



Successor Agency Oversight Board Meeting

(Dissolution of the City of Shasta Lake Redevelopment Agency)

SPECIAL MEETING NOTICE AND AGENDA

Shasta Lake City Council Chambers
(located in Shasta Lake Law Enforcement Center)
4488 Red Bluff Street
Shasta Lake, CA 96019

Monday, September 22, 2014 at 2:00 P.M.

Agenda packets are available for public review at City Hall, 1650 Stanton Drive, Shasta Lake, CA during normal business hours of 7:00 a.m. to 4:00 p.m. weekdays, excluding holidays.

In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please call (530) 275-7407. Notification 48 hours prior to the meeting is requested to enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II).

The City of Shasta Lake is the Successor Agency to the Shasta Lake Redevelopment Agency

1.0 CALL TO ORDER 2:00 PM

Call to order (please place cell phones and pagers on silent)
While it is not required, we request that members of the public fill out a speaker request form on the table at the back of the room and hand it to the Secretary.
Statement for the record of Board members present

2.0 COMMUNICATIONS

Public Comment Period:

- 2.1 This time is set aside for citizens to address the Board on matters listed on the Consent Agenda as well as other items not included on the Regular Agenda. If your comments concern an item noted on the regular agenda, please address the Board after that item is open for public comment. Each speaker is allocated three (3) minutes to speak. Speakers may not cede their time. Comments should be limited to matters within the jurisdiction of the Board. While it is not required, persons wishing to address the Board should fill out a Speaker Request Form prior to the beginning of the meeting and submit it to the City Clerk. Forms are available from the City Clerk, 1650 Stanton Drive, Shasta Lake, on the City's website, or at the back of the meeting hall. If you have documents to present to members of the Board to review, please provide a minimum of seven copies.

3.0 CONSENT AGENDA

3.1 Acceptance of the Special Meeting Minutes of February 24, 2014.

3.2 Acceptance of the Special Meeting Minutes of April 28, 2014.

4.0 REGULAR AGENDA (Business Session)

4.1 Discussion and possible Action on the following:

- A. A Resolution approving the Recognized Obligation Payment Schedule 14-15B for January 1, 2015 through June 30, 2015 and authorizing its transmittal.
- B. A Resolution approving the Successor Agency's Administrative Budget for January 1, 2015 through June 30, 2015 pursuant to Health & Safety Code Section 34177(j)

4.2 Discussion and possible action on a Resolution of the Successor Agency Oversight Board approving a Purchase and Sale Agreement with KKP-KIM Properties, LLC for the sale of properties 1, 2, 3, and 4 of the Successor Agency's Long Range Property Management Plan (APNS 007-380-037, 007-380-051, 007-380-052, and 007-380-053)

5.0 REPORTS AND INFORMATIONAL ITEMS

5.1 Staff Comments/Reports

5.2 Board Comments/Reports

6.0 ADJOURNMENT

This meeting is open to the public.



**SUCCESSOR AGENCY OVERSIGHT BOARD
FOR FORMER CITY OF SHASTA LAKE REDEVELOPMENT AGENCY
SPECIAL MEETING MINUTES**

MINUTES OF THE SUCCESSOR AGENCY OVERSIGHT BOARD MEETING
HELD WEDNESDAY, FEBRUARY 24, 2014 AT 2:00 PM AT THE CITY COUNCIL CHAMBERS
4488 RED BLUFF ST, SHASTA LAKE, CALIFORNIA

1.0 CALL TO ORDER – 2:00 P.M.

Chairman Farr called the meeting to order at 2:10 pm.
Board Members present: Farr, Lawson, Hillman, Morgan, Schappell
Board Members absent: Lugo

2.0 COMMUNICATIONS:

PUBLIC COMMENT: None

3.0 REGULAR AGENDA:

- 3.1 Resolution 14-01 approving the Recognized Obligation Payment Schedule 14-15A for July through December 2014 and authorizing its transmittal.

Motion/Vote

By motion made/seconded (Morgan/Schappell), and carried, Resolution SAOB 14-01 was approved.

- 3.2 Resolution 14-02 approving the Successor Agency's Administrative Budget for July through December 2014 pursuant to Health and Safety Code Section 34177(j).

Motion/Vote

By motion made/seconded (Morgan/Schappell), and carried, Resolution SAOB 14-02 was approved.

- 4.0 BOARD/STAFF REPORTS AND COMMENTS:** None

- 5.0 ADJOURNMENT:** Chairman Farr adjourned the meeting at 2.17 pm.

TONI M. COATES, CMC, Secretary



**SUCCESSOR AGENCY OVERSIGHT BOARD
FOR FORMER CITY OF SHASTA LAKE REDEVELOPMENT AGENCY
SPECIAL MEETING MINUTES**

MINUTES OF THE SUCCESSOR AGENCY OVERSIGHT BOARD MEETING
HELD WEDNESDAY, APRIL 28, 2014 AT 2:00 PM AT THE CITY COUNCIL CHAMBERS
4488 RED BLUFF ST, SHASTA LAKE, CALIFORNIA

1.0 CALL TO ORDER – 2:00 P.M.

Vice Chairman Morgan called the meeting to order at 2:00 pm.
Board Members present: Lawson, Lugo, Hillman, Morgan, Rodrigue, Schappell
Board Members absent: Farr

2.0 COMMUNICATIONS:

PUBLIC COMMENT: None

3.0 REGULAR AGENDA:

- 3.1 Discussion and possible action on a Resolution authorizing and approving the issuance of bonds issued by the City of Shasta Lake Public Financing Authority and approving the forms of bond documents in connection therewith.

Motion/Vote

By motion made/seconded (Schappell/Lawson) and carried, Resolution SAOB 14-03 was approved.

4.0 BOARD/STAFF REPORTS AND COMMENTS: None

5.0 ADJOURNMENT: Vice Chairman Farr adjourned the meeting at 2.11 pm.

TONI M. COATES, CMC, Secretary



Report
Reviewed and Approved

4.1

City Manager /Executive Director

AGENDA ITEM
Oversight Board
to the Former Shasta Lake Successor Agency

TO: Oversight Board to the Shasta Lake Successor Agency
FROM: John Duckett, City Manager & Executive Director
DATE: September 22, 2014
SUBJECT: Consider resolutions of the Oversight Board to the Shasta Lake Successor Agency approving the Recognized Obligation Payment Schedule 2014-15B (ROPS) for the January 1, 2015 through June 30, 2015 period and approving the Administrative Budget for January 1, 2015 through June 30, 2015.
FILE:

SUMMARY:

- A. Consider a resolution approving the Recognized Obligation Payment Schedule 14-15B for January 1, 2015 through June 30, 2015 and authorizing its transmittal
- B. Consider a resolution approving the Successor Agency's Administrative Budget for January 1, 2015 through June 30, 2015 pursuant to Health & Safety Code Section 34177(j)

DISCUSSION:

Assembly Bill ("AB") x1 26, amended by AB 1484 and codified in the California Health & Safety Code ("H&SC") requires successor agencies to adopt a Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period. A ROPS covering the period of January 1, 2015 through June 30, 2015 ("ROPS 14-15B") is due by October 3, 2014 pursuant to H&SC Section 34177(m). The ROPS projects necessary payments for each enforceable obligation of the former Shasta Lake Redevelopment Agency for the six-month period.

Staff has prepared a resolution adopting the ROPS for the Oversight Board's consideration, which is attached to this staff report. If it is approved by the Oversight Board, Staff will transmit it electronically to the Department of Finance, State Controller, and Shasta County Auditor-Controller for their review. Staff will also post the ROPS on the City's website. The adopted ROPS must be transmitted by October 3, 2014; if it is not transmitted on time the Successor Agency will be subject to a penalty of \$10,000 per day. With DOF approval, the Auditor-Controller will be authorized to disburse property tax revenue to pay ROPS obligations on January 1, 2015.

DOF provided the Successor Agency with a partially completed ROPS form to aid in DOF's attempt to standardize the form and make it consistent with the newly implemented automated tracking system.

The ROPS 14-15B contains many of the same enforceable obligations listed on the last ROPS. The main changes since the last ROPS include:

- A new obligation has been added to account for expenses related to the bond refinancing.

It is important to remember that the ROPS is merely a projection of estimated payments for the ensuing 6-month fiscal period. The actual payments made could be the same or less. The proposed ROPS includes a reconciliation page for the January 2015 through June 2015 period, and is being presented for your approval as part of the ROPS 14-15B. The Successor Agency's actual expenditures generally match what was estimated on the ROPS.

HSC Section 34177(j) requires the Successor Agency to prepare an Administrative Budget and submit it to the Oversight Board for approval. The Administrative Budget includes the proposed administrative expenditures for Fiscal Year 2015-16. The Successor Agency anticipates needing \$100,000 in annual administrative allocation described in HSC Section 34171(b). Therefore, the Successor Agency is requesting \$50,000 for the January 1, 2015 through June 30, 2015 period.

FISCAL IMPACT:

Adoption and transmittal of the ROPS is necessary to receive money from the Redevelopment Property Tax Trust Fund to fund the Successor Agency's financial obligations from January through June 2015.

ATTACHMENTS:

Attachment 1: Resolution approving the Recognized Obligation Payment Schedule 2014-15B (ROPS)

Attachment 2: Resolution approving Administrative Budget for January 1, 2015 to June 30, 2015

RESOLUTION NO. _____

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER SHASTA LAKE REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 2014-15B FOR JANUARY 1, 2015 THROUGH JUNE 30, 2015 AND AUTHORIZING ITS TRANSMITTAL

WHEREAS, the Oversight Board of the Successor Agency to the Former Shasta Lake Redevelopment Agency ("Oversight Board") has been established to direct the Successor Agency to the Former Shasta Lake Redevelopment Agency ("Successor Agency") to take certain actions to wind down the affairs of the Redevelopment Agency in accordance with the Dissolution Act (enacted by Assembly Bills 26 and 1484, as codified in the California Health and Safety Code); and

WHEREAS, among the duties of successor agencies under the Dissolution Act is the preparation of a recognized obligation payment schedule ("ROPS") for the ensuing six-month period for consideration by a local oversight board and California Department of Finance ("DOF") for purposes of administering the wind-down of financial obligations of the former Redevelopment Agency; and

WHEREAS, the Dissolution Act requires that the proposed ROPS be transmitted to the local oversight board, county auditor-controller, county executive officer, and DOF, after which time the oversight board may approve and transmit the adopted ROPS to DOF, the State Controller, and the county auditor-controller for their consideration, and

WHEREAS, pursuant to Health and Safety Code sections 34177(l) and 34180(g), the Oversight Board must approve all ROPS for them to become established, valid, and operative for the applicable six-month fiscal period.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER SHASTA LAKE REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference; and

SECTION 2. The Oversight Board hereby approves and adopts the ROPS 2014-15B covering the period of January 1, 2015 through June 30, 2015, in substantially the form attached hereto as Exhibit A, as required by the Dissolution Act.

SECTION 3. The Successor Agency is hereby authorized and directed to transmit a copy of the ROPS to DOF, the State Controller, and the Shasta County Auditor-Controller for their review.

SECTION 4. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Shasta Lake Redevelopment Agency held this 22nd day of September, 2014 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

LARRY J. FARR, Oversight Board Chair

ATTEST:

TONI M. COATES, Secretary of the Oversight Board

EXHIBIT "A"
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 2014-15B
FOR JANUARY 1, 2015 THROUGH JUNE 30, 2015

Recognized Obligation Payment Schedule (ROPS 14-15B) - Summary

Filed for the January 1, 2015 through June 30, 2015 Period

Name of Successor Agency: Shasta Lake
 Name of County: Shasta

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):		
A	Bond Proceeds Funding (ROPS Detail)	\$ -
B	Reserve Balance Funding (ROPS Detail)	-
C	Other Funding (ROPS Detail)	-
D		-
Enforceable Obligations Funded with RPTTF Funding (F+G):		
E	Non-Administrative Costs (ROPS Detail)	\$ 745,511
F	Administrative Costs (ROPS Detail)	695,511
G		50,000
H	Current Period Enforceable Obligations (A+E):	\$ 745,511

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I	Enforceable Obligations funded with RPTTF (E):	745,511
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(121,709)
K	Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 623,802

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L	Enforceable Obligations funded with RPTTF (E):	745,511
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N	Adjusted Current Period RPTTF Requested Funding (L-M)	745,511

Certification of Oversight Board Chairman:
 Pursuant to Section 34177 (m) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named agency.

 Name Title
 /s/ _____
 Signature Date

Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail
 January 1, 2015 through June 30, 2015
 (Report Amounts in Whole Dollars)

A Item #	B Project Name / Debt Obligation	C Obligation Type	D Contract/Agreement Execution Date	E Contract/Agreement Termination Date	F Payee	G Description/Project Scope	H Project Area	I Total Outstanding Debt or Obligation	J Retired	K Funding Source			M Other Funds	N Non-Admin	O Admin	P Six-Month Total
										Non-Redevelopment Property Tax Trust Fund	Reserve (Non-RPTTF) Balance	RPTTF				
1	2008 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	2/4/2006	6/4/2027	Union Bank of California	Principal and interest payments due	Shasta Dam Redevelopment Project Area	\$ 11,856,445	N							745,511
2	Fiscal Agent Fees	Fees	2/4/2006	6/2/2027	Union Bank of California	Bond trustee fees that must be paid annually	Shasta Dam Redevelopment Project Area	\$ 6,203,384	N							369,729
3	Continuing Disclosure	Fees	2/4/2006	6/30/2027	RSG, Inc.	Continuing disclosure is required by the Bond Agreement	Shasta Dam Redevelopment Project Area	\$ 9,100	N							3,000
4	Knauf Fiber Glass Agreement	Third-Party Loans	10/18/1998	6/30/2014	Knauf Fiber Glass GmbH	repaying a loan from Knauf for a City industrial park project	Shasta Dam Redevelopment Project Area	-	N							
5	Law Enforcement Officer	Project Management Costs	4/7/2006	6/1/2027	Del Miami Construction, Inc.	Project Management Costs for Law Enforcement Center Project	Shasta Dam Redevelopment Project Area	-	N							
6	Meade Street Senior Housing	OP/ADA Construction	10/26/2009	12/31/2013	Northern Valley Catholic Social Services	Partnership for a low-income senior housing project	Shasta Dam Redevelopment Project Area	-	N							
7	Contract for Legal Services	Legal	2/1/2012	6/30/2014	John Kenny, City Attorney	general legal services	Shasta Dam Redevelopment Project Area	-	N							
8	Successor Agency Administrative Insurance	Admin Costs	2/1/2012	6/30/2014	Successor Agency Employees	Cost of operating the Successor Agency	Shasta Dam Redevelopment Project Area	\$ 3,200,000	N							50,000
9	Successor Agency Liability Insurance	Miscellaneous	2/1/2012	6/30/2014	Small Cities Org Risk Effort	Required liability insurance	Shasta Dam Redevelopment Project Area	-	N							
10	Successor Agency Support	Professional Services	2/1/2012	6/30/2014	RSG, Inc.	Services to perform certain admin duties	Shasta Dam Redevelopment Project Area	-	N							
11	Housing Monitoring Services	Miscellaneous	4/19/1996	4/19/2014	City of Shasta Lake Employees	Responsible Housing Monitoring at required by housing contracts	Shasta Dam Redevelopment Project Area	-	N							
12	Property Carry Costs	Property Maintenance	2/1/2012	6/30/2014	Commercial Center	Maintenance and operations of property owned by the Agency	Shasta Dam Redevelopment Project Area	\$ 13,000	N							
13	Property Disposition Costs	Property Dispositions	7/1/2013	6/30/2014	various	costs associated with disposition of former RDA-owned properties	Shasta Dam Redevelopment Project Area	\$ 80,000	N							
14	Contract for Economic Development Services	Business Incentive Agreements	3/12/2012	6/30/2014	Economic Development Coalition	Contract with EDC for economic development programs	Shasta Dam Redevelopment Project Area	-	N							
15	Contract for Business Development	Business Incentive Agreements	3/12/2012	6/30/2014	Shasta Lake Chamber of Commerce	Contract with Chamber of Commerce for business and job development	Shasta Dam Redevelopment Project Area	-	N							
16	Property Bond Assessments	Bonds Issued On or Before 12/31/10	4/17/1995	9/2/2034	Shasta County Tax Collector	Bond payments for property owned within Successor Agency	Shasta Dam Redevelopment Project Area	\$ 1,241,188	N							32,500
17	Property Bond Assessments	Bonds Issued On or Before 12/31/10	4/29/1993	9/2/2032	Shasta County Tax Collector	Bond payments for property owned within Successor Agency	Shasta Dam Redevelopment Project Area	\$ 1,046,773	N							245,282
18	Successor Agency Housing Entity Administrative	Admin Costs	7/1/2014	7/1/2015	Successor Agency Housing Employees	Cost of operating the Successor Agency Housing	Shasta Dam Redevelopment Project Area	-	N							
19	Bond Refinancing Loan Advance	Bonds Issued On or Before 12/31/10	4/15/2014	4/15/2020	City of Shasta Lake	Bond refunding loan for upfront admin costs	Shasta Dam Redevelopment Project Area	\$ 45,000	N							45,000
20									N							
21									N							
22									N							
23									N							
24									N							
25									N							
26									N							
27									N							
28									N							
29									N							
30									N							
31									N							
32									N							
33									N							
34									N							
35									N							

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Cash Balances

(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [https://rad.dof.ca.gov/rad-sa/pdf/Cash Balance Agency Tips Sheet.pdf](https://rad.dof.ca.gov/rad-sa/pdf/Cash%20Balance%20Agency%20Tips%20Sheet.pdf).

