such work in compliance with all state, local and federal laws, rules and regulations related to the removal of all hazardous waste or toxic substances from the Property, including the possession of all contractors' and environmental licenses as may be required by such laws.

2. Successor Agency shall reimburse City for all costs, expenses, claims, indebtedness of every kind and nature relating to the removal of all hazardous waste or toxic substances from the Property after acquisition of the Property by City from the Successor Agency, which it might suffer to incur. If the City does incur any such expenses, it shall submit to the Successor Agency invoices for reimbursement the cost of the removal of all hazardous waste or toxic substances from the Property. The Successor Agency shall pay to City the amount of the invoice submitted within thirty (30) days of receipt of said invoice.

3. The Successor Agency, for itself, and its successors and assigns, agrees, to the extent permitted by law, to indemnify, defend, and hold harmless, City as well as its elected and appointed officers, officials, employees, attorneys, successors and assigns, and all other persons, firms, corporations, associations or partnerships, or any other entity connected therewith harmless from and against any and all liability, loss, cost or expense, including without limitation, attorneys' fees, expenses, costs of litigation and expenses reasonably incurred in investigating or attempting to avoid or oppose the imposition of damages or in enforcing this indemnity, of whatever kind or nature, including the Successor Agency's obligations under that certain Settlement Agreement dated October 4, 1995, in the matter of *Chrisman v. Texaco Refining and Marketing, Inc., et al.*, San Diego Superior Court Case No. 647456 (the "Losses"), which City may sustain by reason of any suits, claims, demand, litigation, proceedings or matters arising out of, or in any manner connected with the removal of all hazardous waste or toxic substances from the Property and any hazardous waste or toxic substances on the Property, provided, however, that the removal of all hazardous waste or toxic substances from the Property is performed in manner consistent with, and in complete accordance with, the plan approved by the County of San Diego Department of Environmental Health, *except* for those Losses arising solely out of the willful misconduct of the City, or its officers, officials, employees, attorneys, agents, contractors, successors or assigns.

4. This Agreement shall be binding upon the Successor Agency's successors and assigns and shall inure to the benefit of the successors and assigns of City.

5. This Agreement may be executed in several counterparts and all so executed shall constitute one agreement which shall be binding on all parties hereto, notwithstanding that all the parties are not signatory to the original or the same counterpart.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT as of the date and year first above written.

CITY OF EL CAJON, solely in its capacity
as the SUCCESSOR AGENCY OF THE EL
CAJON REDEVELOPMENT AGENCY,
a public body corporate and politic

ATTEST:

Majed Al-Ghafry, Secretary

By: _____
Douglas Williford, Executive Director

CITY OF EL CAJON, a California charter
city and municipal corporation

ATTEST:

Belinda Hawley, CMC, City Clerk

By: _____
Douglas Williford, City Manager

APPROVED AS TO FORM:

Morgan L. Foley, City Attorney

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AGENDA REPORT
CITY OF EL CAJON SUCCESSOR AGENCY OVERSIGHT BOARD
April 16, 2014, Meeting

SUBJECT: TRANSFER OF SUCCESSOR AGENCY PROPERTY AND RELATED AGREEMENTS FOR SITE #5, APN 488-212-19-00, A VACATED ALLEY, TO THE CITY OF EL CAJON FOR GOVERNMENTAL PURPOSES.

RECOMMENDED ACTION: That the Oversight Board adopts the proposed Resolution No. OB-16-14 to:

1. Approve the transfer of Site #5, APN 488-212-19-00, a vacated alley, 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; and
2. Approve 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.

BACKGROUND: Pursuant to the Amended Long Range Property Management Plan ("Amended Plan") approved by the Oversight Board on January 15, 2014, as Resolution No. OB-07-14, and the Department of Finance on February 21, 2014, Site #5, APN 488-212-19-00 ("Property"), a vacated alley, is scheduled for transfer to the City of El Cajon for use by the El Cajon Housing Authority to provide parking for residents of the adjacent affordable housing project, identified as a governmental purpose pursuant to California Health and Safety Code Section 34181(a) and 34191.5(c)(H)(2) at no cost due to the source of funding for acquisition of the adjacent properties and because it was previously vacated by the City of El Cajon. The property is an alley adjacent to Lexington Sr. Apartments and 275 E. Douglas Avenue.

Transfer of the Property must also be approved by the City Council at a public hearing tentatively scheduled for April 22, 2014, and 10 days public notice of today's action was provided in accordance with California Health & Safety Code Section 34181(f).

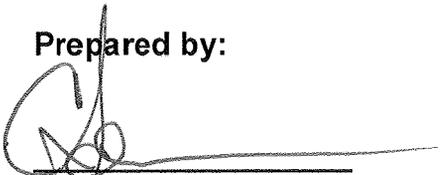
FISCAL IMPACT: Transfer of property by the Successor Agency will result in the elimination of funding requests for future direct property and project management costs from the Recognized Obligation Payment Schedule.

ATTACHMENTS:

1. Proposed Resolution No. OB-16-14
2. Property Profile – Site #5

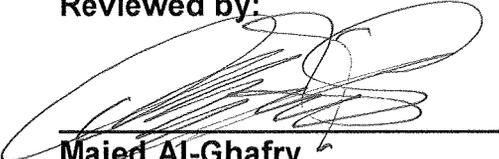
Oversight Board Agenda Report
Approval of Transfer of Site 5, APN
488-212-19-00, a Vacated Alley to the
City of El Cajon for Governmental Purposes
April 16, 2014, Agenda

Prepared by:



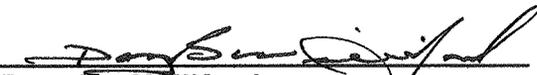
Clay Schoen
Director of Finance

Reviewed by:



Majed Al-Ghafry
Secretary / Assistant City Manager

Approved by:



Douglas Williford
Executive Director / City Manager

RESOLUTION NO. OB-16-14

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 #5, APN 488-212-19-00, A VACATED ALLEY, 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 #5, APN 488-212-19-00, a vacated alley, to the City of El Cajon for governmental purposes; and

WHEREAS, at least 10 days' notice to the public of the proposed transfer and related actions was provided pursuant to Health & Safety Code Section 34181(f); and

WHEREAS, the disposal strategy for Site #5, APN 488-212-19-00, of the Amended Plan (the "Property"), a vacated alley, authorizes the transfer of the Property to the City of El Cajon for use by the El Cajon Housing Authority to provide parking for residents of the adjacent affordable housing project, 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 alley was previously vacated by 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 transfer of Site #5, APN 488-212-19-00, a vacated alley, 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:

AYES :
NOES :
ABSENT :
ABSTAIN :

Debra Turner-Emerson, Chairperson

ATTEST:

Majed Al-Ghafry, Oversight Board Secretary

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PROPERTY PROFILE

Site # 5	Vacated Alley adjacent to Lexington Sr. Apartments
Location:	Vacated alley off Claydelle Avenue; North of Lexington Sr. Apartments and adjacent to 250 E. Lexington Avenue, El Cajon, CA 92020
APN:	488-212-19-00
Lot Size (SF):	7,841
Building SF:	Not applicable
General Plan:	SDA # 9 (Also within Specific Plan 182)
Zoning:	Adjacent zoning = RM-1500 (south) and O-P (north)
Highest/Best Use:	Alley; driveway access for 275 E. Douglas Avenue
Date Acquired:	March 16, 1993, Resolution No. 98-93 and recorded March 18, 1993, through a vacation of the alley from the City of El Cajon. The vacation resulted in the conveyance of one-half of the property to adjacent property owners.
Purchase Price:	No cost. Alley vacated by the City of El Cajon pursuant to Resolution No. 98-93, dated March 16, 1993, recorded March 18, 1993.
Source of Funds:	No cost. Alley vacated by the City of El Cajon and resulted in the conveyance of one-half of the property to each adjacent property owner. Because the adjacent properties were owned by the El Cajon Redevelopment Agency and acquired with Low and Moderate-Income Housing Tax Exempt Bond proceeds, the property must be conveyed to the El Cajon Housing Authority.
Purpose of Acquisition:	The property was acquired through the vacation of an alley to extend the size of the Lexington Avenue Sr. Apartment project, to add required parking for the senior project, and provide public open space for the adjacent Library and Community Center.
Status & Revenues:	Land; Currently used by 275 E. Douglas Avenue as driveway access; The site does not generate revenue.
Environmental issues, Brownfield or other Restrictions:	Environmental: None Known Brownfield: Not applicable Restrictions: Sales proceeds, if any, must be used in accordance with bond covenants and low and moderate income housing activities.
Transit Oriented Development Site:	Not applicable.
Discussion & History:	The Agency acquired this property through the approval of Resolution No. 98-93 on March 18, 1993, ordering vacation of Prescott Avenue Between Douglas Avenue and Lexington Avenue and the alley south of Douglas Avenue. Vacation of this land conveyed one half of the alley to the adjacent property owners.
Classification:	Transfer to El Cajon Housing Authority – Governmental Purposes
Use of Broker:	See Disposal Strategy

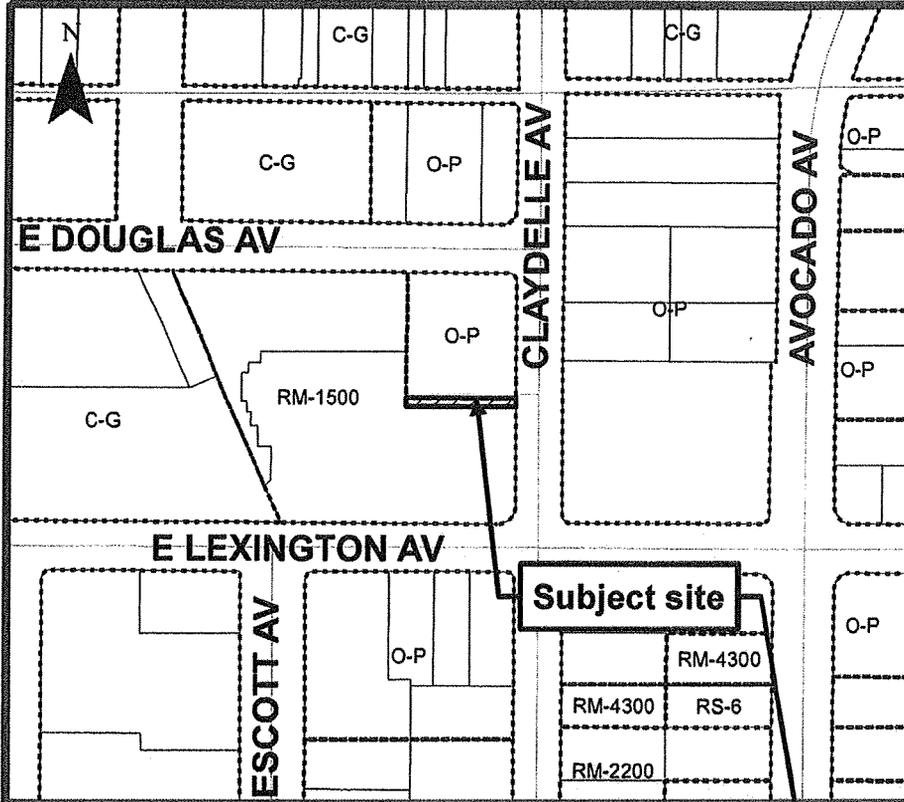
PROPERTY PROFILE

Site # 5	Vacated Alley adjacent to Lexington Sr. Apartments
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> <ol style="list-style-type: none">1. Transfer the property to the El Cajon Housing Authority for Governmental Purposes pursuant to CH&SC Section 34181(a) and 34191.3 at no cost due to the source of funding for acquisition of adjacent properties; or2. Transfer the property, previously vacated by the City of El Cajon, back to the City of El Cajon at no cost.
Appendices:	1,2,8,9,11,12,22,23,24

Long Range Property Management Plan

Site No. 5

Alley between E Douglas Ave. and E Lexington Ave.



