

SUCCESSOR AGENCY CITY OF BRISBANE

OVERSIGHT BOARD MEETING DATE: November 14, 2012

ITEM TITLE: Transfer of Governmental Use Properties

RECOMMENDATION:

Adopt Resolution No. 2012-03 directing transfer of certain properties in Governmental Use to the City of Brisbane and acknowledging ownership of certain assets by the City of Brisbane

BACKGROUND AND PREVIOUS ACTIONS

AB x1 26, as amended by AB 1484 (the "Dissolution Act") stipulates that all of the assets of the former Brisbane Redevelopment Agency are passed by operation of law to a separate public entity known as the Brisbane Successor Agency.

Health and Safety Code Section 34181(a), which is part of the Dissolution Act, states that the Oversight Board may direct the Successor Agency to transfer ownership of assets constructed and used for governmental purposes to the appropriate public jurisdiction.

ANALYSIS

Paragraph 1 of the attached resolution states that the Community Park, the Park & Ride Lot, and the Brisbane Marina are devoted to governmental purposes and public use and directs the transfer and conveyance of legal title to these properties to the City of Brisbane.

Paragraph 2 acknowledges that the Brisbane Redevelopment Agency contributed funds that were used to assist in financing the construction of various improvements on real property owned by the City of Brisbane. The improvements are listed as the Brisbane Fire Station, the Sanitary Lift Station, and improvements constructed at the Brisbane Marina. The resolution acknowledges that as of the time of dissolution these assets were owned by the City of Brisbane and the Redevelopment Agency held no property interest in any of these assets. Consequently, there is nothing to convey to the City with regard to any of these assets.

The Community Park was purchased in 1986 with the Redevelopment Project Area #2 Tax Allocation Bonds, Issue of 1986. The purchase price was \$1,903,862. This debt was retired in 2006.

The Park & Ride lot was purchased in 2004 for \$526,271 funded by Redevelopment Project Area #1 tax increment.

The Marina was a long term development begun around 1979 with funding for BCDC permits and completed in 1984. The City of Brisbane became "trustee" of certain tide and submerged lands (State Granted Lands) September 14, 1982 and amended September 1983. The dredging, breakwater, docks, and buildings were funded with Redevelopment Project Area #1 tax increment.

In 1981 Tax Anticipation Notes were issued to fund the Marina Dredging. In 1982 Leasehold Mortgage Revenue Bonds were issued to Refund the Tax Anticipation Notes and to fund the Berth Construction.

In 1981 Bond Anticipation Notes were issued for the Breakwater Construction.

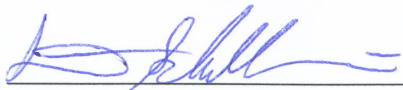
In 1984 the RDA issued Tax Allocation Bonds to refund the Leasehold Mortgage and the Bond Anticipation Notes.

In 2001 the RDA issued bonds to refund the 1984 Tax Allocation Bonds and the 1984 Lease/Leaseback Agreement. The Brisbane Public Financing Authority purchased these bonds and issued the 2001 Series A bonds to the general public using the RDA 1 payments as the source funds to pay off its debt. The amount of the RDA bonds was \$15 million with a 12% interest rate. The Brisbane Financing Authority Bonds were for \$26,300,000 at an interest rate which varied from 4.00% to 6.20%.

The Fire Station was completed in 1991 and the booked cost is \$2,395,422. It was funded with the 1988 Certificates of Participation (COPs). These were refunded with 1995 COPs and again in 2005 with Lease Revenue bonds. The lease revenue is funded with redevelopment tax increment.

Upgrades to the lift stations in the redevelopment area included about \$600,000 from the redevelopment agency in proportion to the estimated use coming from Sierra Point.

None of the properties listed on the resolution are former RDA Housing Fund properties since these are handled through a different process. The RDA Housing Fund went through its Due Diligence Review in September. The Oversight Board approved the findings of the auditor. This was sent to the State Department of Finance for approval. Once they approve the DDR findings then the property in the former RDA Housing Fund will be turned over the City's Housing Authority. These properties will have the same restrictions as they did under the RDA; need to be used for low/moderate housing purposes. If not, then the City would need to purchase them and put the funds into the housing authority. The properties within the old RDA Housing Fund are the current 5 Star Café site (165 Visitacion), the Senior housing project (at the corner of Visitacion and San Francisco), and the Lau property on San Bruno.