A	B	C	D	E	F	G	H	I				
									Fund Sources			
									Bond Proceeds		Reserve Balance	
Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin	Comments						
Cash Balance Information by ROPS Period												
ROPS 13-14B Actuals (01/01/14 - 06/30/14)												
1	Beginning Available Cash Balance (Actual 01/01/14)	488,584				182,840	242,421					
2	Revenue/Income (Actual 06/30/14) RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014						707,703					
3	Expenditures for ROPS 13-14B Enforceable Obligations (Actual 06/30/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q						721,716					
4	Retention of Available Cash Balance (Actual 06/30/14) RPTTF amount retained should only include the amounts distributed for debt service reserve(s) approved in ROPS 13-14B											
5	ROPS 13-14B RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 13-14B PPA in the Report of PPA, Column S											
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	488,584				182,840	121,709					
ROPS 14-15A Estimate (07/01/14 - 12/31/14)												
7	Beginning Available Cash Balance (Actual 07/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	488,584				182,840	228,408					
8	Revenue/Income (Estimate 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014						250,939					
9	Expenditures for ROPS 14-15A Enforceable Obligations (Estimate 12/31/14)						357,638					
10	Retention of Available Cash Balance (Estimate 12/31/14) RPTTF amount retained should only include the amount distributed for debt service reserve(s) approved in ROPS 14-15A											
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	488,584				182,840	121,709					

RESOLUTION NO. _____

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER SHASTA LAKE REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR JANUARY 1, 2015 THROUGH JUNE 30, 2015 PERIOD PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)

WHEREAS, the Oversight Board of the Successor Agency to the Former Shasta Lake Redevelopment Agency ("Oversight Board") has been established to direct the Successor Agency to the Former Shasta Lake Redevelopment Agency ("Successor Agency") to take certain actions to wind down the affairs of the Redevelopment Agency in accordance with the Dissolution Act (enacted by Assembly Bills 26 and 1484, as codified in the California Health and Safety Code); and

WHEREAS, Section 34179 of the Dissolution Act provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

WHEREAS, Section 34177(j) of the Dissolution Act requires the Successor Agency to prepare a proposed administrative budget and submit it to the Oversight Board for approval; and

WHEREAS, pursuant to Section 34177(j), the Successor Agency's "Administrative Budget" is to include all of the following: (a) estimated amounts of the Successor Agency's administrative costs for the up-coming six-month fiscal period; (b) the proposed sources of payment for the costs identified in (a); and (c) proposals for arrangements for administrative and operations services provided by the city serving as Successor Agency; and

WHEREAS, the Successor Agency's proposed Administrative Budget for the period January 1, 2015 through June 30, 2015 has been reviewed and by this Resolution the Oversight Board desires to approve such Administrative Budget; and

WHEREAS, the Administrative Budget, when and as approved by the Oversight Board, will be provided to the County of Shasta Auditor-Controller pursuant to Section 34177(k) so that the Successor Agency's estimated administrative costs in the approved Administrative Budget will be paid from property tax revenues deposited into the Redevelopment Property Tax Trust Fund for each applicable six-month period.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER SHASTA LAKE REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference; and

SECTION 2. The Oversight Board hereby approves the Administrative Budget for the period January 1, 2015 through June 30, 2015 submitted herewith as Exhibit A, which is incorporated herein by this reference.

SECTION 3. Successor Agency staff is hereby authorized to send the Administrative Budget to the Shasta County Auditor-Controller and post it on the Successor Agency's website.

SECTION 4. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Shasta Lake Redevelopment Agency held this 22nd day of September, 2014 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Oversight Board Chairperson

ATTEST:

TONI COATES, Secretary of the Oversight Board

(SEAL)

EXHIBIT "A"
SUCCESSOR AGENCY ADMINISTRATIVE BUDGET
FOR JANUARY 1, 2015 THROUGH JUNE 30, 2015

SHASTA LAKE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET COVERING JANUARY 1, 2015 THROUGH JUNE 30, 2015

Estimated Annual Administrative Expenses

External Consultants	Costs	Funding Source
Attorney Costs	\$ 10,000	RPTTF Administrative Allowance
Consultant Costs	\$ 6,000	RPTTF Administrative Allowance
	<hr/>	
	\$ 16,000	
Successor Agency Expenses		
Successor Agency rent and utilities	\$ 5,000	RPTTF Administrative Allowance
Successor Agency supplies	\$ 500	RPTTF Administrative Allowance
Successor Agency equipment	\$ 500	RPTTF Administrative Allowance
Salaries and Benefits	\$ 59,000	RPTTF Administrative Allowance
Risk management/Insurance	\$ 7,000	RPTTF Administrative Allowance
Property maintenance (prior to transfer/sale)	\$ 1,500	RPTTF Administrative Allowance
	<hr/>	
	\$ 73,500	
Oversight Board Expenses		
Staff Time	\$ 10,000	RPTTF Administrative Allowance
Materials	\$ 500	RPTTF Administrative Allowance
	<hr/>	
	\$ 10,500	
 Estimated Annual Total	 \$ 100,000	
 Estimated Administrative Expenses for 6-month Period Covering January 1, 2015 through June 30, 2015	 \$ 50,000	



Report & Recommendation
Reviewed and Approved

4.2

City Manager/Executive Director

AGENDA ITEM
Oversight Board
to the Shasta Lake Successor Agency

TO: Oversight Board to the Shasta Lake Successor Agency

FROM: Jessaca Lugo, Community and Economic Development Manager

DATE: September 22, 2014

SUBJECT: Consider a resolution of the Oversight Board to the Shasta Lake Successor Agency approving a purchase and sale agreement with KKP-Kim Properties, LLC for the sale of Properties 1, 2, 3, & f of the Successor Agency's Long Range Property Management Plan (APNs 007-380-037-000, 007-380-051-000, 007-380-052-000, 007-380-053-000)

FILE:

RECOMMENDATION:

The Successor Agency to the Shasta Lake Redevelopment Agency recommends that the Oversight Board approve a purchase and sale agreement with KKP-Kim Properties, LLC for the sale of Properties 1, 2, 3, & 4 of the Successor Agency's Long Range Property Management Plan.

DISCUSSION:

On December 18, 2013, the Oversight Board approved an amended Long Range Property Management Plan for the disposition of 9 parcels of real property transferred from the former Redevelopment Agency to the Successor Agency following the February 1, 2014 dissolution of redevelopment. A copy of the Long Range Property Management Plan is enclosed herewith.

As required by law, the Long Range Property Management Plan was prepared to delineate the proposed manner in which these properties would be disposed. Under the Dissolution Act, the Successor Agency has the option of: 1) selling the properties, 2) allowing the City to retain for future economic development purposes, or 3) transferring to the City as a governmental asset. After an extensive review, the DOF issued their approval of the Long Range Property Management Plan on May 2, 2014.

Comprising a total of approximately 11.3 acres of commercially-zoned undeveloped land, Properties 1, 2, 3 and 4 are located northwest of the intersection of Shasta Dam Boulevard and Cascade Boulevard and are intended to be sold as a consolidated group in the Long Range Property Management Plan, with the goal of finding a buyer who would not only close on the

purchase, but develop the site in a manner consistent with the Zoning code. The preliminary estimate of value for these properties in the Long Range Property Management Plan was \$900,000, as of April 2013. See pages 5-8 of the Long Range Property Management Plan for more information on these four parcels, also known as the "Commercial Property".

A site map of the subject properties is presented below:



The properties may be sold by any legal means following DOF approval of the Long Range Property Management Plan. To facilitate the solicitation of purchase offers and maximize value to the taxing agencies, the Successor Agency retained a commercial broker (Terra Properties & Redding Realty) to be the listing agent for the Successor Agency property sales on July 15, 2014. Soon thereafter, the Successor Agency's broker was able to procure a purchase offer from a Roseville-based shopping center developer, Katz Kirkpatrick Properties, dba KKP-Kim Properties, LLC, who presented an offer to purchase the four commercial properties based on the following terms:

Summary of Deal Terms Successor Agency Purchase and Sale of Properties 1, 2, 3, & 4	
Total Consideration	\$1,000,000
Due Diligence Period	6 Months for Contingencies May be Extended by an Additional 18 Months
Closing	10 Days After Due Diligence Period
Deposit	\$25,000, Due Within 5 Days, Nonrefundable After 6 Mos.
Extension Payments	Increased Deposit of \$5,000 (6 mo) \$7,500 (6 mo) and \$10,000 (6 mo) Nonrefundable for Extending Due Diligence Period
Costs Paid by Seller Per Agreement	Broker commission (\$80,000) Escrow fees (1/2 of total cost) Document transfer taxes, if applicable Real property taxes (should be zero as publically owned)
Seller Contingencies	Oversight Board & DOF Approvals of Purchase and Sale Agreement Buyer Submitting Timely Applications for Entitlements as delineated in Agreement
Buyer Contingencies	Obtaining or approving a geotechnical investigation and current environmental site assessment report at Buyer's sole cost, Approval of preliminary title report and exceptions thereto, Approval of ALTA survey at Buyer's sole cost, Physical inspection of property, and Buyer obtaining approvals at Buyer's sole expense from applicable governmental authorities for intended improvements.

Katz Kirkpatrick Properties has extensive retail commercial development experience, as indicated on the attached corporate qualifications, and Successor Agency staff is confident that they are qualified to consummate the closing and development of the site in accordance with the Long Range Property Management Plan.

The process for selling properties under the Dissolution Act is as follows:

1. The Successor Agency considers approval of a purchase and sale agreement, and forwards their recommendation to the Oversight Board,
2. The Oversight Board convenes a public meeting, noticed at least 10 days in advance, to consider the purchase and sale agreement by resolution,
3. The Oversight Board resolution and any attachments are then transmitted by staff to the DOF for their review,
4. The DOF has five days to request a review of the resolution and agreement:
 - a. If the DOF does not request a review within five days, the Oversight Board's action stands and the purchase and sale agreement may be executed and proceed through escrow, or
 - b. If the DOF requests a review, they have a 40 days to review and object to the Oversight Board's action, although this review may be extended by up to 60 days. If

after this period the DOF does not object to the Oversight Board action, the purchase and sale agreement may be executed and may proceed through escrow.

5. Upon the close of escrow, the net proceeds are collected by the Successor Agency for payment of enforceable obligations and dissemination to the taxing agency based on their proportionate shares of the tax levy by the County Auditor-Controller.

On Tuesday, September 16, 2014, the Successor Agency reviewed the terms and approved a modified purchase and sale agreement, in the form attached herewith.

In the event that KKP-Kim Properties, LLC is unable to close on the purchase, the property would be remarketed by the Successor Agency to other prospective buyers. Any nonrefundable deposits would be available for payment of enforceable obligations or residual remittances to the taxing agencies pursuant to the dissolution process.

FISCAL IMPACT:

The Successor Agency's real property assets to be sold are in the Agency's Community Redevelopment Property Trust Fund. The total purchase price of \$1,000,000 is gross of costs to be paid by the Successor Agency pursuant to the Purchase and Sales Agreement, as enumerated herein. The net proceeds would be collected at closing from escrow, and deposited into the Successor Agency's Redevelopment Obligation Retirement Fund. From there, the Successor Agency would report these proceeds on the next period's Redevelopment Obligation Payment Schedule (ROPS), and then be used to offset future RPTTF distributions for enforceable obligations and additional taxing agency residual payments, based on each agency's share of the tax levy. It is anticipated that these proceeds could be distributed sometime in the next 12 months, unless the due diligence period is extended pursuant to the Purchase and Sale Agreement.

While the taxing agency shares do change from year to year, the following represents the 2013-14 breakdown of each taxing agency's percentage of the residual distribution (and ultimately, net proceeds from a property sale) for illustrative purposes:

Taxing Agency	2013-14 Share¹
County General Fund	0.000%
County Superintendent of Schools	0.025%
ST&T Community College District	0.058%
Gateway USD	0.400%
County Water Agency	0.001%
Shasta Lake Fire Protection District	0.169%
City of Shasta Lake	0.346%
Total	1.000%

ATTACHMENTS:

Resolution
Purchase And Sale Agreement with KKP-Kim Properties, LLC
Long Range Property Management Plan (December 2013)
May 2, 2014 DOF Approval Letter
KKP-Kim Properties, LLC Corporate Qualifications

¹ Totals may not equal due to rounding.

RESOLUTION NO. _____

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SHASTA LAKE SUCCESSOR AGENCY APPROVING A PURCHASE AND SALE AGREEMENT WITH KKP-KIM PROPERTIES, LLC FOR THE SALE OF PROPERTIES 1, 2, 3, & 4 OF THE SUCCESSOR AGENCY'S LONG RANGE PROPERTY MANAGEMENT PLAN (APNS 007-380-037-000, 007-380-051-000, 007-380-052-000, 007-380-053-000)

WHEREAS, on January 9, 2012, the City Council of the City of Shasta Lake adopted Resolution No. 12-02 electing to serve as the successor agency ("Successor Agency") to the former Redevelopment Agency of the City of Shasta Lake ("Redevelopment Agency") for the purposes of administering the dissolution of the Redevelopment Agency pursuant to Health and Safety Code Section 34173, and

WHEREAS, on March 20, 2013, the Successor Agency received from the California Department of Finance ("DOF") approval of the other funds and accounts due diligence review which enumerated certain real property transferred from the former Redevelopment Agency to the Successor Agency pursuant to Section 34179.5(c)(5)(C) of the Health and Safety Code, and

WHEREAS, on March 29, 2013, the Successor Agency received from the DOF a finding of completion pursuant to Section 34179.7 of the Health and Safety Code, and

WHEREAS, following the receipt of the finding of completion, in accordance with the provisions of Section 34191.5(b) of the Health and Safety Code, the Successor Agency prepared and submitted to the Oversight Board to the Successor Agency and the DOF a long range property management plan ("PMP") consisting of nine (9) separate parcels of property, and

WHEREAS, after review by the DOF, the Oversight Board approved an amended PMP on December 18, 2013 by Resolution No. 13-07, which was subsequently approved by the DOF on May 2, 2014, and

WHEREAS, in accordance with the approved PMP, the Successor Agency marketed the properties to qualified buyers and obtained an acceptable offer from KKP-Kim Properties, LLC ("Prospective Buyer") to purchase the four commercial properties generally located northwest of the intersection of Cascade and Shasta Dam Boulevards: PMP Property 1 (APN 007-380-037-000), PMP Property 2 (APN 007-380-051-000), PMP Property 3 (APN 007-380-052-000), and PMP Property 4 (APN 007-380-053-000) ("Commercial Properties"), and

WHEREAS, the Prospective Buyer has prepared the attached purchase contract for the purchase and sale of the Commercial Properties in the form attached herewith as Exhibit "A", ("Purchase and Sale Agreement"), which stipulates that the Prospective Buyer would purchase the Commercial Properties for \$1,000,000, which is slightly more than the \$900,000 estimated aggregate value in the approved PMP for the subject Commercial Properties, and

WHEREAS, the parties obligation to sell and purchase the Commercial Properties is conditioned upon certain contingencies held by the Successor Agency and the Prospective Buyer, including but not limited to approval of the Purchase and Sale Agreement by the Oversight Board and DOF, and

WHEREAS, in order to execute the Purchase and Sale Agreement with the Prospective Buyer, the Successor Agency and Oversight Board shall approve and submit such the Purchase and Sale

Agreement to the DOF for their discretionary review pursuant to Section 34181(a) of the Health and Safety Code, and

WHEREAS, on September 16, 2014, the Successor Agency adopted Resolution No.CC-SA-14-70 approving and transmitting to the Oversight Board the Purchase and Sale Agreement, and

WHEREAS, on September 11, 2014, the Secretary duly noticed a public meeting of the Oversight Board to consider approval of the Purchase and Sale Agreement on September 8, 2014, pursuant to Section 34181(f).

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board to the Successor Agency of the City of Shasta Lake, California, as follows:

SECTION 1. The above recitals are true and correct and are adopted as the findings of the Oversight Board.

SECTION 2. The Oversight Board hereby approves the Purchase and Sale Agreement with KKP-Kim Properties, LLC for the sale of the Commercial Properties (PMP Properties 1-4) and directs staff to submit the purchase agreement to the DOF with the Oversight Board's recommendation of approval.

SECTION 3. The Executive Director of the Successor Agency is hereby authorized and directed to execute the Purchase and Sale Agreement on behalf of the Oversight Board, and to make such changes or additions thereto with the concurrence of the Agency Attorney as are necessary or appropriate and which do not substantially alter the rights and obligations of the Oversight Board thereunder. The Executive Director of the Successor Agency is further authorized and directed to execute such other documents and to take such other actions as necessary to carry out and implement the obligations of the Oversight Board under the Purchase and Sale Agreement.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Oversight Board to the Successor Agency of the City of Shasta Lake held on this 22nd day of September 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

LARRY FARR, Chair

ATTEST:

TONI M. COATES, Secretary of the Oversight Board

REAL ESTATE PURCHASE AND SALE AGREEMENT

Dated for reference purposes only as September 17, 2014.

1. **PROPERTY DESCRIPTION:** The "Property" contains approximately 11.3 acres, situated at the northwest corner of Shasta Dam Blvd and Cascade Blvd in the City of Shasta Lake, County of Shasta, State of California, also known as the City of Shasta Lake Successor Agency's Long Range Property Management Plan Properties 1-4 (Shasta County Assessor Parcel Numbers 007-380-037-000, 007-380-051-000, 007-380-052-000, 007-380-053-000), as outlined in red on Exhibit A attached hereto and incorporated herein by this reference and includes all rights, title and interests, remainder easements, development rights, rights-of-way and other rights appurtenant to the Property and that benefit the Property.

SELLER: City of Shasta Lake Successor Agency, a municipal corporation.

PURCHASER: KKP-Kim Properties, LLC, a California limited liability company or its assignee.

2. **PURCHASE PRICE:** For and in consideration of the agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Seller hereby agrees to sell, and the undersigned Purchaser hereby agrees to buy, the Property all upon the terms and conditions set forth in this Agreement. The total purchase price, less any payments made to Seller pursuant to Paragraph 11, shall be paid in **cash** at the close of escrow and shall be **One Million Dollars (\$1,000,000.00)**. Seller and Purchaser acknowledge and agree that said purchase price represents the fair market value of the Property.