Property Features:

- RM-1500 Zoning
- 0.18 Acres
- APN No. 488-212-19
- Transfer to Housing Authority - Governmental use
- Disposition timing phase 2

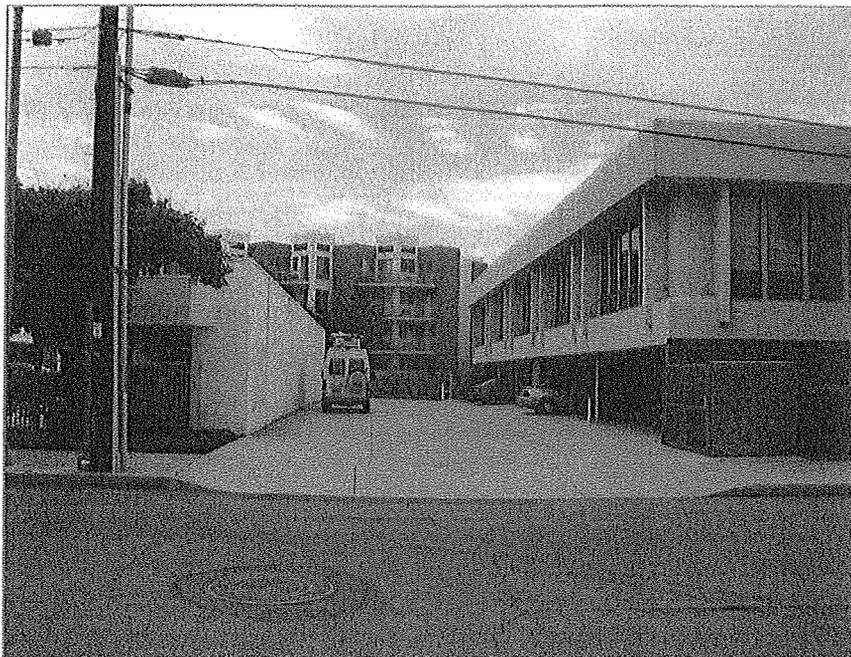
City of El Cajon
Successor Agency
Oversight Board

200 Civic Center Way
El Cajon, CA 92020
Phone: 619.441.1741
Fax: 619.441.1743
cityofelcajon.us



SUBJECT PHOTOGRAPHS

July 11, 2012



Looking westerly and directly to site. Lexington Sr. Apts to left.



Looking northwesterly to site. Lexington Sr. Apts to left.

AGENDA REPORT
CITY OF EL CAJON SUCCESSOR AGENCY OVERSIGHT BOARD
April 16, 2014, Meeting

SUBJECT: TRANSFER OF SUCCESSOR AGENCY PROPERTY AND RELATED AGREEMENTS FOR SITE #6, APN 488-212-20-00, A VACATED PORTION OF PRESCOTT AVENUE, TO THE CITY OF EL CAJON FOR GOVERNMENTAL PURPOSES.

RECOMMENDED ACTION: That the Oversight Board adopts the proposed Resolution No. OB-17-14 to:

1. Approve the transfer of Site #6, APN 488-212-20-00, a vacated portion of Prescott 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; and
2. Approve 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.

BACKGROUND: Pursuant to the Amended Long Range Property Management Plan ("Amended Plan") approved by the Oversight Board on January 15, 2014, as Resolution No. OB-07-14, and the Department of Finance on February 21, 2014, Site #6, APN 488-212-20-00 ("Property"), a vacated portion of Prescott Avenue, is scheduled for transfer to the City of El Cajon for use by the El Cajon Housing Authority to provide access to the public library for the residents of the adjacent affordable housing project, identified as a governmental purpose pursuant to California Health and Safety Code Section 34181(a) and 34191.5(c)(H)(2) at no cost due to the source of funding for acquisition of the adjacent properties and because it was previously vacated by the City of El Cajon. The property is a walkway adjacent to the Ronald Reagan Community Center.

Transfer of the Property must also be approved by the City Council at a public hearing tentatively scheduled for April 22, 2014, and 10 days public notice of today's action was provided in accordance with California Health & Safety Code Section 34181(f).

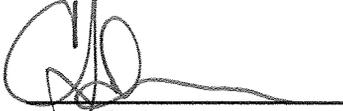
FISCAL IMPACT: Transfer of property by the Successor Agency will result in the elimination of funding requests for future direct property and project management costs from the Recognized Obligation Payment Schedule.

ATTACHMENTS:

1. Proposed Resolution No. OB-17-14
2. Property Profile – Site #6

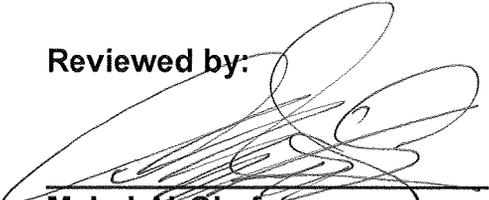
Oversight Board Agenda Report
Approval of Transfer of Site 6, APN
488-212-20-00, a Vacated Portion of
Prescott Promenade to the City of El
Cajon for Governmental Purposes
April 16, 2014, Agenda

Prepared by:



Clay Schoen
Director of Finance

Reviewed by:



Majed Al-Ghafry
Secretary / Assistant City Manager

Approved by:



Douglas Williford
Executive Director / City Manager

RESOLUTION NO. OB-17-14

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 #6, APN 488-212-20-00, A VACATED PORTION OF PRESCOTT 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 transfer of Successor Agency property and related agreements for Site #6, APN 488-212-20-00, a vacated portion of Prescott 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 34181(f); and

WHEREAS, the disposal strategy for Site #6, APN 488-212-20-00, of the Amended Plan (the "Property"), a vacated portion of Prescott Avenue, authorizes the transfer of the Property to the City of El Cajon for use by the El Cajon Housing Authority to provide access to the public library for the residents of the adjacent affordable housing project, 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 property was previously vacated by the City of El Cajon; and

WHEREAS, 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 transfer of Site #6, APN 488-212-20-00, a vacated portion of Prescott 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:

AYES :
NOES :
ABSENT :
ABSTAIN :

Debra Turner-Emerson, Chairperson

ATTEST:

Majed Al-Ghafry, Oversight Board Secretary

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PROPERTY PROFILE

Site # 6	Surplus Parcel adjacent to the Community Center Parking Lot
Location:	Municipal Facilities parcel adjacent to Community Center, Library and public parking lot; El Cajon, CA 92020
APN:	488-212-20-00
Lot Size (SF):	6,839
Building SF:	Not applicable
General Plan:	SDA # 9 (Also within Specific Plan 182)
Zoning:	RM-1500 (Residential)
Highest/Best Use:	Public Open Space and walkway for Municipal Facilities
Date Acquired:	September 26, 1994, as a result of the vacation of Prescott Avenue from the City of El Cajon at no cost, Resolution No. 98-93. The vacation resulted in the conveyance of one-half of the property to adjacent property owners.
Purchase Price:	No cost. Prescott Avenue vacated by the City of El Cajon pursuant to Resolution No. 262-94, September 13, 1994, recorded September 26, 1994.
Source of Funds:	A portion of Prescott Avenue was vacated by the City of El Cajon and conveyed to the El Cajon Redevelopment Agency at no cost as the adjacent property owner. Because the adjacent properties were acquired with Low and Moderate-Income Housing Tax Exempt Bond proceeds, the property must be conveyed to the El Cajon Housing Authority.
Purpose of Acquisition:	<p>The property was acquired through the vacation of an alley and street, and was required to be developed as open space amenities and a pedestrian walkway for the adjacent Lexington Sr. Apartments, Library and Community Center.</p> <p>The property is part of a public thoroughfare that extends from Lexington Avenue to Douglas, connecting Prescott Promenade and City Hall, ECPAC, and the East County Regional Center.</p>
Status & Revenues:	Land; Municipal Facility parcel adjacent to Community Center, Library and public parking lot. This site does not generate revenue.
Environmental issues, Brownfield or other Restrictions:	<p>Environmental: None Known</p> <p>Brownfield: Not applicable</p> <p>Restrictions: Sales proceeds, if any, must be used in accordance with bond covenants and low and moderate-income housing activities.</p>
Transit Oriented Development Site:	Not applicable.
Discussion & History:	<p>The Agency acquired this property with the approval of Resolution No. 262-94, September 13, 1994, ordering vacation of Prescott Avenue Between Douglas Avenue and Lexington Avenue. The purpose of the vacation was to extend the open space/pedestrian walkway adjacent to the Lexington Sr. Apartment project, Library and Community Center.</p> <p>The Disposition and Development Agreement for Lexington Senior Apartments "Scope of Development – Attachment No. 5" states that "(t)he City of El Cajon Master Design Plan designates an open space amenity</p>

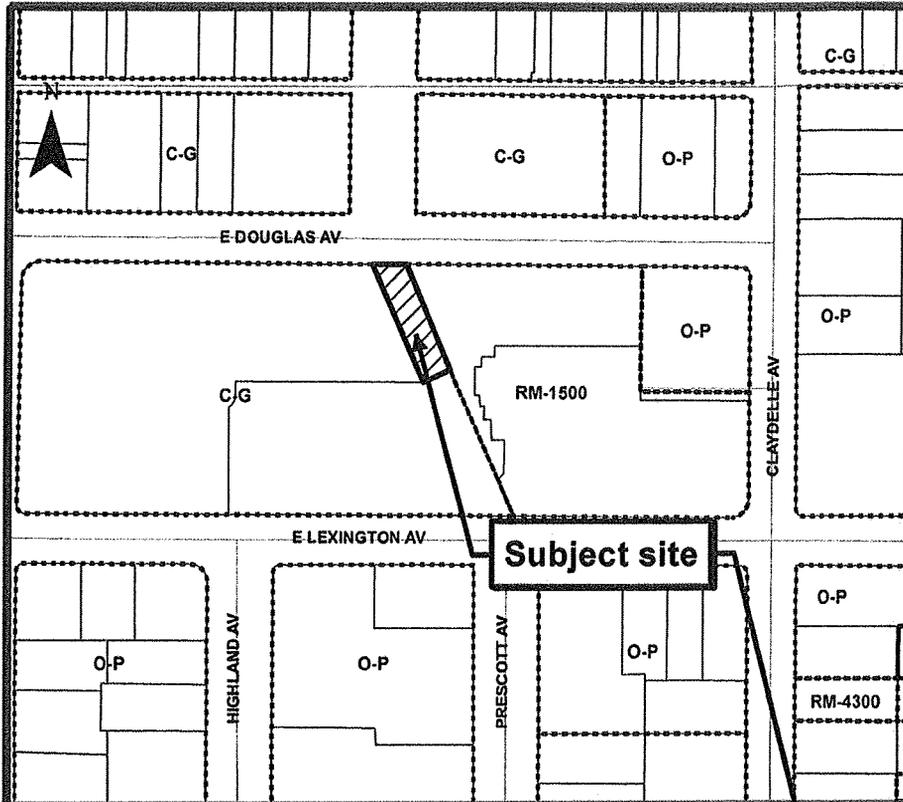
PROPERTY PROFILE

Site # 6	Surplus Parcel adjacent to the Community Center Parking Lot
	<p>within the Prescott Avenue right-of-way. The Agency shall be responsible for the demolition of improvements in this abandoned right-of-way pursuant to the Agreement. Landscape and hardscape pedestrian walk areas shall be constructed as open space amenities pursuant to the City of El Cajon Master Design Plan.”</p> <p>Vacation of this land conveyed one half of the street to each adjacent property owner and APN 488-212-20-00 is a result of this vacation. This parcel is a small remainder parcel adjacent to APN 488-212-22-00 that was acquired with Low and Moderate-Income Housing Bond proceeds.</p>
Classification:	Enforceable Obligation; Transfer to El Cajon Housing Authority – Governmental Purposes
Use of Broker:	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> <ol style="list-style-type: none"> 1. Transfer the property to the El Cajon Housing Authority for Governmental Purposes pursuant to CH&SC Section 34181(a) and 34191.3 at no cost due to the source of funding for acquisition of adjacent properties and the Enforceable Obligation with the Lexington Senior Apartments Disposition and Development Agreement; or 2. Transfer the property, previously vacated by the City of El Cajon, back to the City of El Cajon at no cost.
Appendices:	1,2,8,9,10,11,12,22,23,24