Stuart Schillinger
Administrative Services Director

**BRISBANE SUCCESSOR AGENCY
OVERSIGHT BOARD**

RESOLUTION NO. 2012-03

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE BRISBANE
SUCCESSOR AGENCY DIRECTING A TRANSFER OF CERTAIN
PROPERTIES IN GOVERNMENTAL USE TO THE CITY OF
BRISBANE AND ACKNOWLEDGING OWNERSHIP OF CERTAIN
ASSETS BY THE CITY OF BRISBANE**

WHEREAS, pursuant to AB x1 26, as amended by AB 1484 (the "Dissolution Act") all of the assets of the former Brisbane Redevelopment Agency passed by operation of law to a separate public entity known as the Brisbane Successor Agency (the "Successor Agency"); and

WHEREAS, Health and Safety Code Section 34177, which is a part of the Dissolution Act, requires the Successor Agency to dispose of the assets and properties of the former redevelopment agency as directed by the Oversight Board, but the Oversight Board may instead direct the successor agency to transfer ownership of certain assets pursuant to Health and Safety Code Section 34181(a) of the Dissolution Act; and

WHEREAS, Health and Safety Code Section 34181(a) states that the Oversight Board may direct the Successor Agency to transfer ownership of assets constructed and used for governmental purposes to the appropriate public jurisdiction; and

WHEREAS, the Brisbane Redevelopment Agency held legal title to various parcels of real estate having improvements thereon dedicated to public purposes and use; and

WHEREAS, the Brisbane Redevelopment Agency also contributed funds toward the cost of construction or acquisition of certain assets that are now part of permanent improvements located on real estate owned by the City of Brisbane; and

WHEREAS, the Oversight Board has determined that the real estate and assets hereinafter described should be transferred to the City of Brisbane for continuation of the existing public use and operation by the City,

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board of the Brisbane Successor Agency as follows:

1. The Oversight Board finds and determines that the following properties, formerly owned by the Brisbane Redevelopment Agency, are devoted to governmental purposes and public use and the Oversight Board hereby directs the Brisbane Successor Agency to transfer and convey legal title to such properties to the City of Brisbane:

(a) The Community Park bordered by Old County Road and San Francisco Avenue.

(b) The Park and Ride Lot located at the corner of Bayshore Boulevard and Tunnel Avenue.

(c) Shared use parking facilities for the Brisbane Marina generally located at 600 Sierra Point Parkway.

2. The Oversight Board further finds and determines that the Brisbane Redevelopment Agency contributed funds that were utilized to assist in financing the construction of various improvements on real property owned by the City of Brisbane. The Oversight Board acknowledges that the Brisbane Redevelopment Agency received no ownership interest in these properties or any form of lien or encumbrance thereon and all improvements constructed or installed with funds contributed by the Redevelopment Agency became the property of the City of Brisbane. Consequently, no property interest in these assets passed to the Brisbane Successor Agency upon dissolution of the Brisbane Redevelopment Agency. The Oversight Board acknowledges that as of the time of dissolution of the Brisbane Redevelopment Agency, the following assets were owned by the City of Brisbane and there is no property interest in any of these assets that now needs to be disposed of by the Successor Agency:

(a) The Brisbane Fire Station located at 3445 Bayshore Boulevard.

(b) The sanitary sewer lift station generally located at the southeast corner of Bayshore Boulevard and Valley Drive.

(c) The improvements constructed or installed at the Brisbane Marina, including, but not limited to, the Harbor Master building, piers, berths, breakwater, restrooms, parking lots directly adjacent to the Marina, outdoor lighting, sidewalks, trails, and dredged channels.

PAUL SCANNELL, Chair

ADOPTED on November __, 2012, by the Members of the Oversight Board of the Brisbane Successor Agency with the following vote:

AYES:

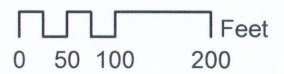
NOES:

ABSENT:

SHERI MARIE SPEDIACCI, Board Secretary



1.a COMMUNITY PARK



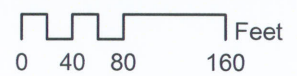


1.b PARK & RIDE



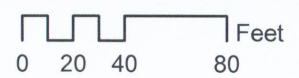


1.c SHARED USE PARKING



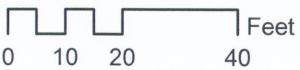


2.a FIRE STATION





2.b VALLEY DRIVE LIFT STATION





2.c MARINA FACILITIES