3. **INITIAL DEPOSIT:** The Purchaser shall place a deposit of Twenty-Five Thousand One Hundred Dollars (\$25,000) in the form of a check made payable to Stewart Title Company, 1425 River Park, Suite 110, Sacramento, Ca 95815 Attn: Sharon Wichmann ("Escrow Holder"). The deposit must be received by Escrow Holder within three (3) business days after the Effective Date. The deposit applies to the purchase price of the Property at closing and, except as provided below, is refundable to Purchaser if the conditions set forth below are not satisfied or waived by Purchaser or Seller. At the time said deposit is delivered to Escrow Holder, One Hundred and no/100 Dollars (\$100.00) of said deposit shall immediately become non-refundable to Purchaser and said \$100.00 shall not be applicable to the purchase price of the Property. Said \$100.00 shall be delivered to Seller by Escrow Holder either at the close of escrow or upon the date Purchaser elects to terminate this Agreement.

4. **ESCROW INSTRUCTIONS:** Upon Oversight Board of the Shasta Lake Successor Agency approval of this Agreement, hereinafter defined as the "Effective Date", Purchaser shall order a Preliminary Title Report on the Property together with full copies of all exceptions

set forth therein, including but not limited to CC&R's, liens and other matters of record and shall open escrow with the Escrow Holder. The parties shall execute escrow instructions as reasonably requested by the Escrow Holder. The provisions of this Agreement shall constitute joint escrow instructions to the Escrow Holder.

5. **PROPERTY CONDITION:** At all times during the term of this Agreement, upon prior notice to Seller, Purchaser shall have the right, at its sole cost and expense, to enter upon the Property to conduct surveys, soils, asbestos, toxic, and hazardous waste tests. Within three (3) business days following the Effective Date Seller shall, at its expense, provide Purchaser with copies of all surveys, soils tests, wetlands delineations, engineering plans, environmental test and all other documents and reports relating to the Property within Seller's possession or control, if any exist. Seller's failure to do so shall be deemed to be a representation and warranty that no such tests and reports are in Seller's possession or control.

6. **CLOSING DATE:** Closing shall occur within ten (10) business days following the expiration of the "Due Diligence Period" per Paragraph 11 of this Agreement. If through no fault of Seller, closing does not occur on closing date or on any mutually agreed extended closing date, Purchaser shall relinquish any and all right to the Property relating to or arising out of this Agreement.

7. **POSSESSION:** Vacant possession of the Property will be delivered to Purchaser at the close of escrow. Seller represents and warrants that there are currently no tenants or other occupants of any improvements located on any portion of the Property. Seller shall not enter into any leases or other occupancy agreements with respect to any portion of the Property during the term of this Agreement without Purchaser's prior written consent, which consent may be given or withheld in the sole and absolute discretion of Purchaser.

8. **COSTS/FEES:**

- A. California Land Title Association (CLTA) title fees shall be paid by Seller. The additional cost of any extended coverage and/or endorsements shall be paid by Purchaser.
- B. Escrow fees shall be paid by Seller and Purchaser equally.
- C. Seller shall pay the cost of any State, County, and local documentary transfer taxes.
- D. Current real property taxes shall be prorated as of the close of escrow.
- E. All bonds and assessments which are a lien upon the Property as of the Effective Date shall be paid by Seller on or before the close of escrow. Seller agrees that from the Effective Date of this Agreement it shall not approve any future bonds, assessments, or other encumbrances on the Property without Purchaser's prior written approval, which approval may be

given or withheld in the sole and absolute discretion of Purchaser.

9. ATTORNEY'S FEES/CHOICE OF LAW/DEFAULT/LIQUIDATED DAMAGES: In the event of any action or proceeding to enforce a term or condition of this Agreement, any alleged disputes, breaches, defaults, or misrepresentations in connection with any provision of this Agreement or any action or proceeding in any way arising from this Agreement, including any interpleader of the Deposit by the Escrow Holder, the prevailing party in such action, or the nondissmissing party when the dismissal occurs other than by a settlement, will be entitled to recover its reasonable costs and expenses, including without limitation reasonable attorneys' fees and costs of defense paid or incurred in good faith. The "prevailing party," for purposes of this Agreement, will be deemed to be that party who obtains substantially the result sought, whether by settlement, dismissal, or judgment.

This Agreement shall be governed by the Laws of the State of California.

9.1. Purchaser's Default. Purchaser will be deemed to be in default under this Agreement (a) if Purchaser fails, for any reason other than (i) Seller's default under this Agreement or (ii) the failure of a condition precedent to Purchaser's obligation to perform under this Agreement, to meet, comply with, or perform any material covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or (b) if a material breach of any representation or warranty (made by Purchaser) has occurred by reason of Purchaser's actual fraud or intentional misrepresentation; provided, however, that no such default will be deemed to have occurred unless and until Seller has given Purchaser written notice of the default, describing the nature of the default, and Purchaser has failed to cure such default within fifteen (15) days after the receipt of such notice (but in any event before the Closing Date, unless such default occurs after Closing).

9.2. Remedies for Purchaser's Default. If the closing fails to occur because of Purchaser's default under the terms of this agreement, Purchaser will be responsible for all cancellation charges required to be paid to escrow holder and any escrow charges. In addition, this Agreement and the rights and obligations of the parties will terminate and the deposit will be immediately delivered by Escrow Holder to Seller on Seller's request. **The initial deposit amount of \$25,000, as well as any increased deposit, will be deemed liquidated damages for Purchaser's nonperformance as Seller's sole and exclusive remedy against Purchaser (including, without limitation, Seller's rights to seek specific performance of this agreement and to receive damages) for Purchaser's failure to purchase the Property, which sum will be presumed to be a reasonable estimate of the amount of actual damages sustained by Seller because of Purchaser's breach of its obligation to purchase the property. From the nature of this transaction, it is**

impracticable and extremely difficult to fix the actual damages that Seller would sustain if Purchaser breaches such obligation. The impracticability and difficulty of fixing actual damages is caused by, without limitation, the fact that the Property is unique. Given the foregoing facts, among others, Purchaser and Seller agree that liquidated damages are particularly appropriate for this transaction and agree that said liquidated damages must be paid in the event of purchaser's breach of its obligation to purchase the Property, despite any words or characterizations previously used or contained in this Agreement implying any contrary intent. The payment of such amount as liquidated damages is not intended as a forfeiture or penalty within the meaning of California Civil Code Section 3275 or 3369 but is intended to constitute liquidated damages to Seller under California Civil Code Sections 1671, 1676, and 1677. Nothing in this Agreement will, however, be deemed to limit Purchaser's liability to Seller for damages or injunctive relief for breach of Purchaser's indemnity obligations under Section 9 herein for attorneys' fees and costs, or as provided in Section 10.

We acknowledge this liquidated damages provision:

SELLER'S INITIALS:

PURCHASER'S INITIALS:



9.3. Seller's Default. Seller will be deemed to be in default under this Agreement (a) if Seller fails, for any reason other than Purchaser's default under this Agreement or the failure of a condition precedent to Seller's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or (b) if a material breach of any representation or warranty (made by Seller) has occurred because of Seller's actual fraud or intentional misrepresentation; provided, however, that no such default will be deemed to have occurred unless and until Purchaser has given Seller written notice of the default, describing its nature, and Seller has failed to cure such default within five (5) days after receipt of such notice (but in any event before the Closing Date, unless such default occurs after Closing).

9.4. Remedies for Seller's Default. If Seller defaults in its obligations under this Agreement to sell the Property to Purchaser on the Closing Date through no fault of Purchaser, then Purchaser at its option may have the right to specific performance of this Agreement or the right to recover the Deposit and all of its general and specific damages. If, after the Closing Date,

Purchaser determines that Seller has breached any representation or warranty set forth in Article 5, then Purchaser will have the right to bring an action for general and specific damages to Seller. If this Agreement is terminated before the Closing Date for Seller's default, then, in addition to any remedy Purchaser has under this Agreement, Seller will reimburse Purchaser for the costs incurred by Seller in conducting its Due Diligence.

10. **PROPERTY INSPECTION:** Purchaser shall have the right to conduct, at any time before the expiration of the Due Diligence Period, at its sole cost and expense, inspections, tests, surveys and other studies for the purpose of identifying the existence in, on, or about the Property of asbestos, PCB transformers, other hazardous or contaminated substances, underground storage tanks and other matters concerning any and all aspects of the Property. Purchaser and Purchaser's consultants, agents, engineers, inspectors, contractors, and employees ("Purchaser's Representatives") shall be given reasonable access to the Property during regular business hours for the purpose of performing such Due Diligence. Purchaser will undertake the Due Diligence at its sole cost and expense. Purchaser will indemnify, defend with counsel reasonably acceptable to Seller, and hold Seller harmless from all claims (including claims of lien for work or labor performed or materials or supplies furnished), demands, liabilities, losses, damages, costs, fees, and expenses, including Seller's reasonable attorneys' fees, costs, and expenses, arising from the acts or activities of Purchaser or Purchaser's Representatives in, on, or about the Property during or arising in connection with Purchaser's inspections of the Property; provided, however, in no event shall Purchaser incur any liability in connection with claims, demands, liabilities, losses, damages, costs, fees, and/or expenses arising as a result of Purchaser's discovery of any pre-existing conditions relating to the Property including, without limitation, the discovery of any pre-existing hazardous materials. Purchaser will conduct its inspections with due regard to the rights and operations of existing tenants, and will use reasonable care and make reasonable accommodations to avoid any damage or interruption to the existing tenants. Purchaser will repair any damage caused by its inspections.

11. **DUE DILIGENCE/CONTINGENCY:** Purchaser shall have until six (6) months following the date that Seller notifies Purchaser in writing that both of the conditions in Section 11.1A and 11.1B have been satisfied, in order to satisfy Purchaser's contingencies set forth below in Section 11.2. The end of said period shall constitute the expiration of the "Due Diligence Period".

11.1 **Seller's Contingencies.** Seller's obligation to sell the Property is subject to the Seller's satisfaction or waiver of the following conditions (subparagraphs A and B shall be in the sole and absolute discretion of the Seller):

A. Oversight Board approval of this Agreement on or before six (6) months from the date hereof.

B. State Department of Finance approval of this Agreement on or before six (6) months from the date hereof.

C. Purchaser's submission of application(s) for governmental agency entitlements for development of an anchor tenant for the Property.

11.2 Purchaser's Contingencies. Purchaser's obligation to purchase the Property is subject to Purchaser's satisfaction or waiver of the following conditions each in the sole and absolute discretion of Purchaser:

- A. Purchaser entering into leases with Purchaser's intended tenants and all conditions contained in said leases being waived or satisfied.
- B. Obtaining and approving a geotechnical investigation and current Environmental Assessment Report at Purchaser's sole cost and expense.
- C. Purchaser's approval of the Preliminary Title Report and exceptions thereto.
- D. Purchaser's approval of an ALTA Survey of the Property which may be obtained at Purchaser's sole cost and expense.
- E. Purchaser's physical inspection of the condition of the Property.
- F. Purchaser obtaining approvals at Purchaser's sole cost and expense from applicable governmental authorities for Purchaser's intended improvements. Seller cannot guarantee that the City of Shasta Lake can approve the Purchaser's development application, nor is the City of Shasta Lake ("City") a party to this Agreement.

12. INCREASED DEPOSITS AND EXTENSION OF DUE DILIGENCE/CONTINGENCY PERIOD: At the sole election of the Purchaser, the Purchaser may extend the initial Due Diligence Period for three (3) separate and additional periods of Six (6) months each by having Escrow Holder release to Seller before the expiration of the initial six (6) month Due Diligence Period and each successive six (6) month extension period Five Thousand Dollars (\$5,000.00) for the first such Six (6) month extension period, Seven Thousand Five Hundred Dollars (\$7,500.00) for the second Six (6) month extension period and Ten Thousand Dollars (\$10,000.00) for the third Six (6) month extension period. Said released deposits shall apply to the purchase price but shall not be refundable unless Seller defaults.

Seller acknowledges that Purchaser acquires and develops real property and has a sophisticated understanding of the real property development process. The parties further acknowledge that because of legitimate and significant economic and legal concerns (including, but not limited to, land use constraints and potential environmental liability), it is not prudent or reasonable to purchase real property for development purposes without conducting due diligence and seeking assurances that the intended use of the real property will be legally permitted on terms that make business sense. Therefore this Agreement provides Purchaser the right of exercising its sole discretion in determining whether to buy the Property. The parties agree that granting the Purchaser such rights is entirely reasonable under the circumstances. Each party agrees

that the agreements made in this Agreement are adequate consideration to support the enforcement of this Agreement in accordance with the terms and conditions of this Agreement and each of the parties (for itself and its successors) forever, irrevocably, completely, and unconditionally waives the right to assert any claim, in any forum or under any theory, now and in the future on behalf of such waiving party and its successors and assigns that this Agreement is not enforceable, in whole or in any part, because of the holding of *Steiner v. Thexton*(2008) 163 Cal.App.4th 359 (77 Cal.Rptr.3d 632).

13. **1031 EXCHANGE**: Purchaser may desire to consummate an exchange which will qualify for non-recognition of gain under Section 1031 of the Internal Revenue Code. In the event that Purchaser elects to implement this transaction in connection with such an exchange the Seller agrees to fully cooperate to effect such an exchange; provided, however, the Seller shall incur no additional costs, expenses or time extensions as a result of or in connection with such an exchange and provided that the Seller shall not under any circumstances be required to acquire or agree to acquire title to any other property in connection with such exchange. In the event of such exchange, the Purchaser shall indemnify, defend, and hold the Seller harmless from any and all liabilities, losses, and expenses, including attorney's fees, arising from such exchange, which liabilities, losses, and expenses would not have been incurred had there not been such an exchange of properties. This indemnification and hold harmless agreement shall survive the close of escrow. It is understood by the parties hereto that any such exchange shall not cause any delay in the closing date as originally scheduled hereunder.

14. **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (FIRPTA)**: The Foreign Investment in Real Property Tax Act (FIRPTA), IRC 1445, requires that every purchaser of U.S. real property must, unless an exception applies, deduct and withhold from Seller's proceeds ten percent (10%) of the gross sales price. The primary exemptions which might be applicable are: (a) Seller provides Purchaser with an affidavit under penalty of perjury that Seller is not a "foreign person" as defined in FIRPTA, or (b) Seller provides Purchaser with a "qualifying statement", as defined in FIRPTA, issued by the Internal Revenue Service. Seller and Purchaser agree to execute and deliver as appropriate, any instrument, affidavit and statement, and to perform any acts reasonably necessary to carry out the provisions of FIRPTA and regulations promulgated there under.

15. **BROKER COMMISSION**: At the close of escrow, Seller shall pay a real estate commission to Terra Properties and Redding Realty, Inc. pursuant to a separate written agreement by and between the Seller and Terra Properties and Redding Realty, Inc. Except as provided above, each of the parties represents and warrants to the other that it has not entered into any agreement that would obligate the other to pay a brokerage commission, finder's fee, or other remuneration arising out of this transaction. Each party shall indemnify, defend and hold harmless the other party from any expenses (including attorney's fees) or liabilities arising out of any claim for such a commission or fee.

16. **PURCHASER ACCEPTANCE:** Purchaser hereby agrees to purchase the above-described Property for the price and upon the terms and conditions herein expressed. All tenders and notices required or permitted hereunder shall be made and given to Purchaser at its address herein set forth.

17. **PURCHASER ACKNOWLEDGMENT:**

- a. Purchaser hereby acknowledges receipt of this Agreement. This Agreement shall constitute the entire agreement between Purchaser and Seller and supersedes any and all agreements between the parties hereto regarding the Property which are prior in time to this Agreement. The person signing on behalf of Purchaser below warrants and represents that he has the authority to sign on behalf of Purchaser.
- b. Purchaser acknowledges that Seller reserves an easement for public road and utility purposes approximately 82 feet wide as shown on Exhibit "B" attached hereto and made a part hereof. The area to be reserved is labeled as "Proposed Alignment" on Exhibit B.

18. **SELLER'S ACCEPTANCE:** The undersigned Seller hereby approves and accepts the foregoing Agreement and agrees to the terms and conditions herein set forth. All tenders and notices required or permitted hereunder shall be made and given to Seller at its address herein set forth.

19. **SELLER'S ACKNOWLEDGMENT:** Seller hereby acknowledges receipt of a copy of this Agreement. This Agreement shall constitute the entire agreement between Purchaser and Seller and supersedes any and all agreements between the parties hereto regarding the Property which are prior in time to this Agreement. The person or entity signing on behalf of Seller below warrants and represents that he, she, or it has the authority to bind Seller.

20. **COUNTERPARTS: TELECOPIED SIGNATURE:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. In order to expedite the transaction contemplated herein, telecopied signatures may be used in place of original signatures on this Agreement. Each undersigned intends to be bound by its signatures on the telecopied document, is aware that parties will rely on the telecopied signature and hereby waives any defenses to the enforcement of the terms of this Agreement based on the form of signature.

21. **NOTICES:** Whenever notice is given under this Agreement, each notice shall be in writing and shall be delivered by mail, postage prepaid, certified or registered mail or by a nationally recognized overnight courier that provides receipt for delivery, such as Federal Express. Notice shall be delivered to the address set forth below the recipient's signature of acceptance and shall be deemed delivered when received or refused. Either party may change its notice address by providing not less than five (5) days prior notice to the other party.

22. **DEED:** Title to the Property shall be conveyed to Purchaser or its assignee(s) by a Grant Deed.

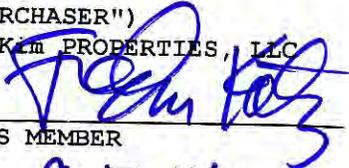
23. **OFFER:** This Agreement shall be null and void in the event Purchaser does not receive a fully executed copy of said Agreement within ten (10) days of the date below the Purchaser's signature herein.

24. **MISCELLANEOUS:** This Agreement shall bind and inure to the benefit of the heirs, representatives, and/or assigns of the parties hereto.