Long Range Property Management Plan

Site No. 6

Portion of Prescott Avenue adjacent to the library

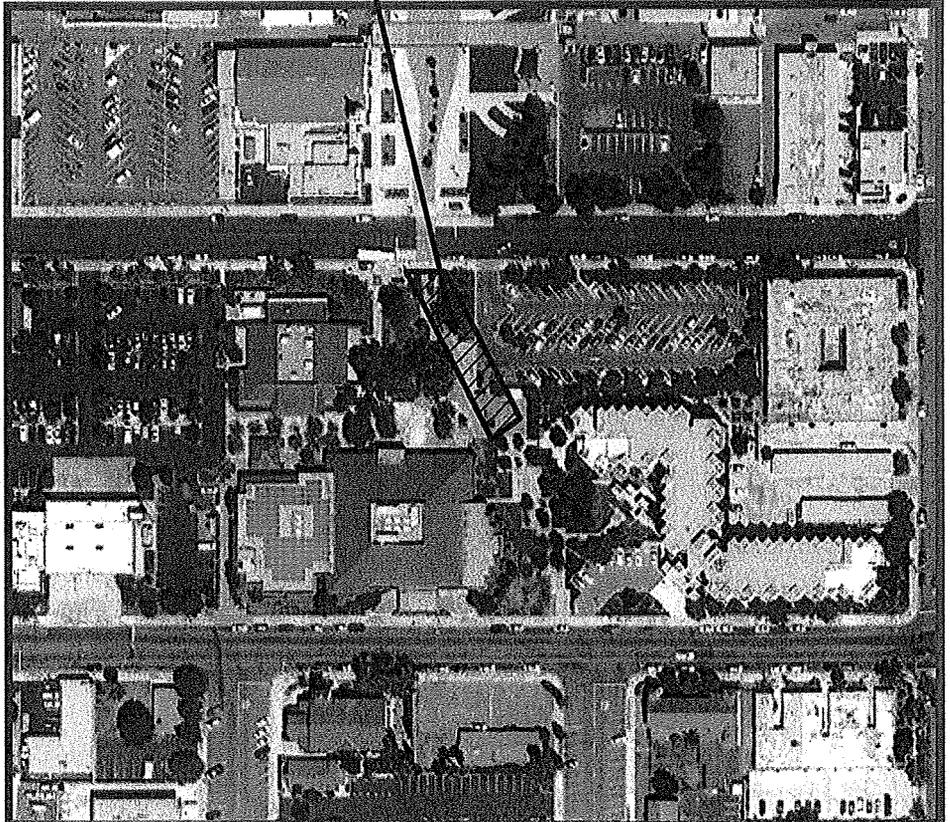


Property Features:

- RM-1500 Zoning
- 0.16 Acres
- APN No. 488-212-20
- Transfer to Housing Authority - Governmental use
- Disposition timing phase 2

City of El Cajon Successor Agency Oversight Board

200 Civic Center Way
El Cajon, CA 92020
Phone: 619.441.1741
Fax: 619.441.1743
cityofelcajon.us



SUBJECT PHOTOGRAPHS

July 11, 2012



Looking northerly toward Douglas Ave and Prescott Promenade.



Looking westerly from the parking lot onto Douglas Ave.

AGENDA REPORT
CITY OF EL CAJON SUCCESSOR AGENCY OVERSIGHT BOARD
April 16, 2014, Meeting

SUBJECT: TRANSFER OF SUCCESSOR AGENCY PROPERTY AND RELATED AGREEMENTS FOR SITE #7, APN 488-212-22-00, A PARKING LOT FOR SENIOR HOUSING AND MUNICIPAL FACILITIES, TO THE EL CAJON HOUSING AUTHORITY FOR GOVERNMENTAL PURPOSES.

RECOMMENDED ACTION: That the Oversight Board adopts the proposed Resolution No. OB-18-14 to:

1. Approve the transfer of Site #7, APN 488-212-22-00, a parking lot for senior housing and municipal facilities, 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 Housing Authority for governmental purposes, pursuant to the Amended Long Range Property Management Plan; and
2. Approve 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.

BACKGROUND: Pursuant to the Amended Long Range Property Management Plan ("Amended Plan") approved by the Oversight Board on January 15, 2014, as Resolution No. OB-07-14, and the Department of Finance on February 21, 2014, Site #7, APN 488-212-22-00 ("Property"), a parking lot utilized for senior housing and municipal facilities, is scheduled for transfer to the El Cajon Housing Authority for use by the El Cajon Housing Authority to provide additional parking for the residents and guests of the adjacent affordable housing project, identified as a governmental purpose pursuant to California Health and Safety Code Section 34181(a) and 34191.5(c)(H)(2) at no cost due to the source of funding for acquisition and the enforceable obligations that exist under the Disposition and Development Agreement with Lexington Avenue Senior Apartments, L.P., and Ordinance 4444.

Transfer of the Property must also be approved by the El Cajon Housing Authority at a public hearing tentatively scheduled for April 22, 2014, and 10 days public notice of today's action was provided in accordance with California Health & Safety Code Section 34181(f).

FISCAL IMPACT: Transfer of property by the Successor Agency will result in the elimination of funding requests for future direct property and project management costs from the Recognized Obligation Payment Schedule.

ATTACHMENTS:

1. Proposed Resolution No. OB-18-14
2. Property Profile – Site #7

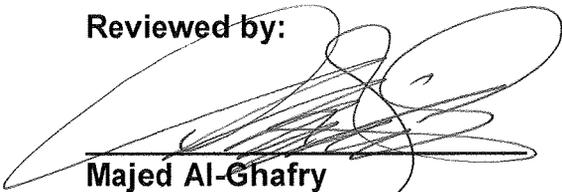
Oversight Board Agenda Report
Approval of Transfer of Site 7, APN
488-212-22-00, a Parking Lot for Senior Housing
and Municipal Facilities to the El Cajon Housing
Authority for Governmental Purposes
April 16, 2014, Agenda

Prepared by:



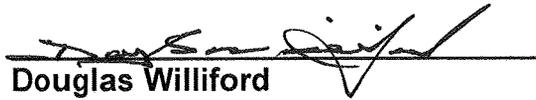
**Clay Schoen
Director of Finance**

Reviewed by:



**Majed Al-Ghafry
Secretary / Assistant City Manager**

Approved by:



**Douglas Williford
Executive Director / City Manager**

RESOLUTION NO. OB-18-14

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 #7, APN 488-212-22-00, A PARKING LOT FOR SENIOR HOUSING AND MUNICIPAL FACILITIES, TO THE EL CAJON HOUSING AUTHORITY 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 #7, APN 488-212-22-00, a parking lot for senior housing and municipal facilities, to the El Cajon Housing Authority 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 34181(f); and

WHEREAS, the disposal strategy for Site #7, APN 488-212-22-00, of the Amended Plan (the "Property"), a parking lot for senior housing and municipal facilities, authorizes the transfer of the Property to the El Cajon Housing Authority for use by the El Cajon Housing Authority to provide additional parking for the residents and guests of the adjacent affordable housing project, 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 enforceable obligations that exist under the Disposition and Development Agreement with Lexington Avenue Senior Apartments, L.P., and City of El Cajon Ordinance No. 4444; and

WHEREAS, 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 Housing Authority 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 transfer of Site #7, APN 488-212-22-00, a parking lot for senior housing and municipal facilities, 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 Housing Authority 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:

AYES :
NOES :
ABSENT :
ABSTAIN :

Debra Turner-Emerson, Chairperson

ATTEST:

Majed Al-Ghafry, Oversight Board Secretary

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PROPERTY PROFILE

Site # 7	Community Center Parking Lot adjacent to Lexington Sr. Apartments
Location:	Parking lot for Senior Housing and Municipal Facilities: Community Center, El Cajon Library, and Lexington Sr. Apartments; El Cajon, CA 92020
APN:	488-212-22-00
Lot Size (SF):	39,640
Building SF:	Not applicable
General Plan:	SDA # 9 (Also within Specific Plan 182)
Zoning:	RM-1500 (Residential)
Highest/Best Use:	Public Parking lot for Senior Housing and Municipal Facilities
Date Acquired:	Multiple parcel acquisition dates in 1992 and 1993.
Purchase Price:	\$1,048,467.42 (pro-rata share of total acquisition costs).
Source of Funds:	Low and Moderate-Income Housing Tax Exempt Bond Proceeds
Purpose of Acquisition:	<p>Twelve parcels bounded by Douglas Avenue, Claydelle Avenue, Lexington Avenue, and Prescott Avenue were acquired by the Agency through 1993 for development of a 100 unit senior project.</p> <p>The subject parcel is a parking lot and was developed for resident overflow and guest needs under the Disposition and Development Agreement with Lexington Avenue Senior Apartments, L.P. and required by Ordinance 4444 adopted June 21, 1994. The project required development of not less than 125 parking spaces: 45 on-site and 80 for resident overflow and guests.</p> <p>During construction of the project, the developer elected to reduce the footprint of the building and transferred title and interest in the eighty space parking lot and pedestrian walkways, developed with Agency Low-Moderate Income Housing Bond Proceeds, back to the Agency in 1995.</p>
Status & Revenues:	Land; Improved parking lot for Municipal Facilities and Senior Housing: Community Center, Library, Fire Station 6, and Lexington Sr. Apartments. This site does not generate revenue.
Environmental issues, Brownfield, or other Restrictions:	<p>Environmental Issues: None known</p> <p>Brownfield: Not applicable</p> <p>Restrictions: Sales proceeds, if any, must be used in accordance with bond covenants for low and moderate income housing activities. In addition, the parking lot was developed as resident overflow and guest needs under a Disposition and Development Agreement with Lexington Avenue Senior Apartments, L.P. and required by Ordinance 4444 adopted June 21, 1994.</p> <p>Ordinance 4444, approving Specific Plan No. 457, (PC resolution 8636) requires designation of 18 parking spaces in Lexington Avenue and/or Douglas Avenue parking lots for the Lexington 100-unit Senior Housing Project.</p>
Transit Oriented Development Site:	Not applicable.

