Green Valley Corporate Park

Resolution Approving the Sixth Amendment to the Disposition & Development Agreement

- Reduces Liabilities to Taxing Entities
- Increases Net Revenues to Taxing Entities
- Best Interest of Taxing Entities

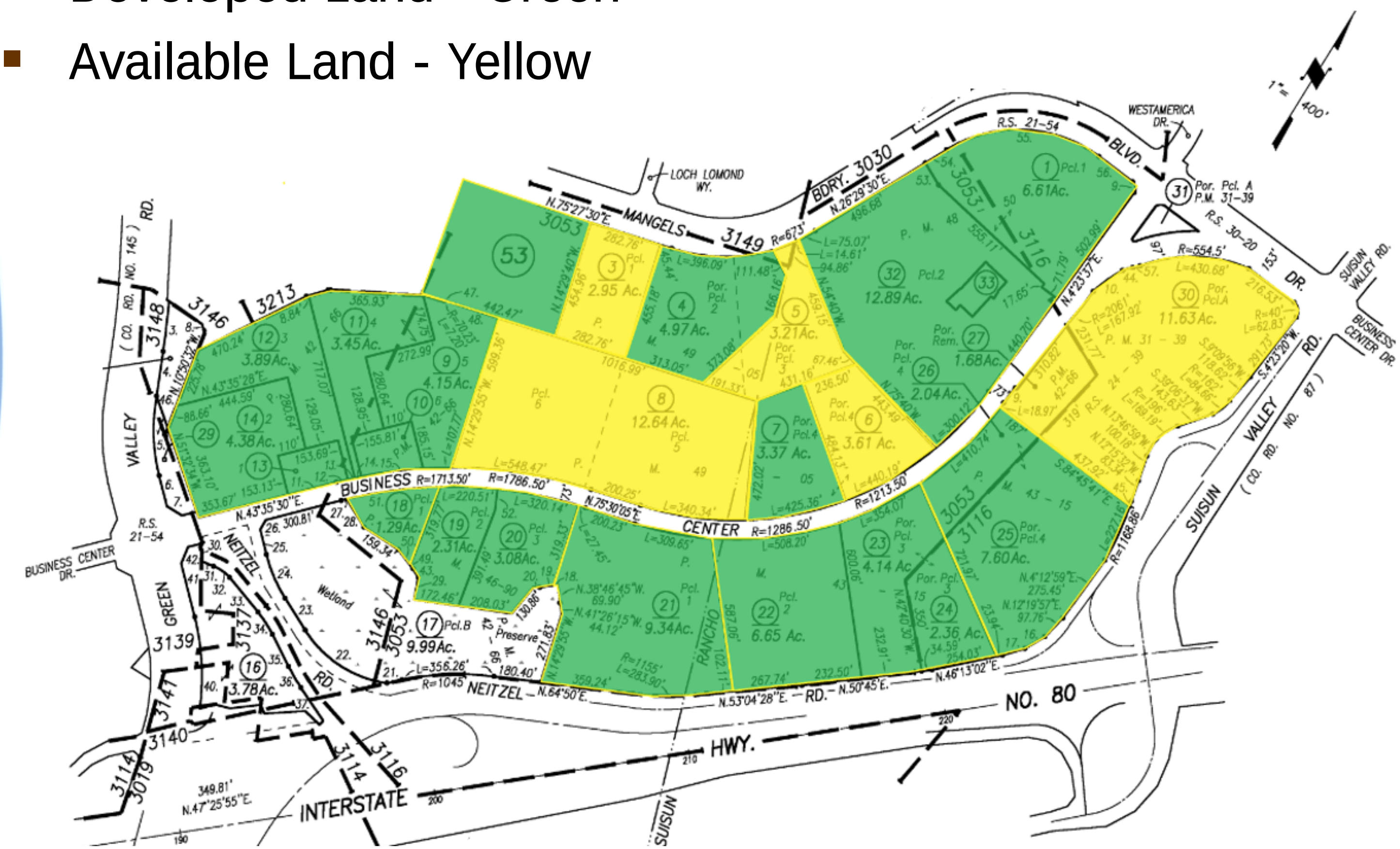
Presented to Solano Consolidated Oversight Board
on August 8, 2019
Fairfield Successor Agency

Background

- **Agreement Formation**
  - Fairfield Redevelopment Agency (RDA) and H.J. Shein, Inc. enter into Disposition and Development Agreement (DDA) in 1999
  - ±109 acres originally owned by RDA
- **Assignments & Amendments**
  - Assigned to Green Valley Land, LLC, Green Valley Building 1, and Green Valley Building 12
  - Amended five previous times in 2000, 2001, 2004, 2011, & 2018
- **Acreage Developed and Available**
  - Developer has acquired and developed over ±70 acres
  - Agency still owns approximately ±35.72 acres

Parcel Map

- Developed Land - Green
- Available Land - Yellow



Oversight Board Authority

- **Health and Safety Code §34181 (e)**
  - Pursuant to HSC section 34181 (e), the Oversight Board may approve amendment to agreements with private parties in order to reduce liabilities and increase net revenue to the taxing entities if it finds the amendment would be in the best interest of the taxing entities

Current Terms of DDA

- **Current Terms**
  - Developer may request change in zoning of ±13.31 acres
  - Zoning Designation: IBP (Industrial Business Park) District
  - Desired Development: Mixed-use consisting of high or very high density residential and commercial/retail building
  - Future Development Condition: Construct no less than 20,000 square feet of commercial/retail space
  - Purchase Price: Shall be <u>GREATER</u> of (i) the market value of the property prior to a change in zoning <u>OR</u> (ii) the market value of the property subsequent to a change in zoning

Proposed Amendment to DDA

- **Proposed Amendment**
  - Desired Development: Modification to include any land use authorized by the City of Fairfield's zoning code, including residential uses
  - Future Development Condition: Modification to eliminate condition to construct no less than 20,000 square feet of commercial/retail space

- **Approval of the amendment will allow for development of any land use authorized by the zoning code without the obligation to construct commercial/retail space**

Benefit to Taxing Entities

- **Reduce Liabilities**
  - Eliminates condition to construct that limits disposition & development
  - Eliminates expenses associated with assessments & maintenance
  - Eliminates diminished value from extended exposure to market
- **Increase Net Revenue**
  - Expedites the sale of land by expanding allowable uses
  - Expedites the sale of land by allowing parties to pursue change in zone
  - Expedites revenues to taxing entities through sale proceeds
  - Expedites development of the property increasing property tax base
- **Best Interest**
  - Eliminates certain use restrictions limiting type of development
  - Increases marketability of property
  - Expedites the disposition and development of the property

DOF Review & Approval

- **Health and Safety Code §34179 (h)**
  - Pursuant to HSC section 34179 (h), the State of California Department of Finance (DOF) may review an Oversight Board action taken
  - Approval of the Amendment is subject to the approval of the State of California Department of Finance (DOF)
  - Actions approved by the Solano County Oversight Board will be submitted to DOF for review and authorization