25. **SELLER'S REPRESENTATIONS:** Seller hereby represents that it has no knowledge of toxic, contaminated or hazardous substances, or defective conditions at the Property. Seller hereby acknowledges that portions of the said Property are located within a special flood hazard area, potential flood (dam failure) inundation area, a very high fire hazard severity zone, a wild land fire zone, an earthquake fault zone or a seismic hazard zone. Prior to the end of the initial six (6) month Due Diligence Period, Seller shall provide Purchaser with statutory "natural hazard disclosures".

26. **Applications and Lot Line Adjustments:** During the Due Diligence Period, Seller will promptly execute all applications and other forms (including, without limitation, zoning, site plan, and lot line adjustment applications) if the City of Shasta requires the owner of the Property to do so in order to enable Purchaser to obtain governmental approvals desired by Purchaser. If the Property is not, as of the close of escrow, one or more separate legal parcels, it shall be a condition of the close of escrow that a final parcel map, final subdivision map, or lot line adjustment is recorded in order to make the Property one or more separate legal parcels and it shall be Purchaser's obligation to process and record such map/lot line adjustment if escrow closes.

In Witness Whereof, the parties have executed this Agreement

("PURCHASER")
KKP-KLM PROPERTIES, LLC
BY: 
ITS MEMBER

DATE 9-17-14
3400 Douglas Blvd.
Suite 265
Roseville, CA95746

PHONE: 916-780-6670

("SELLER")
City of Shasta Lake Successor Agency

BY _____
Its Executive Director

DATE _____

1650 Stanton Drive
Shasta Lake, Ca 96019

EXHIBIT A

Outline Property in red

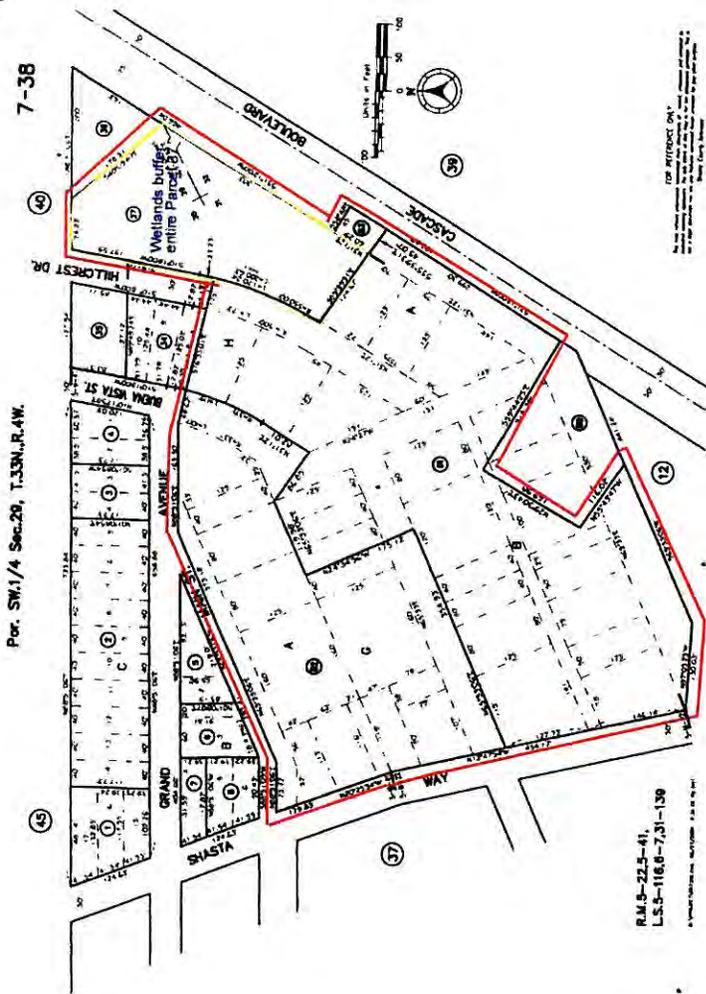


Exhibit B

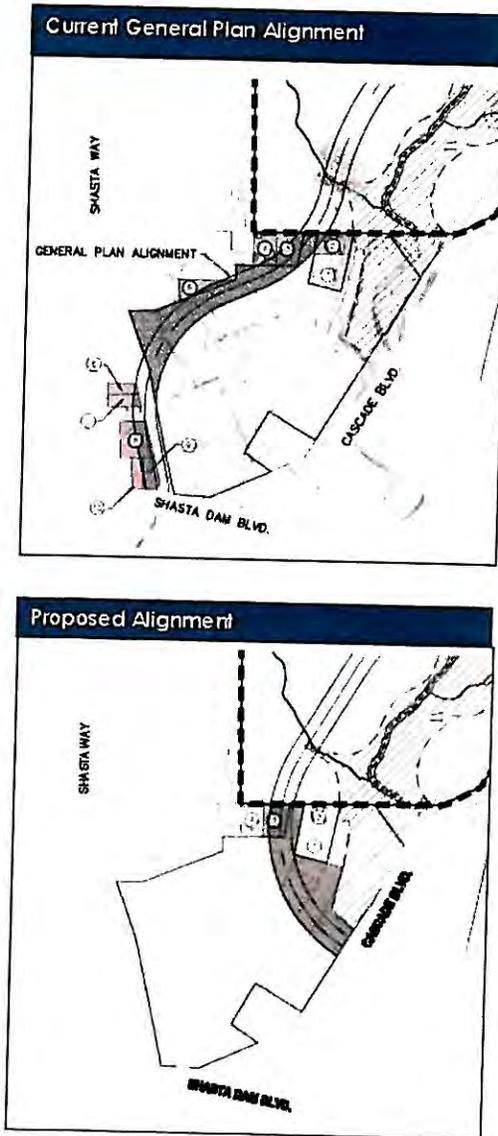
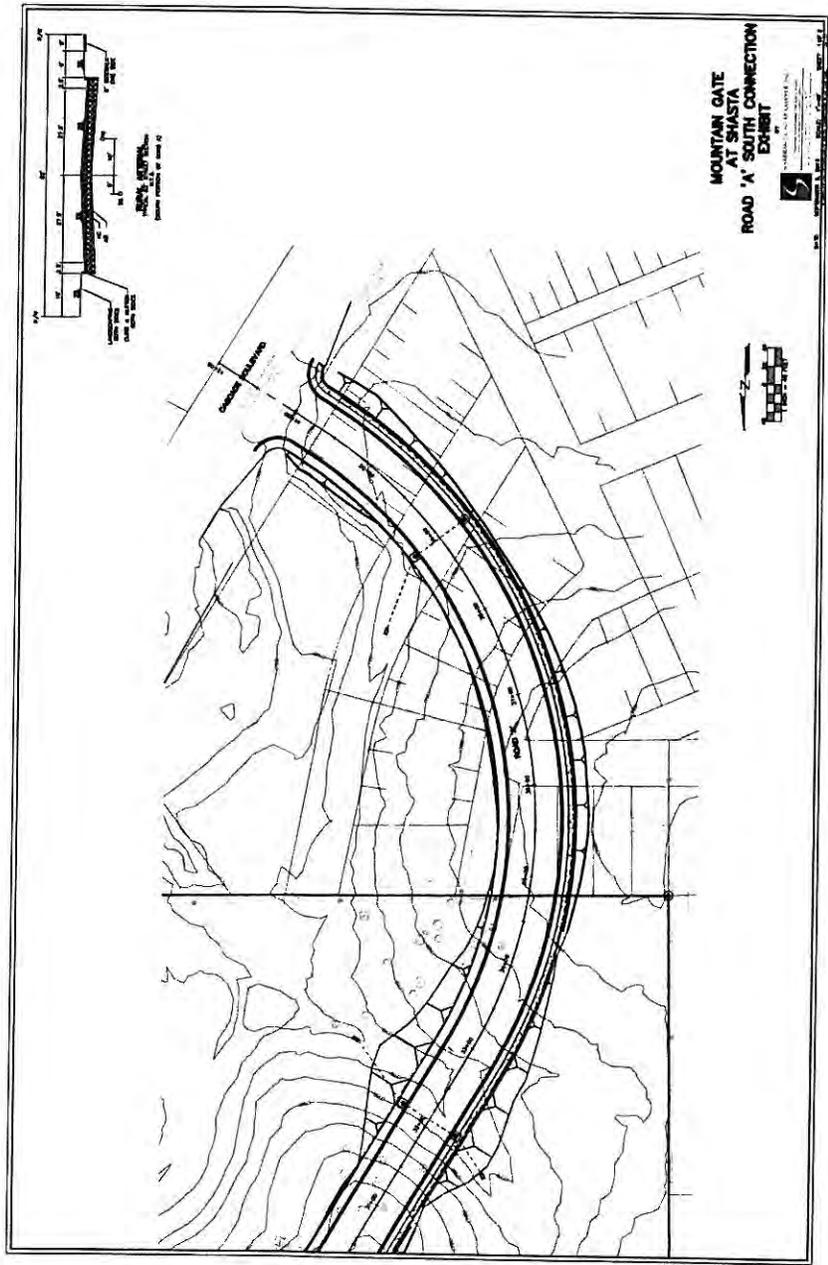


Figure 3.0-7
Southerly Roadway Connection
Mountain Gate at Shasta



LONG-RANGE PROPERTY MANAGEMENT PLAN

City of Shasta Lake
Successor Agency



April 10, 2013

(Revised December 2, 2013)

LEGAL REQUIREMENT

Pursuant to Health and Safety Code section 34191.5, within six months after receiving a Finding of Completion from the Department of Finance (“DOF”), each Successor Agency is required to submit for approval to the Oversight Board and DOF, a Long-Range Property Management Plan (“PMP”) that addresses the disposition and use of the real properties of the former redevelopment agency.

The LRPMP shall do all the following:

1. Include an inventory of all properties in the Community Redevelopment Property Trust Fund (“Trust”), which was established to serve as the repository of the former redevelopment agency’s real properties. The inventory shall consist of all of the following information:
 - a. The date of acquisition of the property and the value of the property at that time, and an estimate of the current value of the property.
 - b. The purpose for which the property was acquired.
 - c. Parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.
 - d. An estimate of the current value of the parcel including, if available, any appraisal information.
 - e. An estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.
 - f. The history of environmental contamination, including designation as a brownfield site, and related environmental studies, and history of any remediation efforts.
 - g. A description of the property’s potential for transit-oriented development and the advancement of the planning objectives of the successor agency
 - h. A brief history of previous development proposal and activity, including the rental or lease of property.
2. Address the use or disposition of all the properties in the Community Redevelopment Property Trust Fund. Permissible uses include 1) the retention of the property for governmental use pursuant to subdivision (a) of Section 34181, 2) the retention of property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforceable obligation.
3. The Plan shall separately identify and list properties in the Trust dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties, all the following shall apply:
 - a. If the plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the city, county, or city and county.
 - b. If the plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or other than that specified in the bullet directly above, the proceeds from the sale shall be distributed as property tax to the taxing entities.

- c. Property shall not be transferred to a successor agency, city, county, or city and county, unless the PMP has been approved by the Oversight Board and DOF.

PROPERTY DESCRIPTION SUMMARY

The former Shasta Lake Redevelopment Agency owns nine non-housing properties. The nine properties are grouped into three property sites, as summarized below and described in greater detail in the Property Inventory section that follows.

Properties No. 1, 2, 3, 4



These four properties located at Shasta Dam Blvd. and Shasta Way, totaling approximately 11.3 acres, were identified in 1995 by the Redevelopment Agency as a potential commercial project. The purpose was to redevelop blighted properties into a parcel large enough to attract a commercial developer who would build a shopping center on the property. Since that time, the properties have been marketed several times for commercial development. On three separate occasions, the Redevelopment Agency advertised for proposals and began negotiations with different developers each time. Unfortunately for a variety of reasons detailed in the property inventory, the development of these properties was never brought to fruition. The Successor Agency at this time recommends that these properties be marketed together for commercial development with proceeds from the sale of the properties going to the taxing agencies. In the marketing and selection of potential buyers, it is the objective and intent of the Successor Agency and Oversight Board to obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.

Property No. 5



This property, located at 1684 Cascade Blvd., is approximately 0.1 acres and is used as a gateway monument sign for the City of Shasta Lake. The Successor Agency is recommending that this property be transferred to the City of Shasta Lake, and that the use of the property remain a governmental use as a gateway monument sign.

Properties No. 6, 7, 8, 9



These four properties, totaling approximately 181 acres, were originally owned by the Shasta Dam Public Utility District. Upon incorporation of the City of Shasta Lake in 1993 all PUD properties were transferred to the City. In 1998, the City transferred these four properties to the Redevelopment Agency at no cost to allow the Agency to proceed with the sale and development of the parcels. Property Nos. 6 and 7 are vacant land that have been held for future industrial park expansion, and to provide a secondary access for the existing industrial park. Properties 8 and 9 are vacant sites that have been offered for sale in an improved business park. They have been offered for sale at \$35,500 per acre. The sales price offered includes the assumption or pay off of development bonds by the buyer.

Properties 8 and 9 were encumbered by a development bond on April 9, 1993. All four properties were encumbered by a wastewater bond on April 11, 1995. Principal and interest payments on those bonds have been made by the ratepayers of the City of Shasta Lake through the City's General and Wastewater Funds. Below is a summary of bond payments and balances.

Summary of Bond Payments and Approximate Balances for Properties 6-9

Property No.	Assessor Parcel Numbers	Wastewater Bond Prin/Int Payments	Remaining Prin Balance	Development Bond Prin/Int Payments	Remaining Balance
6	064-150-068-000	\$40,838	\$58,002	NA	NA
7	064-160-007-000	\$440,934	\$626,237	NA	NA
8	064-440-010-000	\$53,476	\$0	\$42,605	\$65,740
9	064-440-015-000	\$53,476	\$0	\$39,241	\$60,550
Totals		\$588,724	\$684,239	\$81,846	\$121,290

PROPERTY INVENTORY

Property No. 1

Parcel Number	007 380 037 000
Address	1429 Hillcrest Street
Lot Size	1.5 acres
Property Type	Commercial
Zoning	Commercial Planned Development
Date of Acquisition	6/30/1997
Value of Property at time of acquisition	\$21,000
Estimated current property value	\$45,000
Original Purpose of acquisition	Commercial development
Estimated income/revenue	None
Contractual obligations for income/revenue	None
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	<p>In conjunction with properties 2, 3, and 4 totaling approximately 11.3 acres, these properties were identified in 1995 by the Redevelopment Agency as a potential project to attract a commercial developer who would build a shopping center and possibly a hotel on the property. The RDA advertised for proposals from developers on three separate occasions in 1996, 1997 and 2007.</p> <p>Voit Development In October of 1996 the RDA and Voit Development came to agreement to sell the property to Voit for commercial development. During the next year it became apparent to Voit that they could not complete the terms of the agreement as originally stated. On January 28, 1997 Voit proposed major changes in the agreement. These were rejected by the RDA on March 19, 1997. The property was never transferred to Voit and the relationship with the RDA was terminated at that time.</p>

	<p>Shasta Gateway Development Group, LLC. (SGDG) On April 3, 1997 the RDA entered into a development agreement with SGDG. The developer paid \$1,000,000 to the RDA which was used to complete the purchase of the properties from the original owners and to pay for relocation costs. Another \$1.03 million was to be paid within 24 months of the date of the agreement. When the developer could not secure an anchor tenant and proceed with development, the RDA extended the requirement for the second payment for an additional 24 months by way of an amendment on February 12, 1999. Eventually, SGDG notified the RDA that it would not be able to fulfill the terms of the agreement and requested a return of its \$1 million investment. SGDG blamed the City and the RDA for misrepresenting the potential for development of the property. A lawsuit followed which finally ended in a settlement agreement signed by the parties on July 22, 2004. In that agreement the RDA returned \$1 million and allowed SGDG to keep .81 acres of the land for resale. That parcel was sold to a private party for a future Subway Sandwich shop, but remains undeveloped.</p> <p>Lewis Pipgras, Inc (Pipgras) In November of 2007 the RDA solicited proposals from commercial developers for development of the property. The asking price was \$2.225 million with a \$100,000 good faith deposit. After reviewing the offers, a committee of staff selected Pipgras as the developer. Staff opened negotiations with Pipgras who wanted a 90 day due diligence period before signing the development agreement and paying the good faith deposit. The RDA agreed to the 90 day period in order to avoid a repeat of the contentious agreements in previous attempts to market the property. This period was the beginning of the commercial real estate crash and Pipgras could garner no interest from anchor tenants. They eventually bowed out of the arrangement and the RDA received no interest from other developers who had participated in the proposal process.</p>
Use or disposition of property	Market properties (No. 1, 2, 3, 4) together for commercial development with proceeds from the sale of the properties going to the taxing agencies.

Property No. 2

Parcel Number	007 380 051 000
Address	Cascade Blvd. and Shasta Dam Blvd.
Lot Size	6.2 acres
Property Type	Commercial

Zoning	Commercial Planned Development
Date of Acquisition	8/12/2004
Value of Property at time of acquisition	\$141,400
Estimated current property value	\$600,000
Original Purpose of acquisition	Commercial development
Estimated income/revenue	None
Contractual obligations for income/revenue	None
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	See description for Property No. 1.
Use or disposition of property	Market properties (No. 1, 2, 3, 4) together for commercial development with proceeds from the sale of the properties going to the taxing agencies.

Property No. 3

Parcel Number	007 380 052 000
Address	Cascade Blvd. and Shasta Dam Blvd.
Lot Size	3.5 acres
Property Type	Commercial
Zoning	Commercial Planned Development
Date of Acquisition	8/12/2004
Value of Property at time of acquisition	\$79,200
Estimated current property value	\$250,000
Original Purpose of acquisition	Commercial development
Estimated income/revenue	None
Contractual obligations for income/revenue	None
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that

	maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	See description for Property No. 1.
Use or disposition of property	Market properties (No. 1, 2, 3, 4) together for commercial development with proceeds from the sale of the properties going to the taxing agencies.