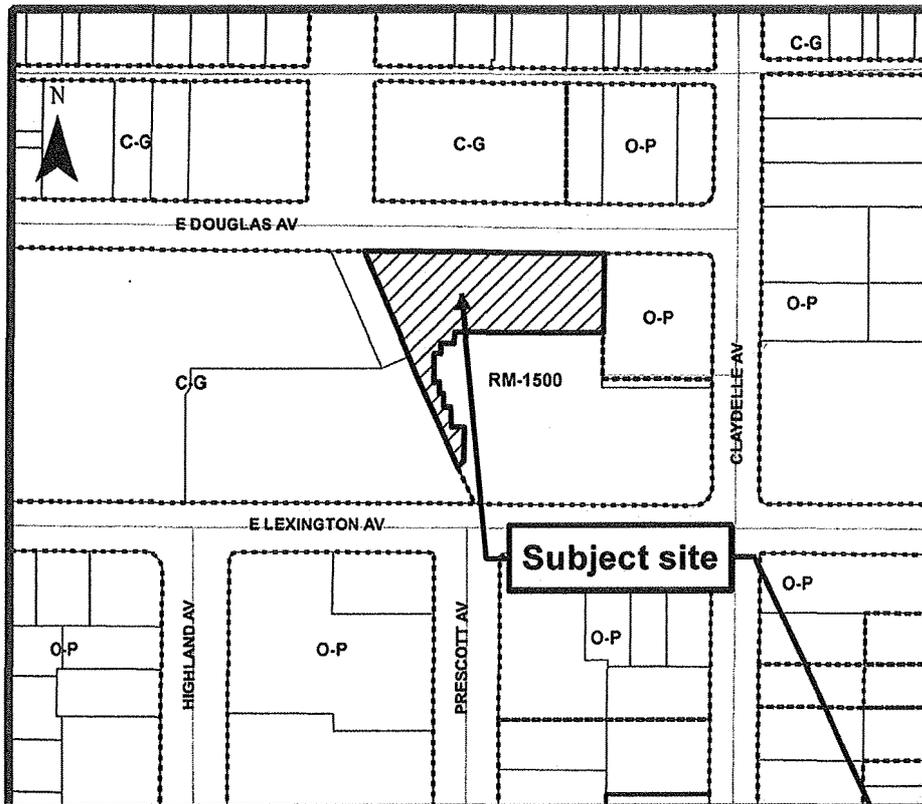
PROPERTY PROFILE

Site # 7	Community Center Parking Lot adjacent to Lexington Sr. Apartments
Discussion & History:	<p>The Agency acquired this property through multiple acquisitions for a Senior Citizens Project, funded with Low and Moderate-Income Housing tax exempt bond proceeds.</p> <p>The parking lot was developed as resident overflow and guest needs under a Disposition and Development Agreement with Lexington Avenue Senior Apartments, L.P. and required by Ordinance 4444 adopted June 21, 1994. The project required development of not less than 125 parking spaces: 45 on-site and 80 for resident overflow and guests.</p> <p>As the properties were acquired with low and moderate income tax exempt bond proceeds, proceeds can only be used in accordance with bond covenants for low and moderate income housing activities.</p>
Classification:	Enforceable Obligation; Transfer to the El Cajon Housing Authority – Governmental Purpose
Use of Broker:	See Disposal Strategy
Value As-Is:	Not applicable at this time
Value As-Demolished:	Not applicable
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 El Cajon Housing Authority for governmental purposes pursuant to CH&SC Section 34181(a) and 34191.3 at no cost due to the source of funds at acquisition and the enforceable obligations that exist under the Disposition and Development Agreement and Ordinance 4444 to maintain parking for Lexington Senior Apartments residents and guests.
Appendices:	1,2,8,9,10,11,12,22,23,24

Long Range Property Management Plan

Site No. 7

Parking lot adjacent to Lexington Senior Apartments



Property Features:

- RM-1500 Zoning
- 0.91 Acres
- APN No. 488-212-22
- Transfer to Housing Authority - Governmental use
- Disposition timing phase 2

City of El Cajon Successor Agency Oversight Board

200 Civic Center Way
El Cajon, CA 92020
Phone: 619.441.1741
Fax: 619.441.1743
cityofelcajon.us

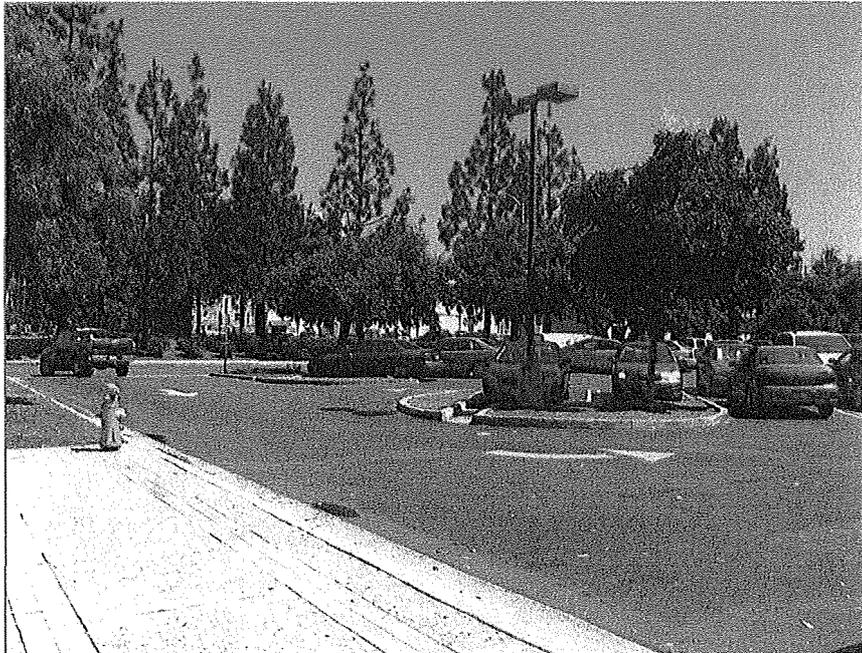


SUBJECT PHOTOGRAPHS

July 11, 2012



Looking westerly toward Ronald Reagan Community Center.



Looking northerly toward Douglas Avenue.



Looking southeasterly toward Lexington Sr. Apts from Douglas Ave.



Looking southerly toward Lexington Avenue from parking lot.

AGENDA REPORT
CITY OF EL CAJON SUCCESSOR AGENCY OVERSIGHT BOARD
April 16, 2014, Meeting

SUBJECT: TRANSFER OF SUCCESSOR AGENCY PROPERTY AND RELATED AGREEMENTS FOR SITE #8, APN 488-072-38-00, THE NORTHEAST CORNER OF MAGNOLIA AVENUE AND CIVIC CENTER WAY, TO THE CITY OF EL CAJON FOR GOVERNMENTAL PURPOSES.

RECOMMENDED ACTION: That the Oversight Board adopts the proposed Resolution No. OB-19-14 to:

1. Approve the transfer of Site #8, APN 488-072-38-00, the Northeast corner of Magnolia Avenue and Civic Center Way, 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; and
2. Approve 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.

BACKGROUND: Pursuant to the Amended Long Range Property Management Plan ("Amended Plan") approved by the Oversight Board on January 15, 2014, as Resolution No. OB-07-14, and the Department of Finance on February 21, 2014, Site #8, APN 488-072-38-00 ("Property"), the Northeast corner of Magnolia Avenue and Civic Center Way, is scheduled for transfer to the City of El Cajon for Governmental Purposes pursuant to California Health and Safety Code Section 34181(a) and 34191.5(c)(H)(2) at no cost due to an enforceable obligation and for public parking for the El Cajon civic campus.

Transfer of the Property must also be approved by the City Council at a public hearing tentatively scheduled for April 22, 2014, and 10 days public notice of today's action was provided in accordance with California Health & Safety Code Section 34181(f).

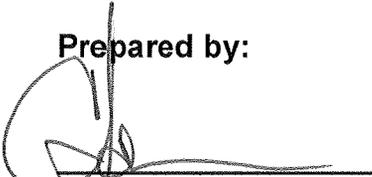
FISCAL IMPACT: Transfer of property by the Successor Agency will result in the elimination of funding requests for future direct property and project management costs from the Recognized Obligation Payment Schedule.

ATTACHMENTS:

1. Proposed Resolution No. OB-19-14
2. Property Profile – Site #8

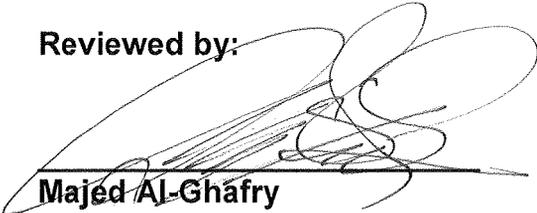
Oversight Board Agenda Report
Approval of Transfer of Site 8, APN
488-072-38-00, the Northeast Corner of
Magnolia Avenue and Civic Center Way
to the City of El Cajon for Governmental Purposes
April 16, 2014, Agenda

Prepared by:



Clay Schoen
Director of Finance

Reviewed by:



Majed Al-Ghafry
Secretary / Assistant City Manager

Approved by:



Douglas Williford
Executive Director / City Manager

RESOLUTION NO. OB-19-14

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 #8, APN 488-072-38-00, THE NORTHEAST CORNER OF MAGNOLIA AVENUE AND CIVIC CENTER WAY, 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 #8, APN 488-072-38-00, the Northeast corner of Magnolia Avenue and Civic Center Way, 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 34181(f); and

WHEREAS, the disposal strategy for Site #8, APN 488-072-38-00, of the Amended Plan (the "Property"), the Northeast corner of Magnolia Avenue and Civic Center Way, authorizes the transfer of the Property to the City of El Cajon for Governmental Purposes pursuant to California Health & Safety Code Sections 34181(a) and 34191.5(c)(H)(2) at no cost for public parking for the El Cajon civic campus; and

WHEREAS, 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 transfer of Site #8, APN 488-072-38-00, the Northeast corner of Magnolia Avenue and Civic Center Way, 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:

AYES :
NOES :
ABSENT :
ABSTAIN :

Debra Turner-Emerson, Chairperson

ATTEST:

Majed Al-Ghafry, Oversight Board Secretary

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PROPERTY PROFILE

Site # 8	Magnolia Avenue Frontage - Parcel 1 of Parcel Map 20625
Location:	No site address; NE corner Magnolia Avenue and Civic Center Way, El Cajon, CA 92020
APN:	488-072-38-00
Lot Size (SF):	47,916
Building SF:	Not applicable
General Plan:	SDA # 9 (Also within Specific Plan 182)
Zoning:	C-R, Regional Commercial
Highest/Best Use:	Improved Parking for the El Cajon civic campus, which includes City, County and State functions, including: City Hall, the El Cajon Performing Arts Center (ECPAC), Council Chambers, and the East County Regional Center. The East County Regional Center is a facility occupied by the Superior Court, Sheriff, Probation, District Attorney, Revenue and Recovery, and the Board of Supervisors. The East County Regional Center hears Civil, Criminal, Family and Juvenile Dependency cases. The court is supported by calendar, jury services, arbitration, exhibit, and business office sections.
Date Acquired:	June 11, 2009
Purchase Price:	\$4,442,183.49 ¹
Source of Funds:	Tax Increment
Purpose of Acquisition:	The Agency acquired this property for redevelopment purposes through a land swap on June 11, 2009, as surplus property not needed for the new Public Safety Center. Future redevelopment considerations included a mixed-use project with public parking opportunities, or a public parking structure.
Status & Revenues:	Land; Improved parking lot; currently utilized for restricted City of El Cajon and employee parking, parking for City vehicles, and supplemental parking for County District Attorney lease obligations (Permit Parking Only); This site does not generate revenue.
Environmental issues, Brownfield, or other Restrictions:	<p>Environmental: None known other than the site currently has a box drainage culvert running along the East and Northern portions of the property.</p> <p>Brownfield: Not applicable</p> <p>Restrictions: The property is currently the site of restricted City of El Cajon and employee parking, parking for City vehicles, and supplemental parking for County District Attorney lease obligations (Permit Parking only).</p>
Transit Oriented Development Site:	Not applicable.
Discussion & History:	The Redevelopment Plan for the El Cajon Central Business District Redevelopment Project dated November, 1971, Section 317, authorizes the Agency to install and construct public improvements, public facilities, and public utilities, including, but not limited to: streets, curbs, gutters, sidewalks, street lights, sewers, storm drains, traffic signals, and motor