Property No. 4

Parcel Number	007 380 053 000
Address	Cascade Blvd. and Shasta Dam Blvd.
Lot Size	0.1 acres
Property Type	Commercial
Zoning	Commercial Planned Development
Date of Acquisition	8/12/2004
Value of Property at time of acquisition	\$3,900
Estimated current property value	\$5,000
Original Purpose of acquisition	Commercial development
Estimated income/revenue	None
Contractual obligations for income/revenue	None
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	See description for Property No. 1.
Use or disposition of property	Market properties (No. 1, 2, 3, 4) together for commercial development with proceeds from the sale of the properties going to the taxing agencies.

Property No. 5

Parcel Number	007 120 020 000
Address	1684 Cascade Blvd.
Lot Size	0.1 acres
Property Type	City Park/Gateway Monument
Zoning	Commercial Planned Development
Date of Acquisition	8/25/1995
Value of Property at time of acquisition	\$2,200
Estimated current property value	n/a
Original Purpose of acquisition	Gateway monument sign.

Estimated income/revenue	None
Contractual obligations for income/revenue	None
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties, the Successor Agency will perform obligations required by the EOPS, maintain reserves, dispose of assets and property, and enforce all rights for the benefit of taxing agencies. Transferring this property from the Successor Agency to the City meets their objective of disposing of assets and property.
History of previous development proposals and activity	None
Use or disposition of property	Transfer the property to the City of Shasta Lake. The City to retain the property for continued governmental use as a gateway monument sign.

Property No. 6

Parcel Number	064 150 068 000
Address	None
Lot Size	31.9 acres
Property Type	Industrial Park and City roadway
Zoning	Industrial Design Review (M-DR)
Date of Acquisition	4/29/1998
Value of Property at time of acquisition	\$0 (transferred at no cost to RDA)
Estimated current property value	\$ 73,500 Gross value - 58,002 Bond obligation \$15,498 Gross Equity
Original Purpose of acquisition	Originally owned by the Shasta Dam Public Utility District (PUD). Upon incorporation of the City of Shasta Lake in 1993, all PUD properties were subsequently transferred to the City. In 1998, the City transferred the property to the RDA, a portion to be used for sale to third parties for industrial development and a portion for governmental use as wastewater spray fields and city roadways.
Estimated income/revenue	None
Contractual obligations for income/revenue	\$58,002 remaining principal balance on wastewater bond issued on April 11, 1995
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the

	affected taxing agencies.
History of previous development proposals and activity	This property, with Property No. 7 are being used as vacant land being held for future industrial park expansion, a secondary public access roadway for the existing industrial park, and as a spray field for disposal of treated waste water produced b the City's treatment plant.
Use or disposition of property	Market the property for industrial development with any proceeds from the sale of the properties going to the taxing agencies.

Property No. 7

Parcel Number	064 160 007 000
Address	None
Lot Size	142.2 acres
Property Type	Industrial Park and City roadway
Zoning	Industrial Design Review (M-DR)
Date of Acquisition	4/29/1998
Value of Property at time of acquisition	\$0 (transferred at no cost to RDA)
Estimated current property value	\$ 326,900 Gross value (assessed value) - 626,237 Bond obligation <\$300,230> Gross Negative Equity
Original Purpose of acquisition	Originally owned by the Shasta Dam Public Utility District (PUD). Upon incorporation of the City of Shasta Lake in 1992, all PUD properties were subsequently transferred to the City. In 1998, the City transferred the property to the RDA for sale and development.
Estimated income/revenue	\$0
Contractual obligations for income/revenue	\$626,237 Principal balance on wastewater bonds issued April 11, 1995
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	This property, with Property No. 6 are being used as vacant land being held for future industrial park expansion, a secondary access roadway for the existing industrial park, and as a spray field for disposal of treated waste water produced b the City's

	treatment plant.
Use or disposition of property	Market the property for industrial development with any proceeds from the sale of the properties going to the taxing agencies.

Property No. 8

Parcel Number	064 440 010 000
Address	None
Lot Size	3.6 acres
Property Type	Industrial
Zoning	Planned Development (SGIP-PD)
Date of Acquisition	7/2/1993
Value of Property at time of acquisition	\$0 (transferred at no cost to RDA)
Estimated current property value	\$ 127,800 Gross value (assessed value) - 65,740 Bond obligation \$ 62,060 Gross Equity
Original Purpose of acquisition	Originally owned by the Shasta Dam Public Utility District (PUD). Upon incorporation of the City of Shasta Lake in 1993, all PUD properties were subsequently transferred to the City. The City then transferred the property to the RDA for sale and development in 1998.
Estimated income/revenue	None
Contractual obligations for income/revenue	\$65,740 Principal balance on development bonds issued April 9, 1993
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	Together with Property No. 9, these parcels are vacant sites offered for sale in an improved industrial park. These two parcels have been offered for sale at \$35,500 per acre for more than 10 years with no consummated sales. The sales price includes the assumption or pay off of development bonds by the buyer. The bonds were issued in the early 1990's to pay for development of the park. The balance on the bond for this property is approximately \$65,740.
Use or disposition of property	Market the property for industrial development with any proceeds from the sale of the properties going to the taxing agencies.

Property No. 9

Parcel Number	064 440 015 000
Address	None
Lot Size	3.3 acres
Property Type	Industrial
Zoning	Planned Development (SGIP-PD)
Date of Acquisition	7/2/1993
Value of Property at time of acquisition	\$0 (transferred at no cost to RDA)
Estimated current property value	\$123,750 Gross value - 60,550 Bond obligation \$ 63,200 Gross equity
Original Purpose of acquisition	Originally owned by the Shasta Dam Public Utility District (PUD). Upon incorporation of the City of Shasta Lake in 1993, all PUD properties were subsequently transferred to the City. The City then transferred the property to the RDA for sale and development in 1998.
Estimated income/revenue	None
Contractual obligations for income/revenue	\$60,550 Principal balance on development bonds issued April 9, 1993
Environmental contamination	None
Potential for TOD	None
Advancement of planning objectives of Successor Agency	As part of its duties and objectives when formed, the Successor Agency is charged with liquidating redevelopment assets and transferring proceeds from the sale of those assets to local taxing entities, as well as continuing to oversee development of properties. It is their objective in the disposition of this property that the Successor Agency and Oversight Board obtain clear information on the capability of potential bidders for reuse properties not only to acquire, but to develop expeditiously, for development that maximizes the value of the properties and benefits the affected taxing agencies.
History of previous development proposals and activity	Together with Property No. 8, these parcels are vacant sites offered for sale in an improved industrial park. These two parcels have been offered for sale at \$35,500 per acre for more than 10 years with no consummated sales. The sales price includes the assumption or pay off of development bonds by the buyer. The bonds were issued in the early 1990's to pay for development of the park. The balance on the bond for this property is approximately \$60,550.
Use or disposition of property	Market the property for industrial development with any proceeds from the sale of the properties going to the taxing agencies.

PROPERTIES DEDICATED TO GOVERNMENTAL USE PURPOSES

Pursuant to HSC Section 34181 (a) the Oversight Board may *“direct the Successor Agency to transfer ownership of properties that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, and local agency administration*

buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset.” The following are these properties:

Property No. 5 – 007 120 020 000 – 1684 Cascade Blvd.	This property is currently the location of a gateway monument sign. The property is to be retained and transferred to the City of Shasta Lake for the continued governmental use.
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PROPERTIES RETAINED FOR PURPOSES OF FULFILLING AN ENFORCEABLE OBLIGATION

At this time, there are no properties being proposed to be retained for purposed of fulfilling an enforceable obligation.



May 2, 2014

Mr. John Duckett, City Manager
City of Shasta Lake
P.O. Box 777
Shasta Lake, CA 96019

Dear Mr. Duckett:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Shasta Lake Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on April 25, 2013. The Agency subsequently submitted a revised LRPMP to Finance on December 23, 2013. Finance has completed its review of the revised LRPMP, which may have included obtaining clarification for various items.

The Agency received a Finding of Completion on March 29, 2013. Further, based on our review and application of the law, we are approving the Agency's use or disposition of all the properties listed on the LRPMP.

In accordance with HSC section 34191.4, upon receiving a Finding of Completion from Finance and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements of an existing enforceable obligation. Pursuant to HSC section 34191.3 the approved LRPMP shall govern, and supersede all other provisions relating to, the disposition and use of all the real property assets of the former redevelopment agency.

Agency actions taken pursuant to a Finance approved LRPMP are subject to oversight board (OB) approval per HSC section 34181 (f). Any subsequent OB actions addressing the Agency's implementation of the approved LRPMP should be submitted to Finance for approval.

Please direct inquiries to Wendy Griffe, Supervisor, or Medy Lamorena, Lead Analyst at (916) 445-1546.

Sincerely,

JUSTYN HOWARD
Assistant Program Budget Manager

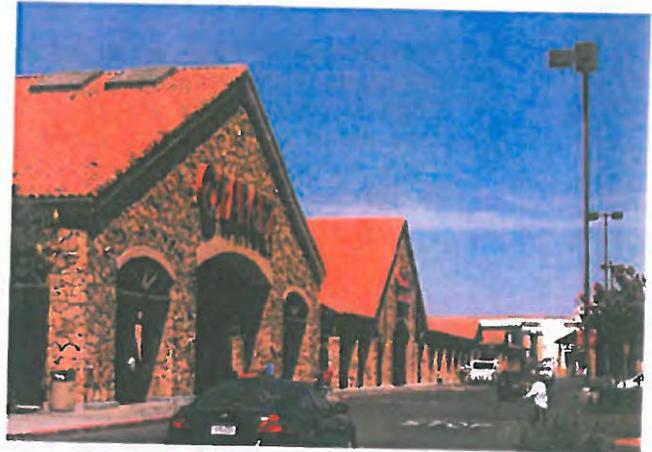
cc: On the following page

Mr. John Duckett
May 2, 2014
Page 2

cc: Ms. Laura Redwine, Finance Director, City of Shasta Lake
Ms. Sheri Jenkins, Managing Accountant Auditor, Shasta County
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State
Controller's Office
California State Controller's Office

KATZ KIRKPATRICK PROPERTIES

A SHOPPING CENTER
DEVELOPMENT, LEASING
&
MANAGEMENT COMPANY



3300 Douglas Blvd., Suite #385, Roseville, CA 95661
Phone: (916) 780-6670 / Fax: (916) 780-6746



KATZ KIRKPATRICK PROPERTIES

3300 Douglas Boulevard, Suite 385

Roseville, CA 95661

Firm Overview

The vast experience and resources of Katz Kirkpatrick Properties' principals have resulted in the development of nearly 50 neighborhood and community shopping centers that consistently outperform other centers in customer traffic and sales volume.

Through the operation of its office in Roseville, California, each principal plays an integral role in the development process. Every development activity is initiated only after the unanimous approval of the principals. Each principal oversees specific development related activities. The principals' understanding of specific market and tenant needs is complemented by an experienced and knowledgeable staff of top industry professionals. The combined talent, ideals and motivation of these individuals has led to the establishment of a premier development organization.

Katz Kirkpatrick Properties' proficiency in site selection, design, construction coordination and governmental approval processing continues to attract many of the nation's leading market, drug and consumer product retailers. Major tenants of Katz Kirkpatrick Properties include: Albertson's; Longs Drugs; Raley's Supermarket and Drug Center; Rite-Aid; Safeway; Save Mart; Shopko; Target; Wal-Mart and others.

The Company's ability to attract high profile anchor tenants is an asset enjoyed by all occupants of their centers. Both large and small tenants who have made the decision to locate in the shopping centers developed by the principals of Katz Kirkpatrick Properties have come to realize and appreciate their competitive advantage. They recognize the value of a positive retail environment and return again and again to the principals of Katz Kirkpatrick Properties to satisfy their expansion needs.

Katz Kirkpatrick Properties are committed to providing retail tenants with the finest neighborhood and community shopping centers in the most desirable locations. The Company's demonstrated success is attributable to an acute understanding of location and design requirements and in-depth knowledge of tenant needs.

Comprehensive planning precedes all of the Company's development activities. Each facet of the building process is thoroughly reviewed by each principal independently, then collectively, to insure that the completed shopping center meets the high standards established by Katz Kirkpatrick Properties and their tenants. The overall architectural design of the center, from parking facilities to exterior facades, receives detailed attention in an effort to achieve maximum efficiency, convenience and aesthetic appeal. Careful focus on budgets and schedules have also helped the Company establish an enviable track record for completion of shopping centers on time and within budget.

In addition to designing and constructing their centers, the principals of Katz Kirkpatrick Properties maintain a strong commitment to the projects in their portfolio through their own property management program. This comprehensive program encompasses a variety of activities associated with day-to-day and long term maintenance requirements, as well as tenant relations.

Since 1978 the principals of Katz Kirkpatrick Properties have applied their experience and resources to the development of shopping centers that coincide with the needs of both retailers and communities. And in this era of rapidly changing market and tenant needs, the Company has adopted programs to monitor changes throughout the industry. The companies' ability to react to changes in the market will continue to solidify their position at the forefront of the industry. Furthermore, it will insure the continued success of their projects in the decades to follow.



KATZ KIRKPATRICK PROPERTIES

Fred M. Katz

Principal

As a general partner for The FHK Companies and as a principal of Katz Kirkpatrick Properties, Fred Katz operates the firm's Roseville, California production office for the development, management and leasing of shopping centers. In this capacity since 1978, Mr. Katz directs all demographic analyses, economic feasibility studies, property acquisitions, governmental approval processing and the design and construction of new shopping centers. Additionally, he is responsible for negotiating and implementing all contractual agreements with major tenants. The Roseville office also oversees the leasing and property management activities for the company's portfolio of shopping centers.

Upon graduating Cum Laude from the University of California at Berkeley in 1972, Mr. Katz quickly turned his efforts towards building a successful career. Prior to founding the FHK Companies in 1978, Mr. Katz held various real estate development positions within the Safeway Stores organization. He first worked as a real estate analyst for Safeway's corporate headquarters in Oakland, California, then as a real estate representative for Safeway's Sacramento Division. He then moved to Southern California to serve as real estate manager for Safeway's Los Angeles Division. Mr. Katz's tenure and success at these positions provided him with a detailed understanding of the development process.

Over the past twenty-five years in shopping center development Mr. Katz has developed more than thirty shopping centers including more than three million square feet of buildings. This comprehensive experience continues to serve as a significant asset for The FHK Companies and Katz Kirkpatrick Properties.



KATZ KIRKPATRICK PROPERTIES

Steve Kirkpatrick

Principal

Steve Kirkpatrick received his Bachelors Degree from University of California at Irvine in 1974. He attended Loyola Law School in Los Angeles where he received his law degree in 1978. He has been a member of the California Bar Association since 1978.

Mr. Kirkpatrick joined The FHK Companies in early 1979 and has acted as its' General Counsel since that time. Mr. Kirkpatrick became a general partner of FHK in early 1990's and a principal of Katz Kirkpatrick Properties in 2005. He also acts as General Counsel and General Manager of two associated Southern California shopping center development and management companies which own approximately twenty five shopping centers located in Southern California and Nevada.

Over the last twenty five years Mr. Kirkpatrick has handled all legal aspects of shopping center development including ground up development, investment acquisitions, Community Redevelopment Agency projects, leasing, financing, construction and sales. He has also represented borrowers on more than one hundred construction and permanent loans. He has handled all legal, accounting, regulatory, and financial aspects of the development of more than sixty commercial shopping center projects (he has been a principal in about one half of these projects) and has overseen the management of more than fifty shopping centers.

Completed Projects (CP) and Projects Under Development (UD)

Albuquerque, NM (CP) NWC Paseo Del Norte & Ventura	Raley's Supermarket, Retail Shops, Pads	48,000
Anderson, CA (CP) SWC I-5 and Rhonda Road	Wal-Mart, Retail Shops, Pads	250,000
Angels Camp, CA (CP) NWC Hwy 49 and Hwy 4 (Phase I)	Longs Drugs, Retail Shops, Pads	50,000
Chico, CA (CP) NEC East and Mariposa	Safeway, Retail Shops	100,000
Corning, CA (CP) NEC I-5 and Solano	Safeway, Rite Aid, Retail Shops, Pad	55,000
E. Elk Grove, CA (CP) NEC Elk Grove Blvd and Waterman	Bel-Air Supermarket, Retail Shops	67,000
Elk Grove, CA (CP) NEC Hwy 99 and Elk Grove Blvd.	Big Lots, Longs Drugs, Retail Shops, Pads	100,000
Farmington, NM (CP) NWC E. 20 th and Sullivan	Furr's Supermarket	50,000
Fortuna, CA (UD) Hwy 101 and Kenmar	Processing Entitlements Wal-Mart, Lowes	650,000
Jackson, CA (CP) NWC Hwy 49 and French Bar Road	Longs Drugs, Cost Less Foods, Retail Shops, Pads	96,000
Jackson, CA (CP) NWC Hwy 49 and Clinton Road	Raley's Supermarket, Retail Shops, Pads	75,000
Kihei, Hawaii (CP) Lipoa & So. Kihei Road	Longs Drugs, Retail Shops	55,000
Lake of the Pines, CA (UD) SEC Hwy 49 and Combie Road	Processing Entitlements Bel-Air Supermarket	99,200
Manteca, CA (CP) SWC Lathrop and Union	Raley's Supermarket, Retail Shops, Pads	100,000
Merced, CA (CP) SEC Yosemite & G Street	Raley's Supermarket, Retail Shops, Pads	103,000
Napa, CA (CP) NWC Imola and Soscol	Target, Raley's Office Depot, Home Depot, Retail Shops, Pads	345,000
Orland, CA (CP) S.R. 32 and 9 th St.	Longs Drug	15,780
Paradise, CA (CP) NEC Clark and Elliot	Safeway, Staples, Retail Shops, Pads	100,000
Paradise, CA (UD) SEC Skyway & Skyway Crossroads	Processing Entitlements	300,000
Pollock Pines, CA (CP) NWC Hwy 50 and Sly Park	Long's Drug Store, Retail Shops, Pads	50,000

Completed Projects (CP) and Projects Under Development (UD)

Red Bluff, CA (CP) NWC Luther and Main	Wal-Mart, Raley's, Retail Shops, Pads	203,000
Redding, CA (CP) NWC Lake Blvd. & N. Market St.	Raley's, Shopko, Retail Shops, Pads	192,000
Reno, NV (CP) NWC Virginia & Del Monte	Shopko, Office Max, Macy's Homestore, Retail Shops, Pads	201,000
Reno, NV (CP) SWC Virginia & Del Monte	Comp USA, Retail Shops, Pads	62,000
Rio Linda, CA (CP) SEC Elkhorn & Rio Linda	Food Source, Retail Shops, Pads	85,000
Sacramento, CA (CP) SEC Power Inn & Gerber	FoodsCo, Retail Shops, Pads	76,000
Santa Rosa, CA (CP) NWC Guerneville Hwy & Fulton	Raley's, Ace Hardware, Retail Shops, Pads	120,000
Shasta Lake, CA (UD)	Rite-Aid, Retail Shops (Under Construction)	23,000
Stockton, CA (CP) SEC March Lane & West Lane	Save Mart, Longs Drug, Retail Shops, Pads	135,000
Truckee, CA (CP) SWC I-80 and Hwy 89	Albertson's, Longs Drug, Retail Shops, Pads	100,000
Turlock, CA (CP) SWC Lander & Linwood	Save Mart, Longs Drug, Retail Shops, Pads	100,000
Woodland, California W. Main Street and West St.	Safeway, Longs Drugs, Retail Shops	80,000

Anderson Market Place

Location: SWC Rhonda and Pleasant Valley Road

City: Anderson

State: California

Full Description: A 208,617 square foot Community Shopping Center anchored by an 183,917 square foot Super Wal-Mart Department Store with a 10,500 square foot retail shops building and available pads.

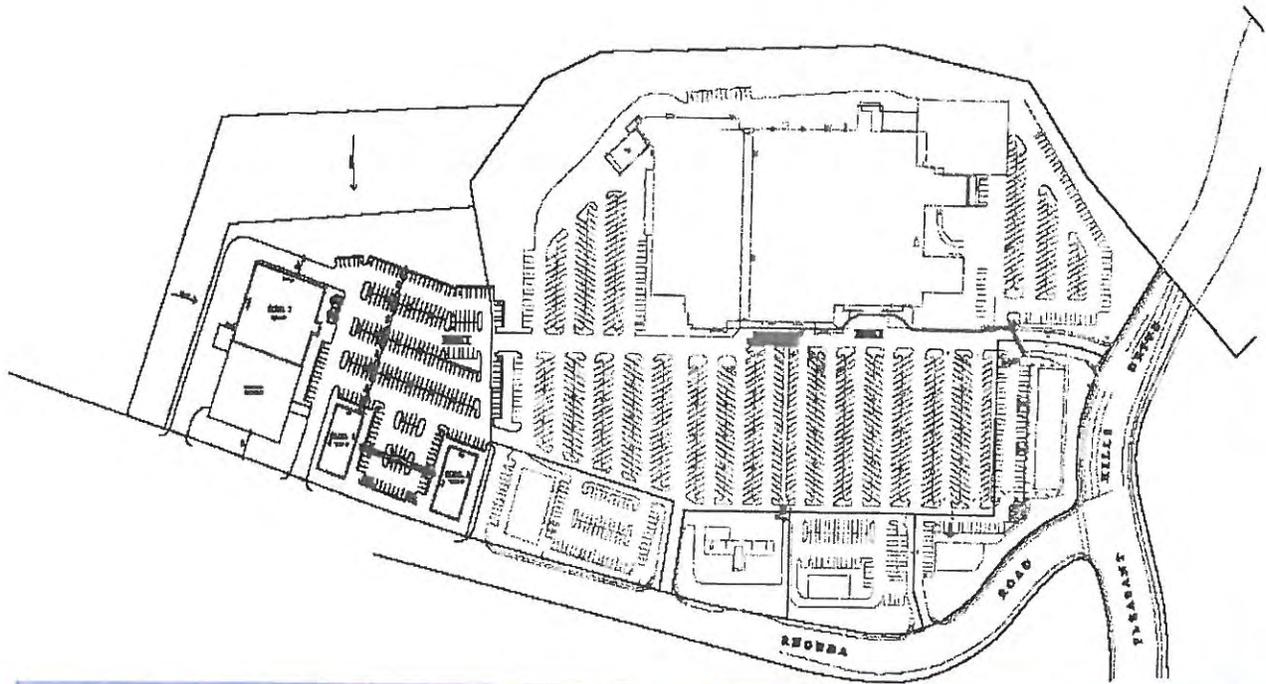
Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with recessed lighting, fixturized handicapped restroom, cement slab floor, finished unpainted walls, electrical outlets, glass store front and doors. Retail shop space is fifty (50) feet deep.

Comments: The Anderson Market Place provides a fabulous opportunity to serve the rapidly growing customer base in the greater Anderson area and South Shasta County. It is ideally located at I-5 and Highway 273 across from the Outlet Factory, which will provide a great destination retail area serving the surrounding counties, local residents and thousands of vacationers who travel through the area throughout the year.

Tenants:

- Luigi's Pizza
- Allied Cash Advance
- Art Nails
- Members 1st Credit Union
- Baja Burrito
- Xpert Hair Cuts
- Australian Hat Outlet

Anderson Market Place



Frog Jump Plaza

Location: NWC Highway 49 and Highway 4
City: Angels Camp **State:** California

Full Description: A 43,145 square foot Shopping Center anchored by a 22,965 square foot Long's Drug Store with a 10,200 square foot retail shops building

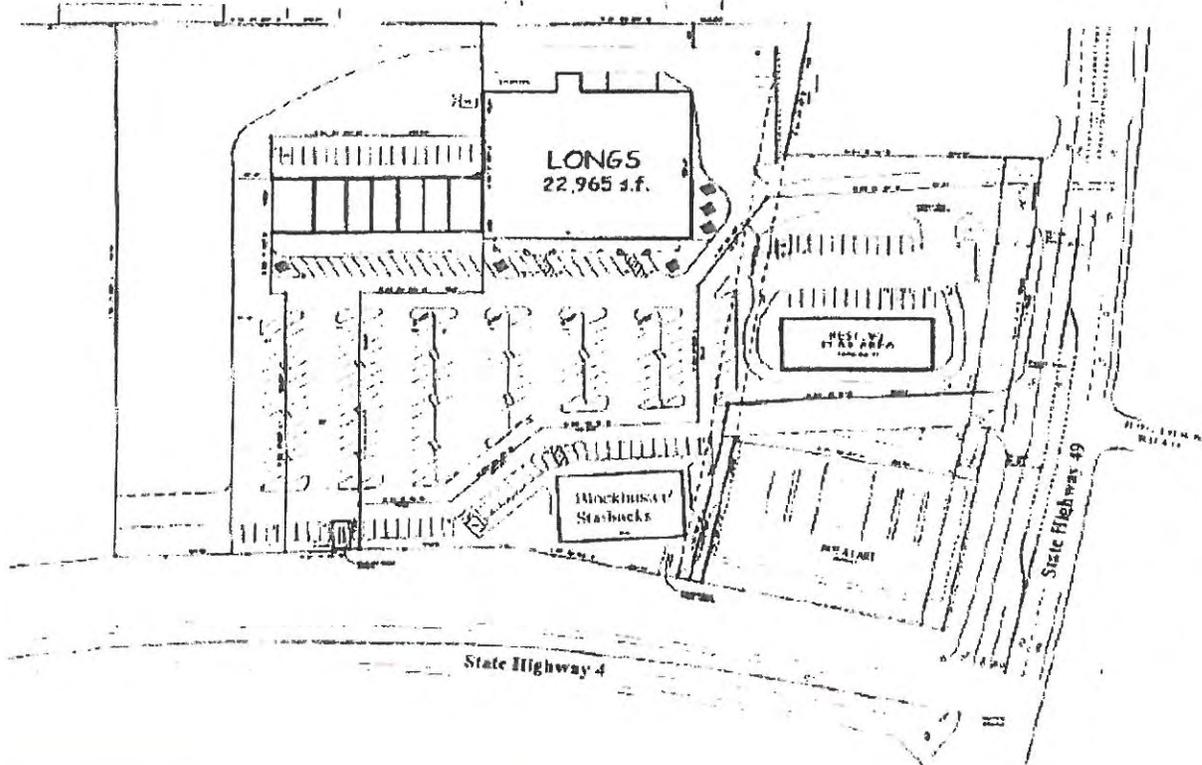
Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with lighting, fixtured restroom, concrete slab floor, finished unpainted walls, electrical outlets, glass store front and doors. Retail shop space is sixty (60) feet deep.

Comments: Frog Jump Plaza Shopping Center is designed to serve the needs of the local residents plus the thousands of vacationers who come through the area throughout the year. Highway 4 is the primary road leading up to the Bear Valley Ski Resort and is ideally located on Highway 49 with excellent ingress and egress. In addition to Long's, Blockbuster and Starbucks provide an excellent customer draw for this trade area. Also, in Phase 2 of Frog Jump Plaza there will be a proposed Discount Department Store consisting of 129,885 square feet and a proposed Market consisting of 66,603 square feet. There will also be two pads, one being 4,300 square foot build able and the second consisting of 3,600 square foot build able.

Tenants:

- Subway
- Capital Wireless
- La Hacienda Mexican Restaurant
- Far East Chinese Restaurant
- Central State Credit Union
- State Farm

Frog Jump Plaza



Waterman Plaza

Location: NEC Elk Grove Blvd. and Waterman Road

City: Elk Grove

State: California

Full Description: A 54,143 square foot neighborhood Shopping Center which is anchored by a 46,613 square foot Bel Air Grocery Store.

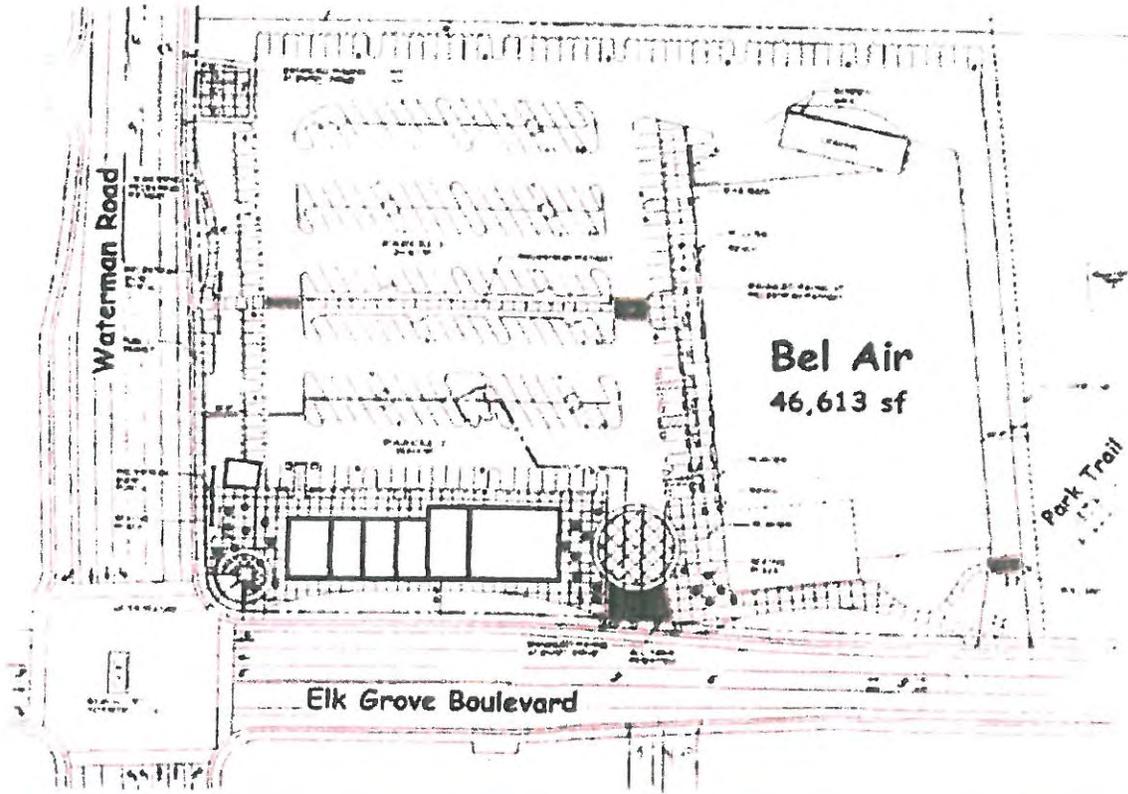
Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with lighting, fixturized restroom, concrete slab floor, finished unpainted walls, electrical outlets, glass store front and doors. Retail shop space range from 40 to 50 feet deep.

Comments: This shopping center is located in the heart of old town Elk Grove with a high number of new homes being built within a mile of the center. The anchor tenant (Bel Air) creates a significant draw for the retail shops and the pedestrian oriented theme will create a considerable amount of patrons throughout the day.

Tenants:

- It's A Grind
- Cold Stone Creamery
- Swanson Cleaners
- Platinum Nails
- Great Clips
- El Jardin Mexican Restaurant
- Safe Credit Union ATM

Waterman Plaza



South Napa Market Place

Location: NWC Imola and Soscol

City: Napa **State:** California

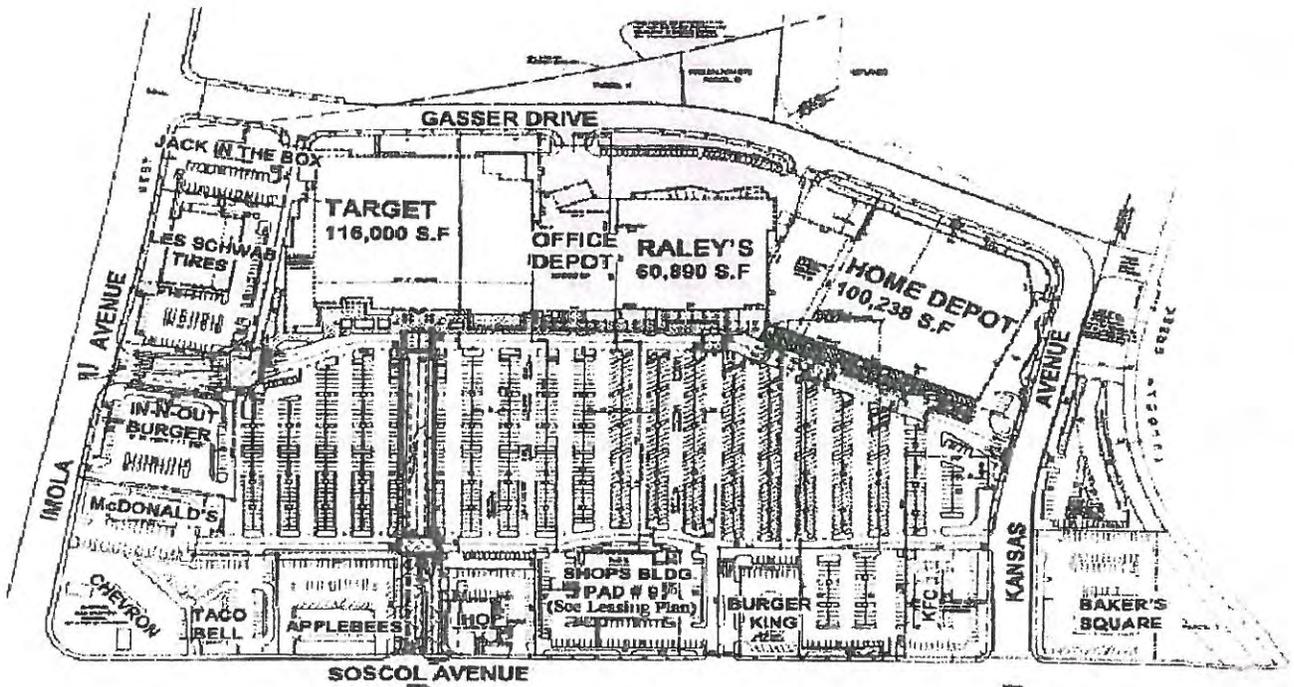
Full Description: A 323,000 square foot community shopping center anchored by a 116,000 square foot Target Department Store, 100,000 square foot Home Depot, a 60,000 square foot Raley's Supermarket, a 30,000 square foot Office Depot

Comments: This Shopping Center is located at the intersection of two state highways, and is the only promotional power center serving Napa and Sonoma Counties.