PROPERTY PROFILE

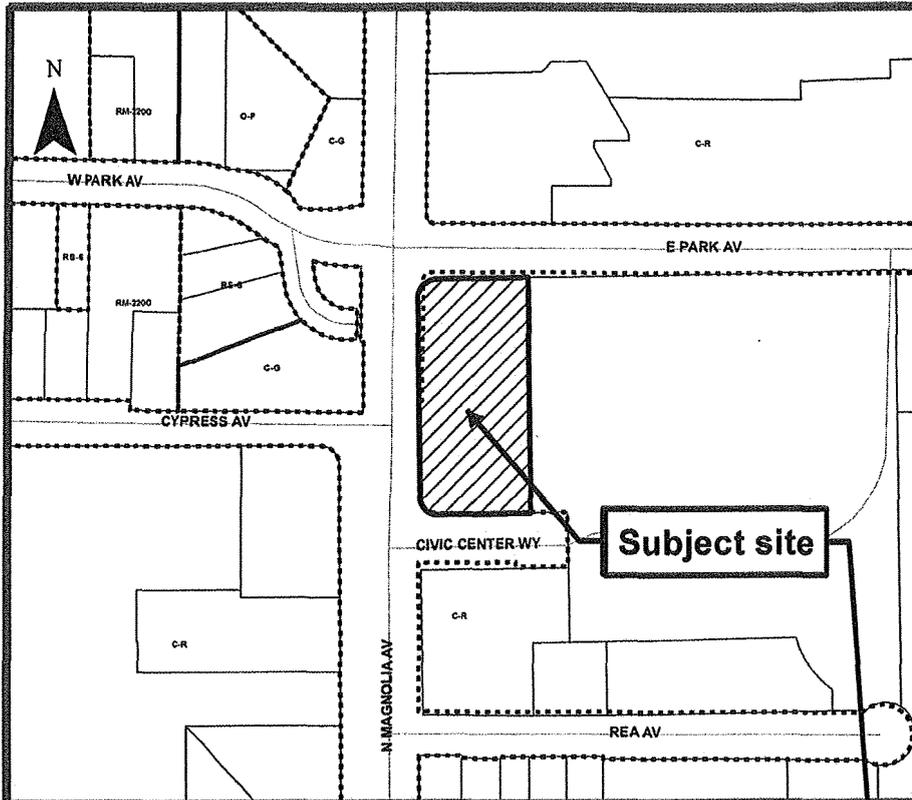
Site # 8	Magnolia Avenue Frontage - Parcel 1 of Parcel Map 20625
	<p>vehicle parking facilities.</p> <p>On February 26, 2008, the City entered into a "Sixth Floor Lease" with the County of San Diego for the lease of office space in El Cajon City Hall. The lease requires use of fifty (50) parking spaces in Permit Parking Only areas for County District Attorney employee parking. This site provides supplemental parking to Site 9 required under the lease.</p> <p>In October 2008, new City Hall employee and public parking lots were constructed, including the subject property parking lot, in preparation of the construction of the new Public Safety Center ("PSC"). The 5.7 acre PSC project included grading and removal of the existing 300 space surface parking lot, construction of a 5-story structure housing the 120,000 S.F. police facility, 89 surface parking spaces for the public, a pedestrian plaza, utility/drainage improvements, and extensive landscaping to encourage pedestrian access to and from new parking facilities.</p> <p>On March 22, 2011, the Agency entered into an Exclusive Negotiating Agreement ("ENA") with E. Neal Arthur for the development of a full-service, upscale hotel with name brand identity to serve business and leisure travelers. The proposed hotel was to include separate public parking structures/facilities. The ENA expired six months later due to the dissolution of the Redevelopment Agency.</p> <p>For the past three years, this site has provided parking for restricted use to City of El Cajon employees, City vehicles, and for supplemental County District Attorney lease obligations. Effective November 1, 2012, parking was made available in the newly constructed police facility and parking structure for most of these users, thereby freeing this property for other parking uses for public purposes under conditions similar to Site 9.</p> <p>The City now has an interest in acquiring the property for Governmental Purposes in order to maintain public parking for the El Cajon civic campus which includes City, County and State functions, including: City Hall, the El Cajon Performing Arts Center (ECPAC), Council Chambers, and the East County Regional Center.</p>
Classification:	Enforceable Obligation; Transfer to City – Governmental Purposes
Use of Broker:	See Disposal Strategy
Value As-Is:	\$1,200,000 as of July 6, 2012
Disposal Strategy:	<p>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.
Appendices:	1,2,13

¹ The purchase price for this property includes the acquisition of both APN 488-072-38-00 and 488-072-40-00

Long Range Property Management Plan

Site No. 8

Magnolia Avenue parking lot for city hall employees

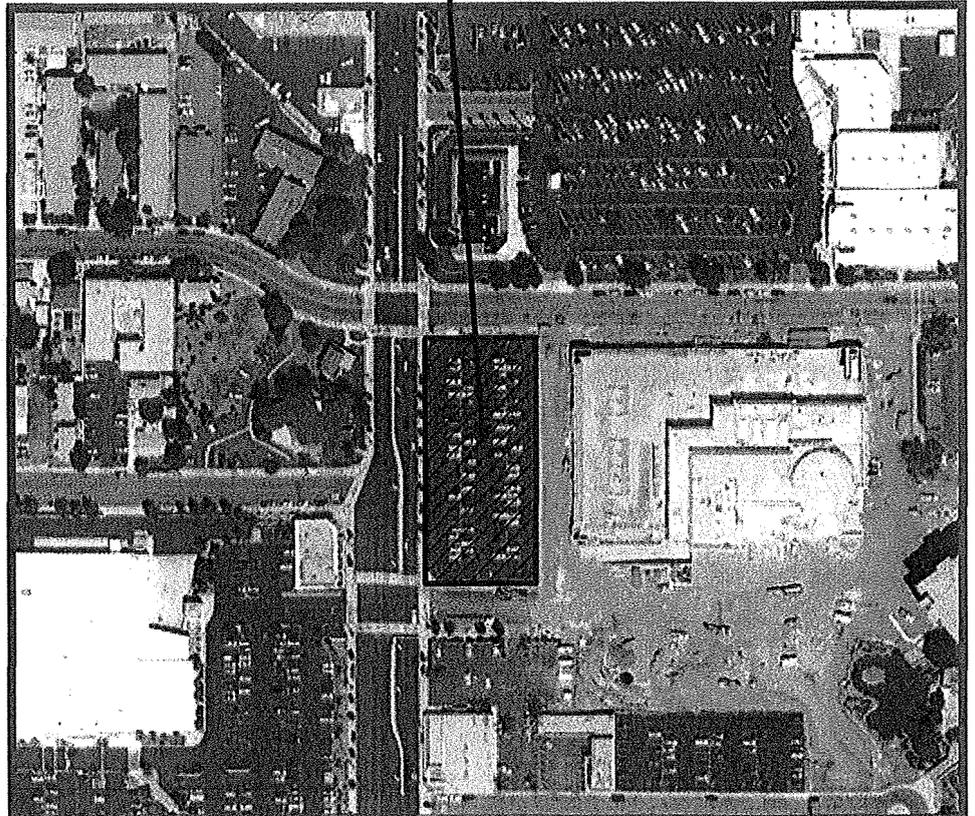


Property Features:

- C-R Zoning
- 1.10 Acres
- APN No. 488-072-38
- Transfer to city - Governmental use and enforceable obligation
- Disposition timing phase 2

City of El Cajon Successor Agency Oversight Board

200 Civic Center Way
El Cajon, CA 92020
Phone: 619.441.1741
Fax: 619.441.1743
cityofelcajon.us



SUBJECT PHOTOGRAPHS

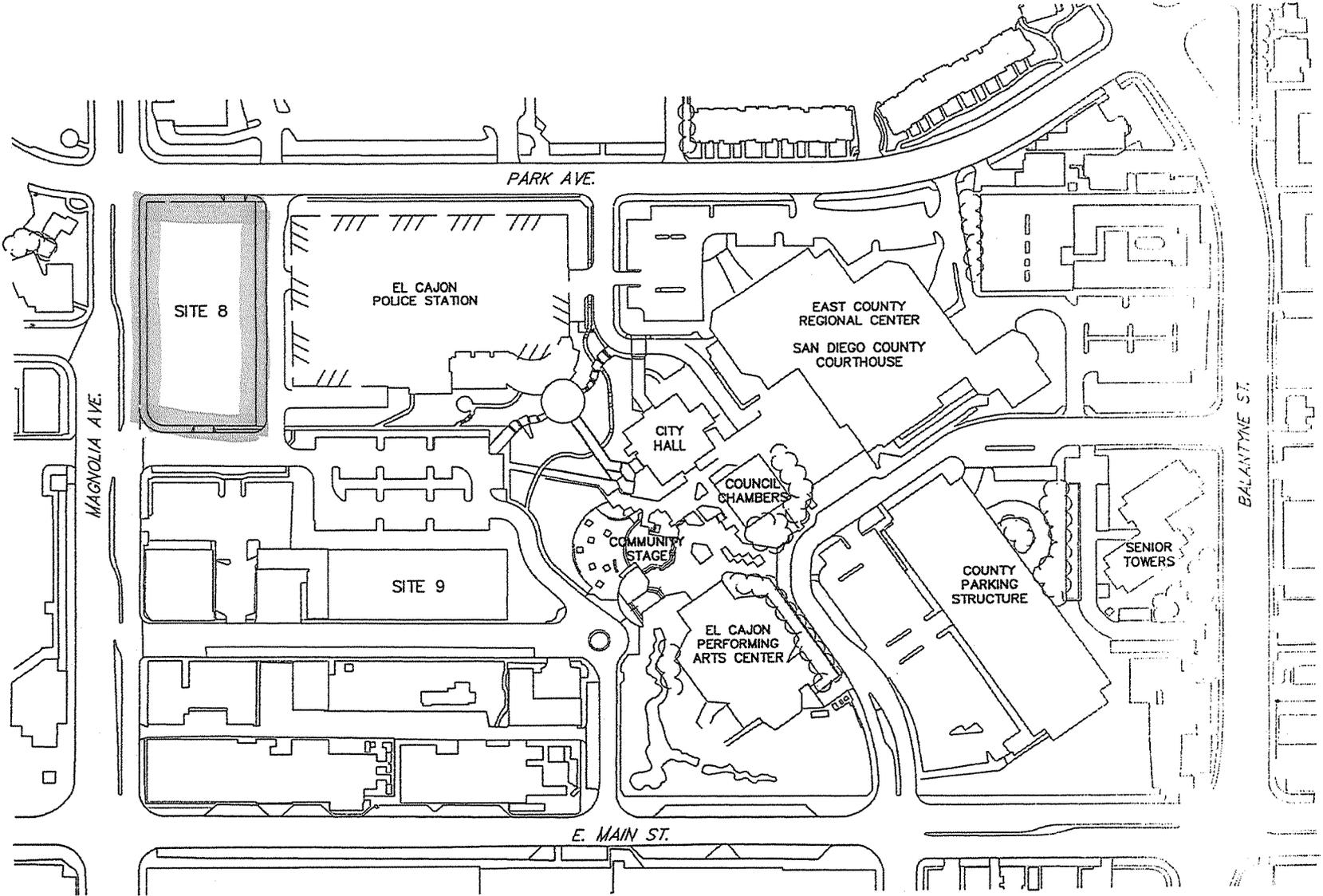
July 5, 2012



Looking easterly toward the subject from N. Magnolia Avenue.



Looking southeasterly toward the subject from N Magnolia Avenue.



MAGNOLIA AVE.

PARK AVE.

SITE 8

EL CAJON
POLICE STATION

EAST COUNTY
REGIONAL CENTER
SAN DIEGO COUNTY
COURTHOUSE

CITY
HALL

COUNCIL
CHAMBERS

COMMUNITY
STAGE

SITE 9

EL CAJON
PERFORMING
ARTS CENTER

COUNTY
PARKING
STRUCTURE

SENIOR
TOWERS

E. MAIN ST.

BALANTYNE ST.

AGENDA REPORT
CITY OF EL CAJON SUCCESSOR AGENCY OVERSIGHT BOARD
April 16, 2014, Meeting

SUBJECT: APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH HARGRAVE ENVIRONMENTAL CONSULTING, INC. TO PERFORM ONGOING HAZARDOUS REMEDIATION ACTIVITIES ON THE PROPERTY LOCATED AT THE SOUTHWEST CORNER OF WEST MAIN STREET AND SOUTH MAGNOLIA AVENUE (“SW CORNER) PROJECT.

RECOMMENDED ACTION: That the Oversight Board adopts the proposed Resolution OB-20-14 to:

Approve the Agreement for Professional Services (“Agreement”) between the Successor Agency and Hargrave Environmental Consulting, Inc. (“Hargrave”) to perform ongoing hazardous remediation activities on the property located at the southwest corner of West Main Street and South Magnolia Avenue (“SW Corner”) project in the amount of \$36,553.95 for one-year, with a one (1) year extension upon written agreement by both parties.