Tenants:

- Jamba Juice
- Crescent Jewelers
- Great Clips
- Park Place Cleaners
- Baskin Robbins / Togos
- Starbucks
- Cellular World Inc
- Panda Express
- Washington Mutual Bank
- Jack In The Box
- Les Schwab Tires
- In-N-Out
- McDonalds
- Chevron
- Taco Bell
- Applebees
- IHOP
- Burger King
- KFC

South Napa Market Place



South Napa Market Place





Orland Longs Center

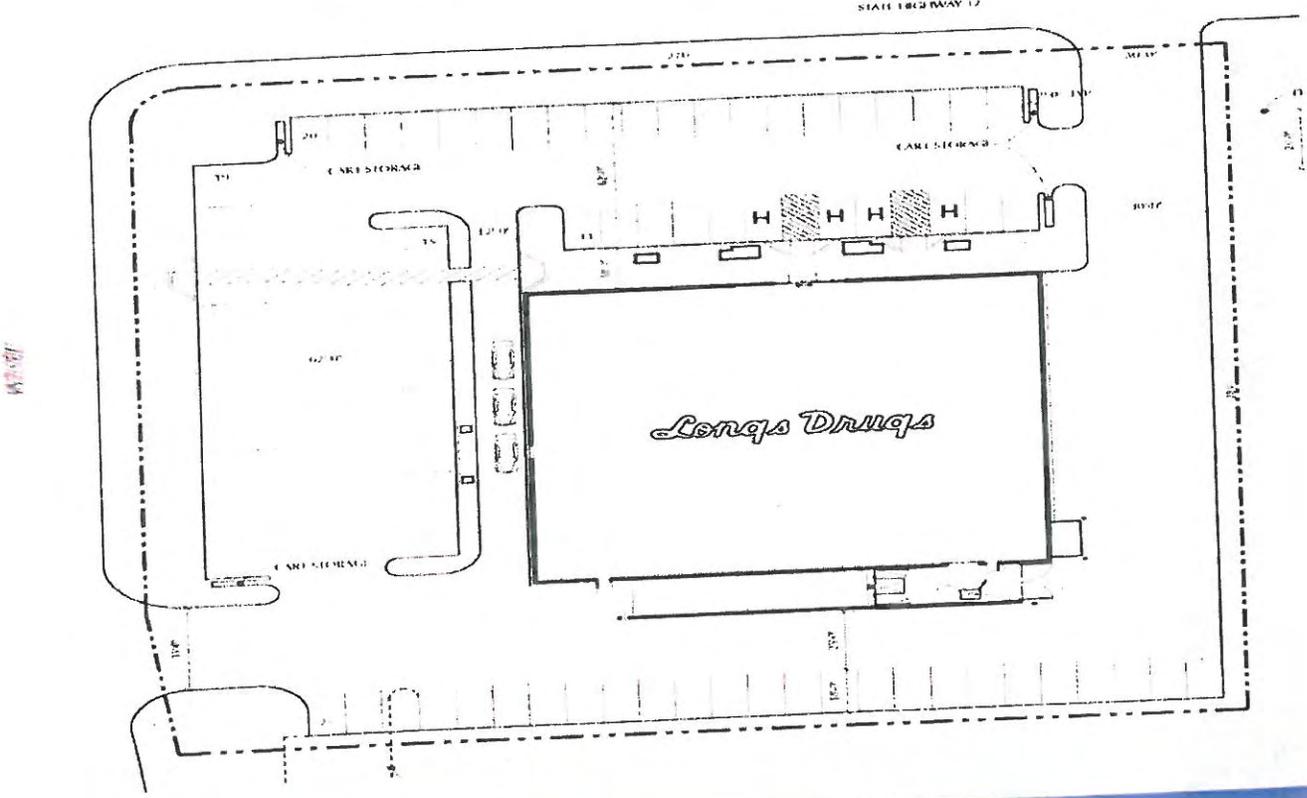
Location: SEC State Route 32 and 9TH Street

City: Orland **State:** California

Full Description: This site consist of a free standing Longs Drug Store. There is a planned 8,000 square foot retail center next door.

Comments: Orland is a bedroom community to Chico with strong residential growth due to the high cost of housing in Chico. Orland has a trade area population of over 20,000. This site is adjacent to I-5 and on SR 32 which is the major arterial from I-5 to Chico and Black Butte Lake. This lake is located 8 miles to the west and attracts over 150,000 visitors a year. Longs is located on the busiest intersection in Orland.

Orland Longs Center



Pony Express Shopping Center

Location: NWC Highway 50 and Sly Park Road
City: Pollock Pines **State:** California

Full Description: A 50,000 square foot Shopping Center anchored by a Longs Drug Store and located next door to the existing Safeway Supermarket. Pad tenants include Taco Bell, El Dorado Savings and Kragen. There is a total of 12,000 square feet of retail shop space. The minimum store size is 650 square feet and all shops are fifty (50) feet deep.

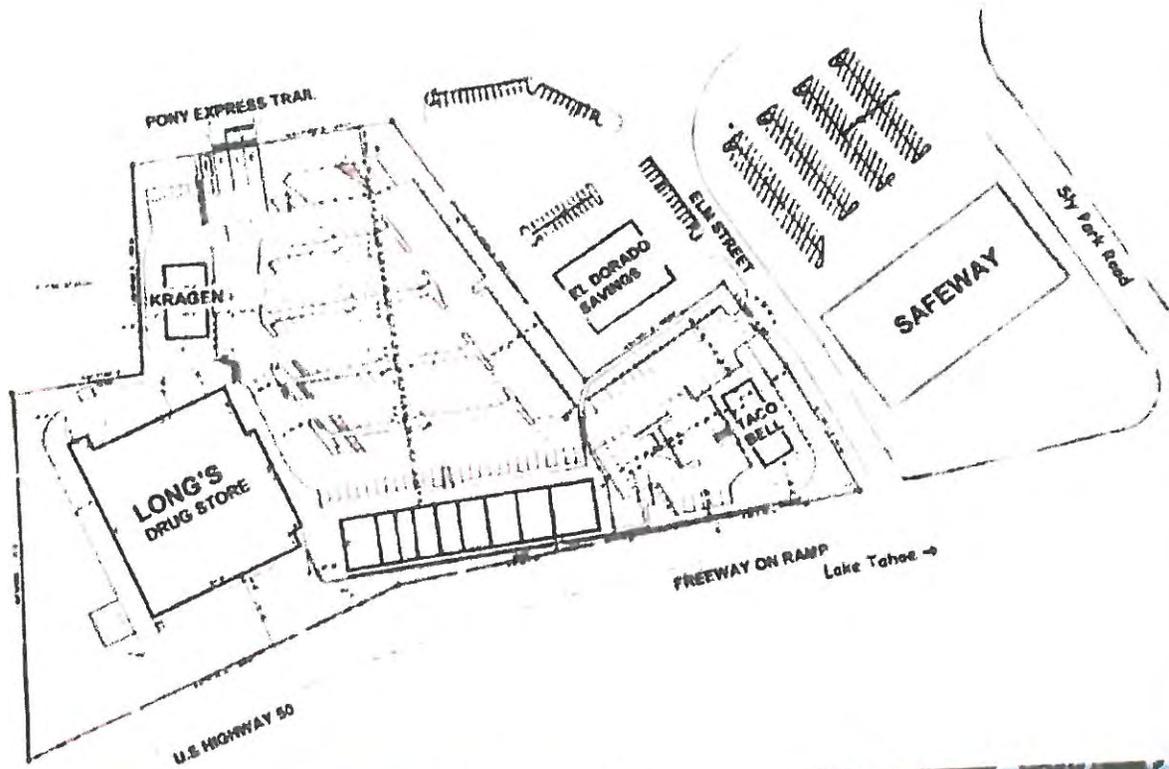
Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with recessed lighting, fixturized restrooms, cement slab floor, finished unpainted walls, electrical outlets, glass store front and doors. Retail shop space is fifty(50) feet deep.

Comments: The Pony Express Shopping Center and the adjacent Safeway supermarket provide the only anchor tenant shopping opportunities on the Highway 50 corridor between Placerville and South Lake Tahoe. The 27,756 square foot Longs Drug Store has consistently exceeded it's volume projections, and is creating tremendous traffic and potential business for the retail shop merchants in the center. The center benefits from a large, freeway visible pylon sign which help capture the seasonal and weekend traffic on Highway 50.

Tenants:

- Burger Shack
- Edward Jones
- Curves for Women
- Unique Nails
- Manley's Jewelers
- Re/Max Gold
- Lee's Pak n Ship
- C & T's Restaurant
- Kragen

Pony Express Shopping Center



Red Bluff Shopping Center

Location: NWC South Main Street and Luther Road

City: Red Bluff

State: California

Full Description: A 203,411 square foot Community Shopping Center anchored by a Wal-Mart Department Store and a Raley's Super Store (Food Market and Drug Center). Other notable tenants include Radio Shack, Big O Tires, Blockbuster Video, Jack In The Box, Arby's chevron and Payless Shoes.

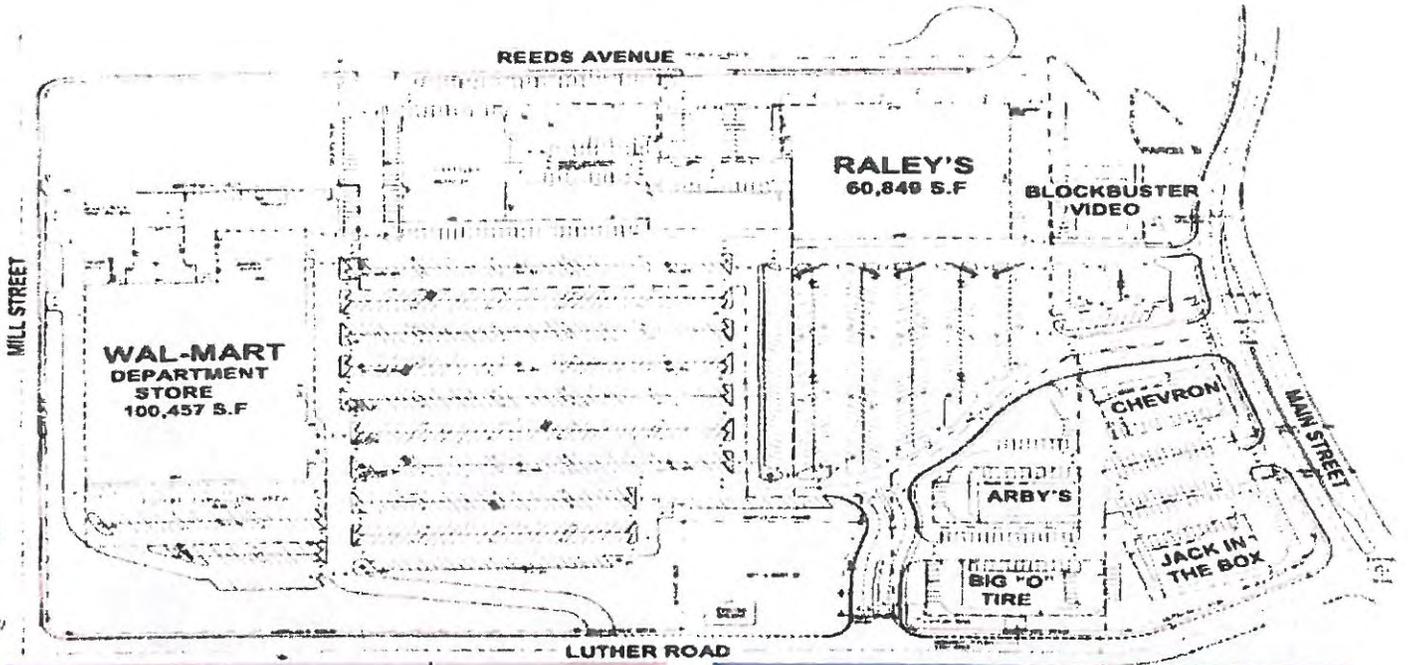
Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with recessed lighting, fixturized handicapped restroom, concrete slab floor, finished unpainted walls, electrical outlets, glass store front and doors. Retail shop space is sixty (60) feet deep and ranged in size from 760 square feet to 3,000 square feet.

Comments: The Red Bluff Shopping Center provides a fabulous opportunity to serve the rapidly growing customer base in the greater Red Bluff area and the entire County of Tehama. The Red Bluff Shopping Center is the largest shopping center in Tehama county, and provides excellent regional drawing power.

Tenants:

- Payless ShoeSource
- Crescent Jewelers
- Marcianna's Restaurant
- ABC Chinese Restaurant
- Check-X-Change
- General Nutrition (GNC)
- Pizza Hut
- Yogurt Alley
- Radio Shack
- California Haircut
- Papa Murphy's Pizza
- Edward Jones
- Top Nails
- American General Finance
- Big O Tires
- Arby's
- Jack In The Box

Red Bluff Shopping Center



Red Bluff Shopping Center



North Point Plaza

Location: NWC Lake Boulevard and North Market Street

City: Redding **State:** California

Full Description: A 192,000 square foot Community Shopping Center anchored by Shopko Department Store and Raley's Market and Drug Center. Pad tenants include Kragen, Carl's Jr. & Arby's. The retail shop store size ranges from 900 square feet to 2,934 square feet.

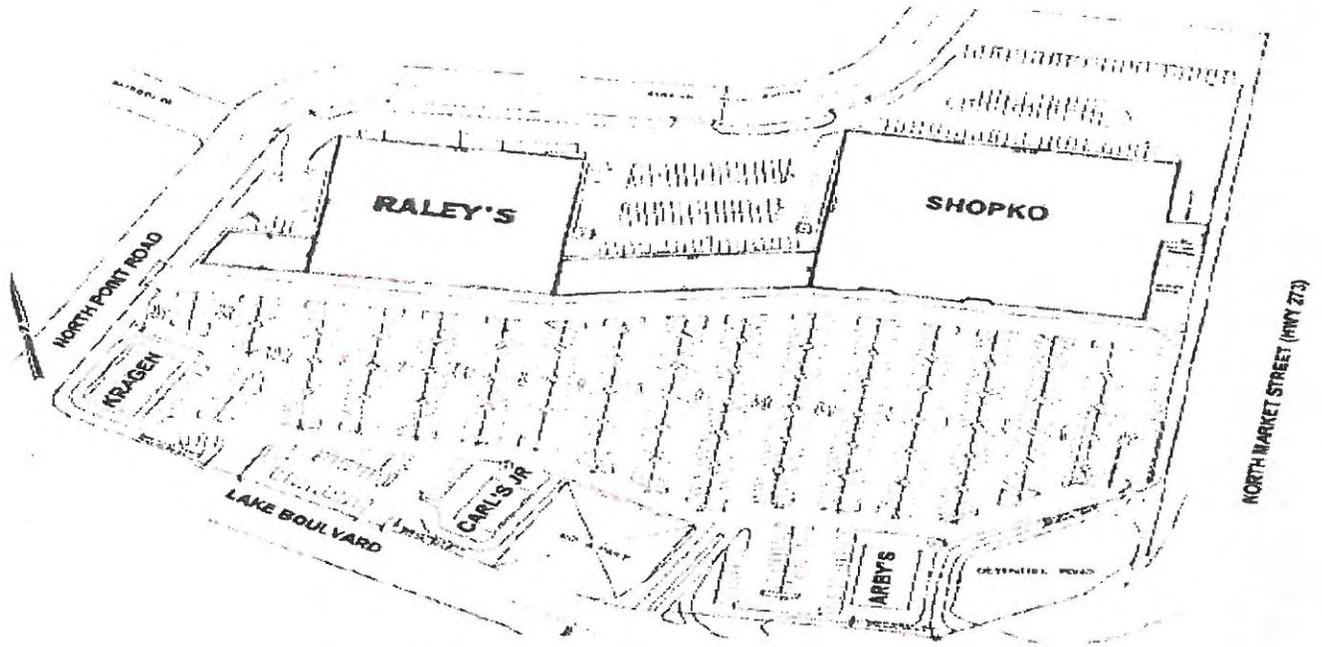
Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with lighting, fixturized restroom, concrete slab floor, finished unpainted walls, electrical outlets, glass store front and doors. Retail shop space is sixty (60) feet deep.

Comments: North Point Plaza provides a great opportunity to service the rapidly growing customer base in the North Area of Redding. The North Point Plaza location is particularly strong due to the high identity on a major intersection and the substantial amount of existing and planned residential growth surrounding the site. Shopko and Raley's provide excellent consumer draws for the center

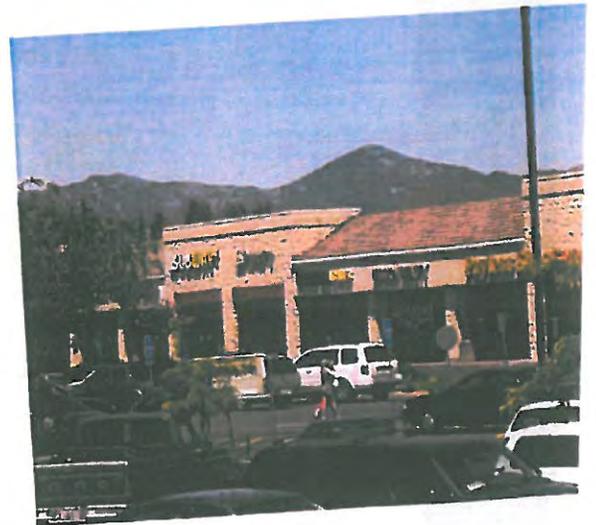
Tenants:

- Payless ShoeSource
- Talk Time Wireless
- Subway
- Annie's Studio / 1 Hour Photo
- Morrison's Warehouse (Available)
- Check Into Cash
- North Point Cleaners
- H & H Laundromat
- Mission Beauty Supply
- Precision Hair Cuts
- H & R Block
- Teriyaki House
- A-Z Nails
- Mail Biz / Cell One
- Papa Murphy's Pizza

North Point Plaza



North Point Plaza



Del Monte Plaza

Location: NWC Neil Road and So. Virginia Street

City: Reno

State: Nevada

Full Description: The Shopping Center is ideally located to serve the rapidly growing high income trade area of South Reno. The location is particularly strong due to the excellent access provided by the full freeway interchange and location on the major intersection of South Virginia Street and Neil Road, coupled with the planned and existing residential growth surrounding the center.

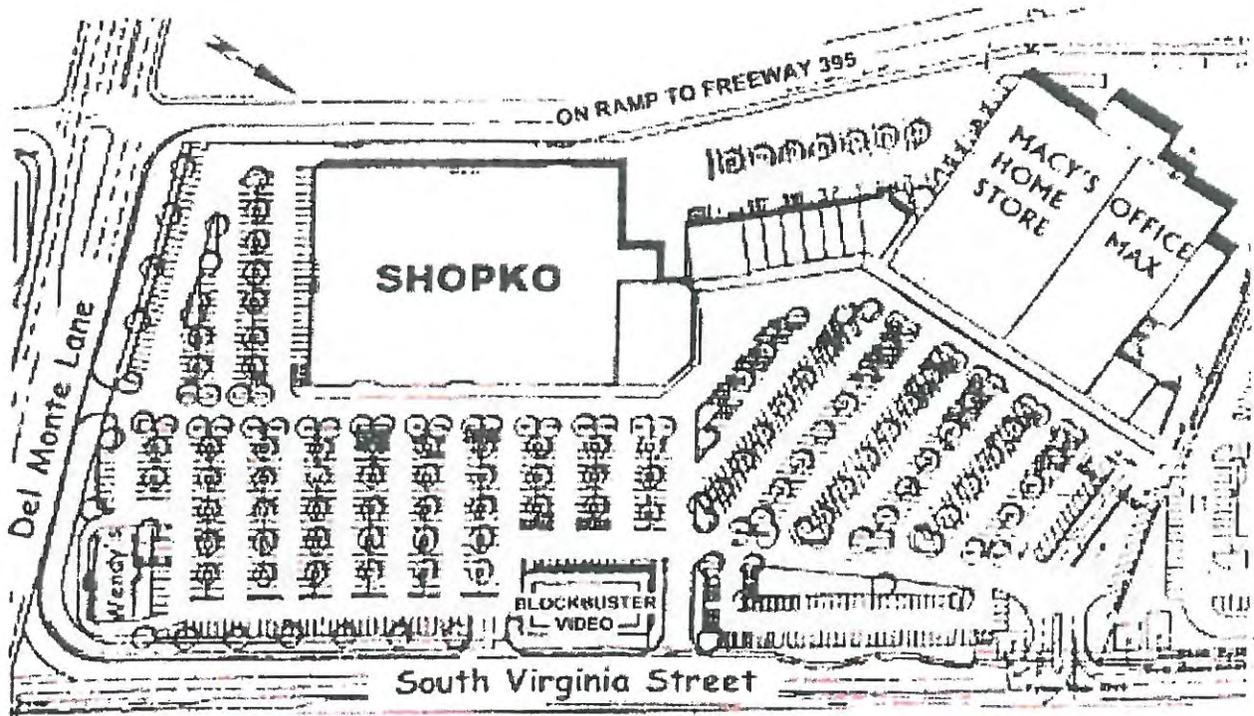
Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with lighting, electrical outlets, glass store front and doors, rear door, bathroom which is to code, and walls ready for paint.

Comments: Del Monte Plaza is a 201,000 square foot shopping center anchored by Shopko, a Macy's Home Store and Office Max. Other tenants include Sally's Beauty Supply, Help-U-Mail, New Balance/Team Sports, Blockbuster and Pizza Hut. The retail shop spaces ranges in size from 900 square feet to 10,550 square feet.

Tenants:

- New Balance/Team Sports
- Carpenter's Music World
- Help-U-Mail
- Paycheck Advance
- Sally's Beauty Supply
- JJ's Cleaners
- Legends All Star Café
- Flair for Hair Salon
- Pizza Hut
- Two Guys from Hong Kong
- Mattress Store
- Blockbuster Video

Del Monte Plaza



Del Monte Plaza





Rio Linda Plaza

Location: SEC Elkhorn and Rio Linda Blvd
City: Rio Linda **State:** California

Full Description: A 84,00 square foot Shopping Center anchored by a 60,000 square foot Food Source Market. Pad tenants include McDonalds and KFC / A&W.

Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with lighting, fixturized restroom, concrete slab floor, finished unpainted walls, electrical outlets, glass store front and doors. Retail shop space is fifty (50) to sixty (60) feet deep and the spaces range in size from 900 square feet to 4,000 square feet.

Comments: Rio Linda Shopping Center is ideally located to capture the Rio Linda trade area and designed to serve the needs of the local residents. With no other supermarkets within a 3 mile radius, this center will fulfill a strong consumer demand in an untapped market. In addition Food Source will provide an excellent customer draw for this trade area.

Tenants:

- Rio Java Coffeehouse
- Subway
- Advance America
- Hi-Tek Nails
- Villa Fat Restaurant
- Mail Boxes/Key Shop
- Curves for Women
- Lets Talk Phones
- Los Molcajetes
- Cigarette n Tobacco
- Great Clips
- Papa's Pizza
- KFC/A&W
- Safe Credit Union ATM

Del Monte Plaza



Rio Linda Plaza

Location: SEC Elkhorn and Rio Linda Blvd

City: Rio Linda

State: California

Full Description: A 84,00 square foot Shopping Center anchored by a 60,000 square foot Food Source Market. Pad tenants include McDonalds and KFC / A&W.

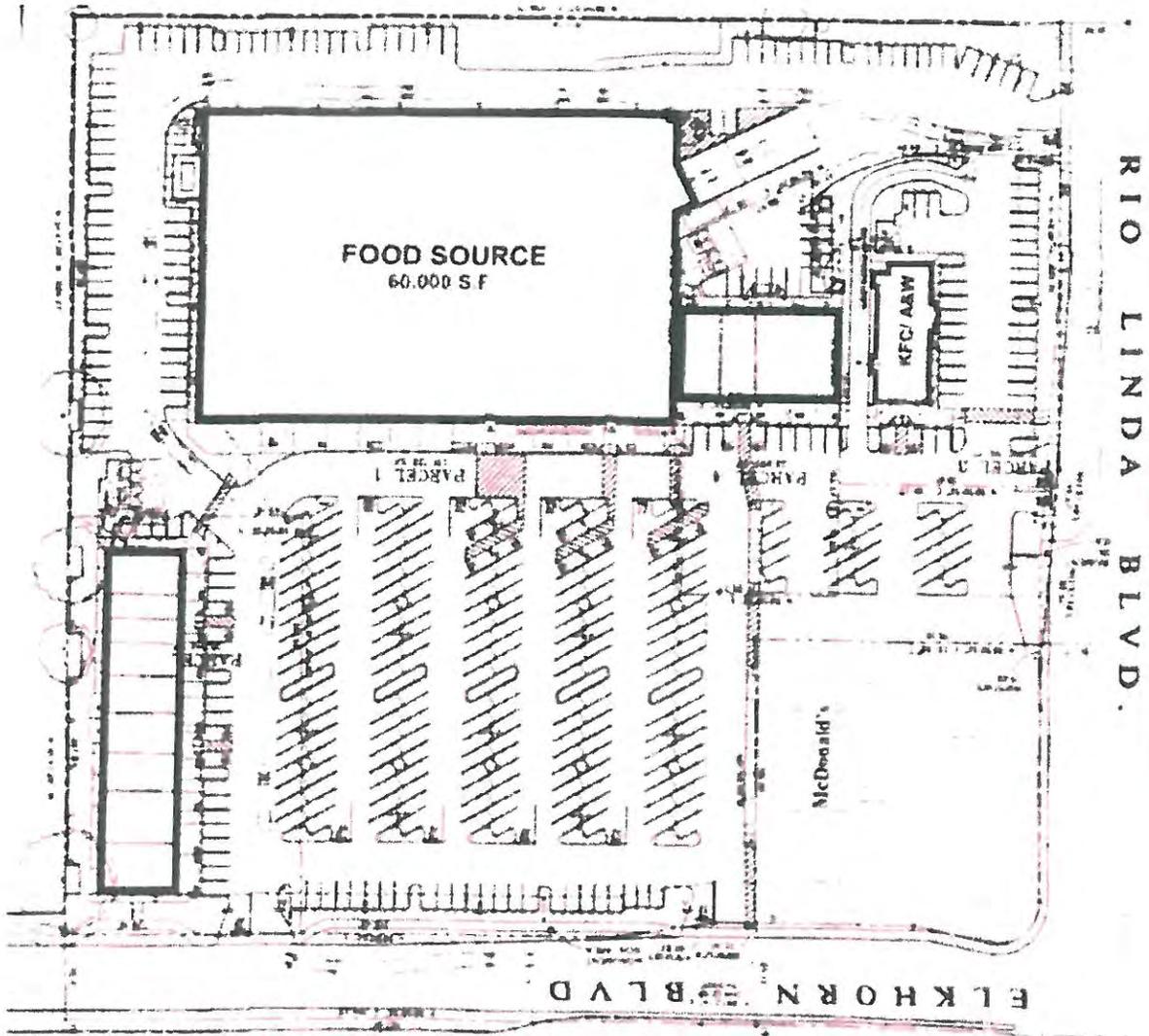
Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with lighting, fixturized restroom, concrete slab floor, finished unpainted walls, electrical outlets, glass store front and doors. Retail shop space is fifty (50) to sixty (60) feet deep and the spaces range in size from 900 square feet to 4,000 square feet.

Comments: Rio Linda Shopping Center is ideally located to capture the Rio Linda trade area and designed to serve the needs of the local residents. With no other supermarkets within a 3 mile radius, this center will fulfill a strong consumer demand in an untapped market. In addition Food Source will provide an excellent customer draw for this trade area.

Tenants:

- Rio Java Coffeeshouse
- Subway
- Advance America
- Hi-Tek Nails
- Villa Fat Restaurant
- Mail Boxes/Key Shop
- Curves for Women
- Lets Talk Phones
- Los Molcajetes
- Cigarette n Tobacco
- Great Clips
- Papa's Pizza
- KFC/A&W
- Safe Credit Union ATM

Rio Linda Plaza



Power Inn Center

Location: SEC of Power Inn and Gerber
City: Sacramento **State:** California

Full Description: A 76,337 square foot community shopping center anchored by Foods Co market and Blockbuster Video. Pad tenants include McDonalds and ARCO AM/PM.

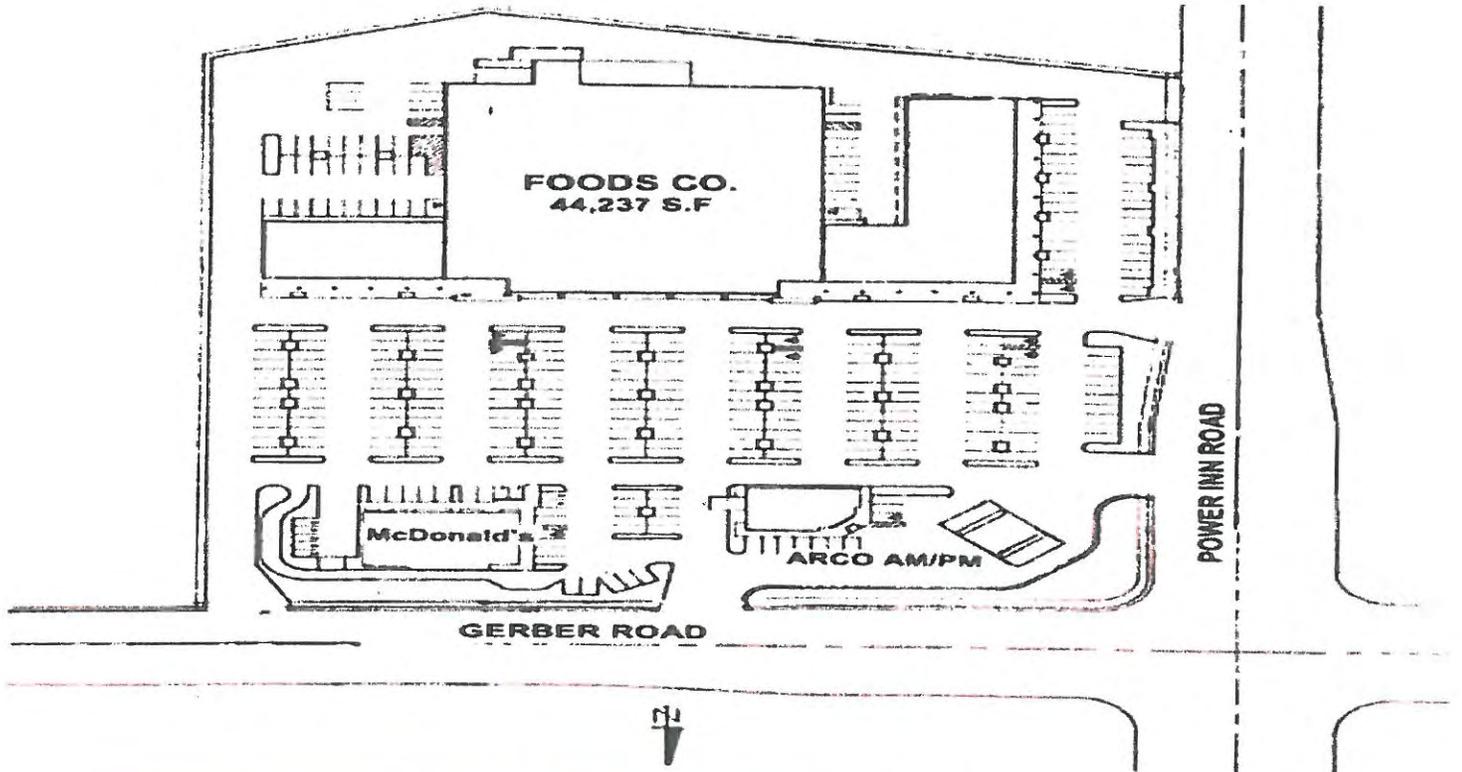
Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with recessed lighting, fixturized restrooms, cement slab floor, finished unpainted walls, electrical outlets, glass store front and doors. Retail shop space is sixty (60) feet deep and ranging in size from 747 square feet to 6,219 square feet.

Comments: Power Inn Center provides an excellent opportunity to serve the rapidly growing customer base in southeast Sacramento. The Power Inn Center is particularly strong due to its location on a major intersection, and a substantial amount of existing and/or planned growth surrounding the site. Food's Co and Blockbuster Video provide excellent consumer draws for the center.

Tenants:

- China Station Restaurant
- Blue Sky Wash & Dry
- Clean N Save Cleaners
- Mobi Fone USA
- Papa Murphy's Pizza
- K.D. Nail
- Hair Pros
- Subway
- Delta Donut Shop
- Blockbuster Video
- Sidewalk Pizza

Power Inn Center



Raley's Fulton Market Place

Location: NWC Guerneville Highway and Fulton Road
City: Santa Rosa **State:** California

Full Description: A 120,000 square foot community Shopping Center anchored by a Raley's Grocery/Drug Store and Ace Hardware. Pad tenants include McDonalds, Taco Bell and IHOP. Shop space sizes vary from 712 square feet to 2500square feet.

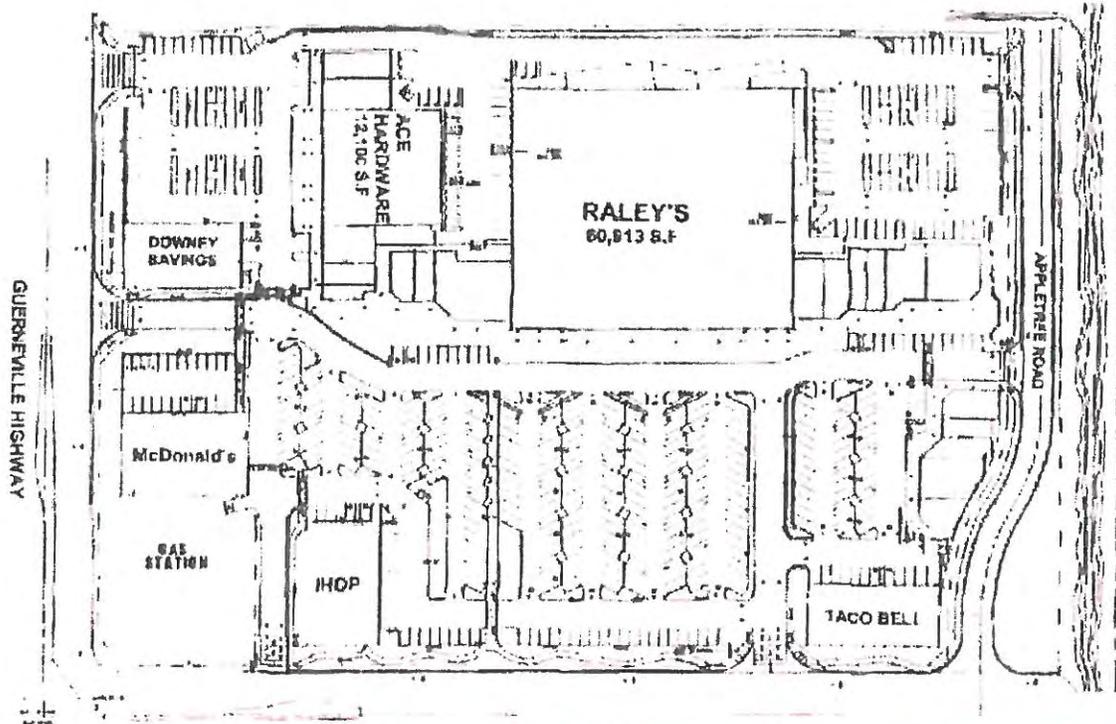
Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with lighting, fixturized restroom, concrete slab floor, finished unpainted walls, electrical outlets, glass store front and doors. Retail shop space is sixty (60) feet deep.

Comments: The Raley's Fulton Market Place is ideally located in the fastest growing residential area of Santa Rosa. In addition to having Raley's as a proven performer and major draw to the site, the excellent access from Guerneville and Fulton Roads ensures substantial customer traffic from well beyond the immediate trade area.

Tenants:

- Animal Farm Pet Store
- May Garden Chinese Restaurant
- State Farm Insurance
- Great Clips
- Oasis Beauty Salon
- Pizza Gourmet
- Fitniks Children's Fitness Center
- Your Family Dentist
- Park Lane Travel
- Mail Center Etc.
- Monarch Cleaners
- Blockbuster
- Subway
- Allied Cash Advance
- Deaf Dog Coffee
- Sunset Barber
- Cigarettes Cheaper
- Village Cafe
- Coil-op Laundry
- Downey Savings

Raley's Fulton Market Place





Shasta Lake Rite Aid Center

Location: Interstate 5 and Cascade Blvd.

City: Shasta Lake **State:** California

Full Description: A 22,278 square foot Neighborhood Center anchored by a 17,278 square foot Rite Aid drug store with a planned Starbucks Coffee occupying a portion of the adjacent 5,000 square foot retail building.

Store Specifications: Interior improvements include heating, air conditioning, acoustical tile ceiling with lighting, fixturized restroom, concrete slab floor, finished unpainted walls, electrical outlets, glass store front and doors. Retail shop space is sixty (60) feet deep.

Comments: The Shasta Rite Center is ideally located adjacent to I-5 and Shasta Dam Road. This is the last retail off-ramp before you visit Lake Shasta which generates over 1.5 million visitors annually. The Center is located at the busiest intersection in Shasta Lake and has a trade area population of approximately 18,000.

Tenants:

- Starbucks Coffee

Shasta Lake Rite Aid Center