BACKGROUND: Pursuant to Health and Safety Code Section 34173 (f), the City of El Cajon, as the Successor Agency to the El Cajon Redevelopment Agency, is charged with carrying out existing cleanup plans related to environmental contamination issues on properties located at the former redevelopment project area.

Health and Safety Code Section 34177.3(a) provides that successor agencies may create enforceable obligations to comply with an enforceable obligation that existed prior to June 28, 2011. An enforceable obligation in the form of a Reimbursement and Indemnity Agreement for the environmental remediation of the SW Corner was entered into on April 11, 2002.

On August 6, 2012, the Successor Agency entered into an Agreement with Hargrave to perform ongoing hazardous remediation activities and to prepare a Corrective Action Plan (“CAP”). On March 18, 2013, the CAP was submitted to the County of San Diego’s Department of Environmental Health (“DEH”), which included a recommendation to destroy 10 groundwater monitoring wells and prepare a closure report. DEH approved the CAP for implementation on July 11, 2013.

To address the work related to the groundwater monitoring wells, staff requested a separate proposal for this additional work and Hargrave responded with a proposal in the amount of \$36,553.95. On October 22, 2013, the City Council, acting as the Successor Agency to the El Cajon Redevelopment Agency, authorized the Executive Director to execute the Agreement between the Successor Agency and Hargrave Environmental Consulting, Inc. to perform the additional work. This Agreement was executed on December 2, 2013.

Oversight Board Agenda Report
Approval of Professional Services Agreement
With Hargrave Environmental Consulting
April 16, 2014, Agenda

Separate approval by the Oversight Board is required for the Agreement and will allow Hargrave to continue with the environmental testing and hazardous remediation at the SW Corner required by the County DEH, pursuant to a Reimbursement and Indemnity Agreement dated April 11, 2002, which is an enforceable obligation.

FISCAL IMPACT: Funding for the services provided by Hargrave are estimated and will be included in the next and each applicable Recognized Obligation Payment Schedules.

ATTACHMENTS:

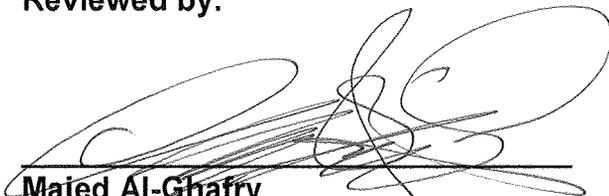
1. Proposed Resolution OB-20-14
2. Professional Services Agreement
3. Hargrave Environmental Consulting, Inc. - Proposal dated August 14, 2013
4. County of San Diego (DEH) letter dated July 11, 2013

Prepared by:



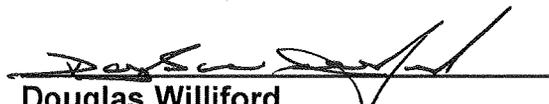
Holly Reed-Falk
Financial Operations Manager

Reviewed by:



Majed Al-Ghafry
Secretary / Assistant City Manager

Approved by:



Douglas Williford
Executive Director / City Manager

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RESOLUTION NO. OB-20-14

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER CITY OF EL CAJON REDEVELOPMENT AGENCY APPROVING THE PROFESSIONAL SERVICES AGREEMENT WITH HARGRAVE ENVIRONMENTAL CONSULTING, INC. TO PERFORM ONGOING HAZARDOUS REMEDIATION ACTIVITIES ON THE PROPERTY LOCATED AT THE SOUTHWEST CORNER OF WEST MAIN STREET AND SOUTH MAGNOLIA AVENUE ("SW CORNER") PROJECT.

WHEREAS, Health and Safety Code Section 34173 (f) requires the City of El Cajon, as the Successor Agency to the El Cajon Redevelopment Agency, to carry out existing cleanup plans related to environmental contamination issues on properties located at the former redevelopment project area; and

WHEREAS, Health and Safety Code Section 34177.3(a) provides that successor agencies may create enforceable obligations to comply with an enforceable obligation that existed prior to June 28, 2011; and

WHEREAS, an enforceable obligation in the form of a Reimbursement and Indemnity Agreement for the environmental remediation of the property located at the Southwest corner of West Main Street and South Magnolia Avenue (the "SW Corner") was entered into on April 11, 2002; and

WHEREAS, on August 6, 2012, the Successor Agency entered into an Agreement for Professional Services ("Agreement") with Hargrave Environmental Consulting, Inc. ("Hargrave") to perform ongoing hazardous remediation activities at the SW Corner and to prepare a Corrective Action Plan ("CAP"); and

WHEREAS, the CAP was submitted to the County of San Diego's Department of Environmental Health ("DEH") on March 18, 2013, and was approved for implementation by DEH on July 11, 2013; and

WHEREAS, the Successor Agency staff requested a proposal for the work related to the groundwater monitoring wells and Hargrave responded with a proposal in the amount of \$36,553.95 to perform the additional work; and

WHEREAS, on December 2, 2013, the Executive Director executed the Agreement between Successor Agency and Hargrave to perform the additional work as authorized by the City Council, acting as the Successor Agency, on October 22, 2013; and

WHEREAS, the Agreement will allow Hargrave to continue with the environmental testing and hazardous remediation activities at the SW Corner required by the County DEH, pursuant to the Reimbursement and Indemnity Agreement dated April 11, 2002, which is an enforceable obligation.

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.
2. Approval to execute an Agreement is exempt from the California Environmental Quality Act (CEQA) under Section 15061 (b) (3) (General Rule) of the CEQA Guidelines because the proposed agreements will not cause a significant adverse physical change to the environment either directly or indirectly.
3. Health and Safety Code Section 34173 (f) requires the City of El Cajon, as the Successor Agency to the El Cajon Redevelopment Agency, to carry out existing cleanup plans related to environmental contamination issues on properties located at the former redevelopment project area.
4. Health and Safety Code Section 34177.3(a) provides that successor agencies may create enforceable obligations to comply with an enforceable obligation that existed prior to June 28, 2011. An enforceable obligation in the form of a Reimbursement and Indemnity Agreement for the environmental remediation of the Southwest corner of West Main Street and South Magnolia Avenue was entered into on April 11, 2002.
5. Hargrave Environmental Consulting, Inc. ("Hargrave") has performed ongoing hazardous remediation activities at the SW Corner for the Successor Agency and was responsible for the preparation and submission of the Corrective Action Plan to the County of San Diego's Department of Health on March 18, 2013.
6. Hargrave Environmental Consulting, Inc. is the firm most qualified to implement the Corrective Action Plan and to perform ongoing hazardous remediation activities at the SW Corner pursuant to Health and Safety Code Section 34173(f).

B. The Oversight Board hereby APPROVES the Professional Service Agreement with Hargrave Environmental Consulting, Inc. to perform ongoing hazardous remediation activities pursuant to Health and Safety Code Section 34173(f), and approves execution of said Agreement by the City Manager, or such person designated by the City Manager, acting in the capacity of Chief Executive Officer of the Successor Agency.

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:

AYES :
NOES :
ABSENT :

Debra Turner-Emerson, Chairperson

ATTEST:

Majed Al-Ghafry, Oversight Board Secretary

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**AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN
THE CITY OF EL CAJON AS SUCCESSOR AGENCY
TO THE EL CAJON REDEVELOPMENT AGENCY
AND
HARGRAVE ENVIRONMENTAL CONSULTING, INC.**

This Agreement for Professional Services ("AGREEMENT") is made and entered into this 2ND day of DECEMBER, 2013, by and between the CITY OF EL CAJON, a California charter city and municipal corporation, as SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY ("SUCCESSOR AGENCY") and HARGRAVE ENVIRONMENTAL CONSULTING, INC., a California corporation, ("CONSULTANT").

In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

Section 1. Term of Agreement.

Subject to the provisions of Section 19 "Termination of Agreement" of this AGREEMENT, the term of this AGREEMENT shall be for a period of one (1) year from the date of execution of this AGREEMENT, as first shown above. Such term may be extended upon written agreement of both parties to this AGREEMENT, and the approval of the oversight board to the SUCCESSOR AGENCY ("OVERSIGHT BOARD").

Section 2. Scope of Services.

CONSULTANT agrees to perform the services set forth in that certain proposal from Hargrave Environmental Consulting, Inc., entitled "Cost Estimate to Destroy 10 Groundwater Monitoring [Monitoring] Wells and Prepare Closure Report, City of El Cajon Redevelopment Agency Property, West Main Street, El Cajon, California, DEH Case No. H38424-001," dated August 14, 2013 (Exhibit "A"), as authorized by that certain letter from the County of San Diego Department of Environmental Health Land and Water Quality Division, entitled "Corrective Action Plan Concurrence, Voluntary Assistance Program Case #H38424-001, City of El Cajon Redevelopment Agency Property, West Main Street, El Cajon, CA 92020" (Exhibit "A-1"); collectively the "Scope of Services," both of which are incorporated herein as if fully set forth, provided, however, that should any covenant, requirement, provision or condition of the Scope of Services be in conflict with any covenant, requirement, provision or condition of this AGREEMENT, the terms of this AGREEMENT shall prevail.

Section 3. Additional Services.

CONSULTANT shall not be compensated for any services rendered in connection with its performance of this AGREEMENT which are in addition to or outside of those set forth in this AGREEMENT or listed in Exhibit "A" (Scope of Services), unless such additional services are authorized in advance and in writing by the legislative body or City Manager of SUCCESSOR AGENCY, with the approval of the OVERSIGHT BOARD. CONSULTANT shall be compensated for any such additional services in the amounts and in the manner agreed to by the legislative body or City Manager, with the approval of the OVERSIGHT BOARD.

Section 4. Compensation and Method of Payment.

(a) Subject to any limitations set forth in this AGREEMENT, SUCCESSOR AGENCY agrees to pay, and CONSULTANT agrees to accept for said services the total compensation (including reimbursement for actual expenses) in an amount not to exceed THIRTY-SIX THOUSAND FIVE HUNDRED FIFTY-THREE DOLLARS AND NINETY-FIVE CENTS (\$36,553.95), unless additional compensation is approved in writing by the legislative body or City Manager of SUCCESSOR AGENCY, which is subject to the approval of the OVERSIGHT BOARD.

(b) Each month CONSULTANT shall furnish to SUCCESSOR AGENCY an **original** invoice for all services performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, subcontractor contracts and miscellaneous expenses. SUCCESSOR AGENCY shall independently review each invoice submitted by CONSULTANT to determine whether the services performed and expenses incurred are in compliance with the provisions of this AGREEMENT. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event SUCCESSOR AGENCY disputes any charges or expenses, SUCCESSOR AGENCY shall return the original invoice to CONSULTANT for correction and resubmission.

(c) Except as to any charges for services performed or expenses incurred by CONSULTANT, which are disputed by SUCCESSOR AGENCY, SUCCESSOR AGENCY will use its best efforts to cause CONSULTANT to be paid within thirty (30) days of receipt of CONSULTANT's invoice.

(d) Payment to CONSULTANT for services performed pursuant to this AGREEMENT shall not be deemed to waive any defects in services performed by CONSULTANT.

Section 5. Inspection and Final Acceptance.

SUCCESSOR AGENCY may inspect and accept or reject any of CONSULTANT's services under this AGREEMENT, either during performance or when completed. SUCCESSOR AGENCY shall reject or finally accept CONSULTANT's services within sixty (60) days after submitted to SUCCESSOR AGENCY. SUCCESSOR AGENCY shall reject services by a timely written explanation, otherwise CONSULTANT's services shall be deemed to have been accepted. SUCCESSOR AGENCY's acceptance shall be conclusive as to such services except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of CONSULTANT's services by SUCCESSOR AGENCY shall not constitute a waiver of any of the provisions of this AGREEMENT including, but not limited to, sections 15 and 16, pertaining to indemnification and insurance, respectively.

Section 6. Ownership of Documents.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by CONSULTANT in the course of providing any services pursuant to this AGREEMENT shall become the sole property of SUCCESSOR AGENCY and may be used, reused or otherwise

disposed of by SUCCESSOR AGENCY without the permission of CONSULTANT. Upon completion, expiration or termination of this AGREEMENT, CONSULTANT shall turn over to SUCCESSOR AGENCY all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

Section 7. Consultant's Books and Records.

(a) CONSULTANT shall maintain any and all documents and records demonstrating or relating to CONSULTANT's performance of services pursuant to this AGREEMENT. CONSULTANT shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks or other documents or records evidencing or relating to services, expenditures and disbursements charged to SUCCESSOR AGENCY pursuant to this AGREEMENT. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by CONSULTANT pursuant to this AGREEMENT. Any and all such documents or records shall be maintained for three years from the date of execution of this AGREEMENT and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon written request by SUCCESSOR AGENCY or its designated representative. Copies of such documents or records shall be provided directly to SUCCESSOR AGENCY for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at CONSULTANT's address indicated for receipt of notices in this AGREEMENT.

(c) Where SUCCESSOR AGENCY has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of CONSULTANT's business, SUCCESSOR AGENCY may, by written request, require that custody of such documents or records be given to the requesting party and that such documents and records be maintained by the requesting party. Access to such documents and records shall be granted to SUCCESSOR AGENCY, as well as to its successors-in-interest and authorized representatives.

Section 8. Status of Consultant.

(a) CONSULTANT is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of SUCCESSOR AGENCY. CONSULTANT shall have no authority to bind SUCCESSOR AGENCY in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against SUCCESSOR AGENCY, whether by contract or otherwise, unless such authority is expressly conferred under this AGREEMENT or is otherwise expressly conferred in writing by SUCCESSOR AGENCY.

(b) The personnel performing the services under this AGREEMENT on behalf of CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. Neither SUCCESSOR AGENCY, nor any elected or appointed boards, officers, officials, employees or agents of SUCCESSOR AGENCY, shall have control over the conduct of CONSULTANT or any of CONSULTANT's officers, employees or agents, except as set forth in

this AGREEMENT. CONSULTANT shall not at any time or in any manner represent that CONSULTANT or any of CONSULTANT's officers, employees or agents are in any manner officials, officers, employees or agents of SUCCESSOR AGENCY.

(c) Neither CONSULTANT, nor any of CONSULTANT's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits, which may otherwise accrue, to SUCCESSOR AGENCY's employees. CONSULTANT expressly waives any claim CONSULTANT may have to any such rights, and shall indemnify and protect SUCCESSOR AGENCY from and against any claims to such rights made by CONSULTANT's officers, employees or agents.

Section 9. Standard of Performance.

CONSULTANT represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the services required under this AGREEMENT in a thorough, competent and professional manner. CONSULTANT shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. In meeting its obligations under this AGREEMENT, CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of CONSULTANT under this AGREEMENT.

Section 10. Compliance with Applicable Laws; Permits and Licenses.

CONSULTANT shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this AGREEMENT. CONSULTANT shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this AGREEMENT. Neither SUCCESSOR AGENCY, nor any elected or appointed boards, officers, officials, employees or agents of SUCCESSOR AGENCY, shall be liable, at law or in equity, as a result of any failure of CONSULTANT to comply with this section.

Section 11. Nondiscrimination.

CONSULTANT shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, sexual orientation, age, physical handicap, medical condition or marital status in connection with or related to the performance of this AGREEMENT.

Section 12. Unauthorized Aliens. *[Intentionally omitted.]*

Section 13. Conflicts of Interest.

(a) CONSULTANT covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of SUCCESSOR AGENCY or which would in any way hinder CONSULTANT's performance of services under this AGREEMENT. CONSULTANT further covenants that in the performance of this AGREEMENT, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. CONSULTANT agrees to at all times avoid conflicts of interest or the appearance of

any conflicts of interest with the interests of SUCCESSOR AGENCY in the performance of this AGREEMENT.

(b) If applicable, CONSULTANT shall at all times comply with the terms of the Political Reform Act and SUCCESSOR AGENCY's Conflict of Interest Code (Chapter 2.75 of the El Cajon Municipal Code). Application of this subdivision (b) shall be determined by SUCCESSOR AGENCY and shall be set forth in Exhibit "B" (Conflict of Interest Determination). The level of disclosure categories shall be set by SUCCESSOR AGENCY and shall reasonably relate to the Scope of Services provided by CONSULTANT under this AGREEMENT.

(c) SUCCESSOR AGENCY understands and acknowledges that CONSULTANT is, as of the date of execution of this AGREEMENT, independently involved in the performance of non-related services for other governmental agencies and private parties. CONSULTANT is unaware of any stated position of SUCCESSOR AGENCY relative to such projects. Any future position of SUCCESSOR AGENCY on such projects shall not be considered a conflict of interest for purposes of this section.

Section 14. Confidential Information; Release of Information.

(a) All information gained by CONSULTANT in performance of this AGREEMENT shall be considered confidential, unless such information is in the public domain. All instruments of service provided by CONSULTANT in performance of this AGREEMENT shall be considered a public record under California law. CONSULTANT shall not release or disclose any such information or instruments of service to persons or entities other than SUCCESSOR AGENCY without prior written authorization from the City Manager, except as may be required by law.

(b) CONSULTANT, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of SUCCESSOR AGENCY, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the services performed under this AGREEMENT. Response to a subpoena or court order shall not be considered "voluntary" provided CONSULTANT gives SUCCESSOR AGENCY notice of such court order or subpoena.

(c) If CONSULTANT, or any officer, employee, agent or subcontractor of CONSULTANT, provides any information or instruments of service in violation of this AGREEMENT, then SUCCESSOR AGENCY shall have the right to reimbursement and indemnity from CONSULTANT for any damages, costs and fees, including attorneys' fees, caused by or incurred as a result of CONSULTANT's conduct.

(d) CONSULTANT shall promptly notify SUCCESSOR AGENCY should CONSULTANT, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this AGREEMENT and the work performed thereunder. SUCCESSOR AGENCY retains the right, but has no obligation, to represent CONSULTANT or be present at any deposition, hearing or similar proceeding. CONSULTANT agrees to cooperate fully with SUCCESSOR AGENCY

and to provide SUCCESSOR AGENCY with the opportunity to review any response to discovery requests provided by CONSULTANT. However, this right to review any such response does not imply or mean the right by SUCCESSOR AGENCY to control, direct, or rewrite said response.

Section 15. Indemnification.

(a) SUCCESSOR AGENCY and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "INDEMNITEES") shall have no liability to CONSULTANT or any other person for, and CONSULTANT shall indemnify, protect and hold harmless INDEMNITEES from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses, including reasonable attorneys' fees and disbursements (collectively "CLAIMS"), which INDEMNITEES may suffer or incur or to which INDEMNITEES may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise occurring as a result of CONSULTANT's negligent performance of any services under this AGREEMENT, or by the negligent or willful acts or omissions of CONSULTANT, its agents, officers, directors, subcontractors or employees, committed in performing any of the services under this AGREEMENT.

(b) The foregoing obligations of CONSULTANT shall not apply to the extent that the CLAIMS arise from the sole negligence or willful misconduct of SUCCESSOR AGENCY or its elected and appointed boards, officials, officers, agents, employees and volunteers.

Section 16. Insurance.

(a) CONSULTANT agrees to obtain and maintain in full force and effect, during the term of this AGREEMENT, commercial general liability insurance of not less than \$2,000,000. Such insurance policy shall comply with El Cajon City Council Policy D-3, which is attached hereto as Exhibit "C" and made a part of this AGREEMENT. If there is any conflict between Exhibit "C" and this section 16, the terms of Exhibit "C" shall apply. All insurance policies shall be subject to approval by SUCCESSOR AGENCY as to form and content.

(b) CONSULTANT shall furnish properly executed endorsements and certificates of insurance to SUCCESSOR AGENCY prior to commencement of services under this AGREEMENT. Such endorsements and certificates shall:

1. Clearly evidence all coverages required above, including specific evidence of a separate endorsement naming SUCCESSOR AGENCY as an additional named insured;
2. Indicate whether coverage provided is on claims-made or occurrence basis; and
3. Provide that such insurance shall not be materially changed, terminated, or allowed to expire except on thirty (30) days prior written notice, via first class mail to SUCCESSOR AGENCY.
4. CONSULTANT agrees to provide SUCCESSOR AGENCY with copies of all required policies upon request.

(c) CONSULTANT shall also obtain and maintain professional liability insurance coverage in an amount not less than \$1,000,000.

(d) CONSULTANT shall maintain Workers' Compensation insurance with statutory limits, and employer's liability insurance with limits of not less than \$1,000,000 per accident.

Section 17. Assignment.

The expertise and experience of CONSULTANT are material considerations for this AGREEMENT. SUCCESSOR AGENCY has an interest in the qualifications of and capability of the persons and entities that will fulfill the duties and obligations imposed upon CONSULTANT under this AGREEMENT. In recognition of that interest, CONSULTANT shall not assign or transfer this AGREEMENT or any portion of this AGREEMENT or the performance of any of CONSULTANT's duties or obligations under this AGREEMENT without the prior written consent of the legislative body of SUCCESSOR AGENCY, with the approval of the OVERSIGHT BOARD. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this AGREEMENT entitling SUCCESSOR AGENCY to any and all remedies at law or in equity, including summary termination of this AGREEMENT. SUCCESSOR AGENCY acknowledges, however, that CONSULTANT, in the performance of its duties pursuant to this AGREEMENT, may utilize subcontractors.

Section 18. Continuity of Personnel.

CONSULTANT shall make every reasonable effort to maintain the stability and continuity of CONSULTANT's staff assigned to perform the services required under this AGREEMENT. CONSULTANT shall notify SUCCESSOR AGENCY of any changes in CONSULTANT's staff assigned to perform the services required under this AGREEMENT, prior to any such performance.

Section 19. Termination of Agreement.

(a) SUCCESSOR AGENCY may terminate this AGREEMENT, with or without cause, at any time by giving thirty (30) days written notice of termination to CONSULTANT. In the event such notice is given, CONSULTANT shall cease immediately all work in progress.

(b) SUCCESSOR AGENCY may terminate this AGREEMENT at any time if funds are no longer appropriated for the work to be performed by CONSULTANT.

(c) CONSULTANT may terminate this AGREEMENT at any time upon thirty (30) days written notice of termination to SUCCESSOR AGENCY.

(d) If either CONSULTANT or SUCCESSOR AGENCY fails to perform any material obligation under this AGREEMENT, then, in addition to any other remedies, either CONSULTANT or SUCCESSOR AGENCY may terminate this AGREEMENT immediately upon written notice.

(e) Upon termination of this AGREEMENT by either CONSULTANT or SUCCESSOR AGENCY, all property belonging exclusively to SUCCESSOR AGENCY, which is in CONSULTANT's possession, shall be returned to SUCCESSOR AGENCY.

CONSULTANT shall furnish to SUCCESSOR AGENCY a final invoice for services performed and expenses incurred by CONSULTANT, prepared as set forth in Section 4 of this AGREEMENT. This final invoice shall be reviewed and paid in the same manner as set forth in Section 4 of this AGREEMENT.

Section 20. Default.

In the event that CONSULTANT is in default under the terms of this AGREEMENT, SUCCESSOR AGENCY shall not have any obligation or duty to continue compensating CONSULTANT for any services performed after the date of default and may terminate this AGREEMENT immediately by written notice to CONSULTANT.

Section 21. Excusable Delays.

CONSULTANT shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of CONSULTANT. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of SUCCESSOR AGENCY, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this AGREEMENT shall be equitably adjusted for any delays due to such causes.

Section 22. Cooperation by Successor Agency.

All public information, data, reports, records, and maps as are existing and available to SUCCESSOR AGENCY as public records, and which are necessary for carrying out the services as outlined in Exhibits "A" and "A-1" (Scope of Services), shall be furnished to CONSULTANT in every reasonable way to facilitate, without undue delay, the services to be performed under this AGREEMENT.

Section 23. Notices.

All notices required or permitted to be given under this AGREEMENT shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To SUCCESSOR AGENCY: Jenny Ficacci, Housing Manager
City of El Cajon as Successor Agency to the
former El Cajon Redevelopment Agency
200 Civic Center Way
El Cajon, CA 92020

To CONSULTANT: Irene Wiser
Hargrave Environmental Consulting, Inc.
8360 Clairemont Mesa Blvd, Suite 107
San Diego, CA 92111

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, five (5) days after deposit of the same in the custody of the United States Postal Service.

Section 24. Authority to Execute.

The person or persons executing this AGREEMENT on behalf of CONSULTANT represents and warrants that he/she/they has/have the authority to so execute this AGREEMENT and to bind CONSULTANT to the performance of its obligations hereunder.

Section 25. Binding Effect.

This AGREEMENT shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

Section 26. Modification of Agreement.

No amendment to or modification of this AGREEMENT shall be valid unless made in writing and approved by CONSULTANT and by the legislative body or City Manager of SUCCESSOR AGENCY, and the OVERSIGHT BOARD. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

Section 27. Waiver.

Waiver by any party to this AGREEMENT of any term, condition, or covenant of this AGREEMENT shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this AGREEMENT shall not constitute a waiver of any other provision, or a waiver of any subsequent breach or violation of any provision of this AGREEMENT. Acceptance by SUCCESSOR AGENCY of any work or services by CONSULTANT shall not constitute a waiver of any of the provisions of this AGREEMENT.

Section 28. Law to Govern; Venue.

This AGREEMENT shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of San Diego, East County Division. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Southern District of California, in San Diego. CONSULTANT hereby expressly waives any right to remove any action from San Diego County as is otherwise permitted by Code of Civil Procedure section 394.

Section 29. Dispute Resolution.

The parties hereby mutually agree that should any dispute arise out of or relate to this AGREEMENT, or its alleged breach thereof, said parties shall first attempt to settle such dispute or alleged breach by good faith negotiation. If, after good faith negotiation the parties are unable to resolve the dispute, the parties may, but are not obligated to submit the dispute to mediation under the Commercial Mediation Rules of the American Arbitration Association before resorting to arbitration, litigation, or other action.

Section 30. Attorneys' Fees, Costs and Expenses.

In the event litigation or other proceeding is required to enforce or interpret any provision of this AGREEMENT, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorneys' fees, costs and expenses, in addition to any other relief to which it may be entitled.

Section 31. Entire Agreement.

This AGREEMENT, including the attached Exhibits "A," "A-1," "B" and "C," is the entire, complete, final, and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between CONSULTANT and SUCCESSOR AGENCY prior to the execution of this AGREEMENT. No statements, representations or other agreements, whether oral or written, made by any party, which are not embodied herein shall be valid and binding. To the extent that the terms and conditions of this AGREEMENT conflict with, or are in any way inconsistent with, the terms and conditions of Exhibits "A," "A-1," "B" and "C," the terms and conditions of this AGREEMENT will prevail. No amendment to this AGREEMENT shall be valid and binding unless in writing, duly executed by the parties or their authorized representatives, and approved by the OVERSIGHT BOARD.

Section 32. Severability.

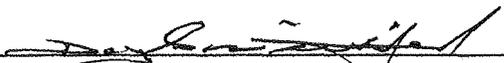
If a term, condition or covenant of this AGREEMENT is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this AGREEMENT shall not be affected thereby and the AGREEMENT shall be read and construed without the invalid, void or unenforceable provision(s).

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed the day and year first above written.

**CITY OF EL CAJON,
a California charter city and
municipal corporation,
AS SUCCESSOR AGENCY TO THE
EL CAJON REDEVELOPMENT AGENCY**

**HARGRAVE ENVIRONMENTAL
CONSULTING, INC.,
a California corporation.**

By 
Douglas Williford, City Manager

By 
Chuck Hargrave, President

ATTEST:

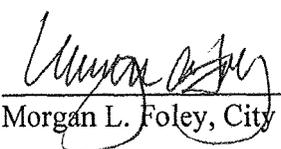

Kathie J. Rutledge, CMC, City Clerk

By 
Chuck Hargrave, Secretary

APPROVED AS TO CONTENT:


Majed Al-Ghafry, Assistant City Manager

APPROVED AS TO FORM:


Morgan L. Foley, City Attorney

Council Date: 10/22/13
Item #: 1.4

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HARGRAVE ENVIRONMENTAL CONSULTING, INC.

Project No. 248.1.23
August 14, 2013

Site Assessment / Remediation

Mr. David Keltner
City of El Cajon
200 Civic Center Way
El Cajon, CA 92020

SUBJECT: COST ESTIMATE TO DESTROY 10 GROUNDWATER MONITORING
WELLS AND PREPARE CLOSURE REPORT, CITY OF EL CAJON
REDEVELOPMENT AGENCY PROPERTY, WEST MAIN STREET,
EL CAJON, CALIFORNIA, DEH CASE NO. H38424-001

Reference: E-Mail from Ms. Colleen Hines, County of San Diego,
Department of Environmental Health (DEH), dated
August 1, 2013

Dear Mr. Keltner:

Hargrave Environmental Consulting, Inc. (HEC), is submitting the following cost estimate to destroy 10 groundwater monitoring wells and prepare a closure report as required in the reference e-mail from the County of San Diego Department of Environmental Health (DEH) for the subject site.

The estimated costs to perform the work described above are outlined in the attached cost estimate. All work will be performed in accordance with applicable regulatory guidelines. These amounts will not be exceeded without your prior written authorization.

If at any time during this investigation a substantial change to the scope of work is required, project work will be temporarily halted and the client will be contacted immediately. If a modification in the scope of work is recommended, a change order will be prepared for approval.

If the costs of the attached cost estimates are acceptable, please sign and return one copy of the Work Authorization Agreement.

Project No. 248.1.23
August 14, 2013

If you have any questions regarding this cost estimate, please do not hesitate to contact us.

Respectfully,

HARGRAVE ENVIRONMENTAL CONSULTING, INC.



Chuck Hargrave
President

CH\iv

Attachment: Cost Estimate (1)
Work Authorization Agreement (2)

Distribution: (1) Addressee

HARGRAVE ENVIRONMENTAL CONSULTING, INC.

Project No. 248.1.23
August 14, 2013
Page 3

WORK AUTHORIZATION AGREEMENT
(Please sign and return one copy)

The services for City of El Cajon Redevelopment Agency Property (Client) for the property located at West Main Street, El Cajon, California, will consist of the following: Destroy 10 Groundwater Monitoring Wells and Associated Tasks. All outside services are billed at cost plus a 15% handling fee. The estimated cost to perform the work outlined above is Thirty-Six Thousand Five Hundred Fifty-Three and 95/100 Dollars (\$36,553.95). This amount will not be exceeded without prior authorization. Payment for services will be net 30 days from receipt of invoice.

Balances not paid within these payment terms will be charged an additional amount of 1.5% per month of the total amount due, and attorneys fees if required to recover over due balances.

This proposal constitutes the entire agreement between Client and Hargrave Environmental Consulting, Inc. It supersedes all prior or contemporaneous communications, representations, or agreements, whether oral or written with respect to the subject matter hereof and has been induced by no representations, statements or agreements other than those herein expressed. No agreement hereafter made between the parties shall be binding on either party unless reduced to writing and signed by an authorized officer of the party sought to be bound thereby.

This proposal may not be amended, canceled, revoked or otherwise modified except by written agreement subscribed by a duly authorized officer of the party(s) to be charged with such modification.

This proposal is valid for a period of thirty (30) days and may be accepted only by signing the counterpart hereof and returning it to our office within that period.

Authorized by: _____

Title: _____ Date: _____

P.O. #, Special Billing Instructions, Billing Address, Etc. _____

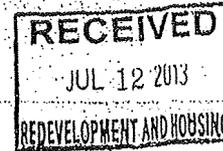
PROJECT ESTIMATE

Name of Job: City of El Cajon
 Location: Orange and Main Streets
 Client: City of El Cajon

Project No.: 248-1-23
 Completed by: CH
 Date: 8/14/2013

Description of Work: Destroy 10 Groundwater Monitoring Wells

ITEM	UNIT	QUANTITY	UNIT COST	ESTIMATED COST
Scheduling and Permitting:				
Project Manager	Hour	4	\$120.00	\$480.00
Principal Geologist	Hour	3	\$120.00	\$360.00
Staff Geologist	Hour	2	\$90.00	\$180.00
Encroachment Permit City of El Cajon	Lump	1	\$1,300.00	\$1,300.00
First Destruction Well Permit	Each	1	\$230.00	\$230.00
Permit for Additional Destruction Permits	Each	11	\$141.45	\$1,555.95
			Subtotal:	\$4,105.95
Field Investigation:				
Project Manager	Hour	2	\$120.00	\$240.00
Principal Geologist	Hour	8	\$120.00	\$960.00
Staff Geologist	Hour	12	\$90.00	\$1,080.00
Technician	Hour	0	\$70.00	\$0.00
Mileage	Mile	50	\$0.40	\$20.00
			Subtotal:	\$2,300.00
Equipment/Materials:				
Groundwater Level Meter	Day	2	\$35.00	\$70.00
			Subtotal:	\$70.00
Outside Services:				
Baja Exploration	Lump	1	\$16,870.00	\$16,870.25
San Diego Concrete Coring	Lump	1	\$9,893.00	\$9,893.00
Traffic Control	Lump	1	\$1,340.00	\$1,340.00
Locate MW-1	Lump	1	\$500.00	\$500.00
Disposal	Lump	1	\$2,000.00	\$2,000.00
			Subtotal:	\$29,543.00
Reporting:				
Project Manager	Hour	1	\$120.00	\$120.00
Principal Geologist	Hour	3	\$120.00	\$360.00
Staff Geologist	Hour		\$90.00	\$0.00
Draft Person	Hour		\$65.00	\$0.00
Clerical	Hour	1	\$55.00	\$55.00
			Subtotal:	\$535.00
			TOTAL	\$36,553.95



County of San Diego

JACK MILLER
DIRECTOR

DEPARTMENT OF ENVIRONMENTAL HEALTH
LAND AND WATER QUALITY DIVISION
P.O. BOX 129261, SAN DIEGO, CA 92112-9261
858-606-8700/1-800-263-9933
www.sdcdelh.org

ELIZABETH POZZEBON
ASSISTANT DIRECTOR

July 11, 2013

Mr. David Keltner
City of El Cajon
200 Civic Center Way
El Cajon, CA 92020

Dear Mr. Keltner:

CORRECTIVE ACTION PLAN CONCURRENCE
VOLUNTARY ASSISTANCE PROGRAM CASE #H38424-001
CITY OF EL CAJON REDEVELOPMENT AGENCY PROPERTY
WEST MAIN STREET, EL CAJON, CA 92020

The purpose of this letter is to notify you of the status of the *Revised Corrective Action Plan (CAP)* received by the County of San Diego, Department of Environmental Health, Site Assessment and Mitigation Program (SAM) on March 22, 2013.

The CAP, dated March 18, 2013 and prepared by Hargrave Environmental Consulting, Inc. (HEC), evaluates natural attenuation and dual-phase vapor extraction as remedial options for the site. HEC recommends remediation of the site by natural attenuation.

Based on the CAP document submitted, SAM concurs with and authorizes implementation of the CAP. SAM will proceed with preparation of the case closure summary and letter.

If you have any questions, please contact me at (858) 505-6874.

Sincerely,

cn=Colleen Hines, o=Department of
Environmental Health, ou=Site Assessment
and Mitigation Program,
email=Colleen.Hines@sdcounty.ca.gov, c=US
2013.07.11 08:18:28-0700'

Colleen Hines, Environmental Health Specialist II
Site Assessment and Mitigation Program

cc: Ms. Jenny Ficacci, City of El Cajon Redevelopment Agency
Mr. Chuck Hargrave, Hargrave Environmental Consulting, Inc.
Mr. Jerry Shiller, Hargrave Environmental Consulting, Inc.
Ms. Irene Wisner, Hargrave Environmental Consulting, Inc.