

RESOLUTION 21-10-CRJPA

A RESOLUTION OF THE BOARD OF THE CARSON RECLAMATION AUTHORITY DECLARING CERTAIN REAL PROPERTY LOCATED AT 20400 S. MAIN STREET IN THE CITY OF CARSON TO BE SURPLUS AND / OR EXEMPT UNDER THE SURPLUS LAND ACT

WHEREAS, the Carson Reclamation Authority (“CRA”) owns certain real property generally located at 20400 S. Main St., in the City of Carson, as shown on Exhibit A attached hereto (the “Property”), consisting of approximately 15 acres of vacant land, which was formerly used as a landfill (i.e., a part of the former Cal-Compact Landfill, which consists of 157 acres overall, as shown on Exhibit B attached hereto); and

WHEREAS, the Surplus Land Act (Government Code section 54220 *et seq.*, as amended on January 1, 2020, the “Act”), applies when a local agency, including the CRA, disposes of “surplus land”, as that term is defined in Government Code section 54221; and

WHEREAS, AB 1486 significantly expanded amended the Act to provide, among other revisions, that land owned by a local agency must be declared either “surplus land” or “exempt surplus land” before a local agency may take action to dispose of it; and

WHEREAS, the Property falls within the definition of “surplus land” under AB 1486; and

WHEREAS, in order to pursue new uses for the Property, including the possible disposition through a sale or lease of the Property, the CRA seeks to declare the Property as “surplus land” pursuant to the Act; and

WHEREAS, pursuant to the Act, CRA staff shall send a written notice of availability (“NOA”) of the Property by electronic mail or by certified mail to all of the entities identified in Government Code Section 54222 (the “Required Notice Entity(ies)”) and otherwise comply with the process requirements under the Act for the disposition of the Property; and

WHEREAS, subject to Government Code Section 54227, if one or more of the Required Notice Entities desires to purchase or lease the Property after having received notice, it must indicate its interest to do so in writing within 60 days of receiving the NOA, and the CRA and the Required Notice Entity(ies) so responding to the NOA shall negotiate the price and terms for the disposition of the Property in accordance with the process requirements under the Act; and

WHEREAS, the Property currently does not currently constitute a legally developable parcel, since it forms a part of the overall 157 acre site owned by the CRA (constituting the former Cal-Compact Landfill, defined herein as the “157 Acre Site” and shown on Exhibit B attached hereto), and therefore, any proposed developer / purchaser of the Property will be required to parcelize the Property (the “Parcelization Requirement”) prior to acquisition in accordance with the requirements under the Subdivision Map Act (however, the 157 Acre Site

has been vertically subdivided into a surface lot (the “Surface Lot”) and a subsurface lot (the “Subsurface Lot”), which lots are referenced as Parcel 1 (Subsurface Lot) and Parcel 2 (Surface Lot) of Parcel Map No. 70372 (per map filed in Book 377 Pages 76-89, inclusive, of maps in the Office of the County Recorder for Los Angeles County (the “Official Records”), and thus, the purchaser / developer of the Property shall only be required to acquire the Surface Lot of the Property following the Parcelization Requirement; the CRA shall retain the Subsurface Lot of the Property); and

WHEREAS, other portions of the 157 Acre Site, including the former landfill cells referenced under the RAP (defined below) as Cells 2, 3, 4, and 5 (the “Additional Landfill Property”), are exempt under the Act pursuant to Government Code Section 54221(f)(1)(G) pursuant to the fact that there are legal restrictions imposed upon such Cells pursuant to the MAPO (as defined below) which prohibit residential development thereon; and

WHEREAS, the Property (together with the rest of the 157 Acre Site) was operated as a landfill prior to the incorporation of the City in 1968. As a result, the Property has serious soil and groundwater contamination that requires remediation and the waste and poorly compacted soils require various improvements to allow for any vertical development, which improvements include, without limitation, the installation of remedial systems, piles and pile caps, vaults, structural sub-foundation systems, structural slab foundations, building protection systems, under-slab utilities, and others. Since the closure of landfill operations in 1965 the 157 Acre Site has remained undeveloped, despite various development proposals and transfers of the 157 Acre Site to different developers each of whom were ultimately unable to develop the site due to the substantial costs of, and liability for, the environmental cleanup required to enable the 157 Acre Site to be developed; and

WHEREAS, on October 25, 1995, the California Department of Toxic Substances Control (“DTSC”) approved a remedial action plan (the “RAP”) for portions of the 157 Acre Site, which RAP requires the installation, operation and maintenance of the Remedial Systems (as defined below). In addition to the RAP, certain Consent Decrees were issued for the 157 Acre Site by DTSC in December 1995, October 2000, and January 2004 in order to resolve claims made regarding the resolution of the contamination issues afflicting the 157 Acre Site (the “Consent Decrees”); the 1995 Consent Decree still applies to the remedial obligations for the Upper Operable Unit of the 157 Acre Site and any vertical development of the Property. In addition, the development of the 157 Acre Site is subject to the terms and conditions set forth in that certain document entitled Management Approach to Phased Occupancy (File No. 01215078.02), approved by DTSC in April 2018 (the “MAPO”) and that certain letter regarding phased development matters, issued by DTSC to the Authority, dated October 17, 2017 (the “Phased Development Letter”), each of which allow for phased development and occupancy of each Cell rather than the overall Site as a whole. DTSC also entered into a Compliance Framework Agreement, dated as of September 28, 2006, with the former Site owner, Carson Marketplace LLC (“CM”), as amended by the First Amendment to Compliance Framework Agreement dated as of December 31, 2007 (as so amended, the “CFA”) for the purpose of setting forth a plan for addressing the environmental conditions afflicting the 157 Acre Site, and to establish financial assurances for the implementation of the RAP, including long-term operation and maintenance of the Remedial Systems. The CFA continues to be binding on the 157 Acre Site and any owner / developer of such site; and

WHEREAS, all such regulatory requirements described above (in addition to the Parcelization Requirement, are collectively referred to herein as the “Landfill Development Requirements”) shall be detailed in the NOA; and

WHEREAS, the need for the CRA to detail these responsibilities under the NOA and subject negotiations with any Required Notice Entity to such requirements (among others) is due to the fact that that CRA does not have the funds necessary to pay for all such costs and responsibilities that are necessary to enable any vertical development of the Property (based on the Landfill Development Requirements), which are regulatory requirements imposed on any owner of the 157 Acre Site (including the Property). Instead, the CRA, could alternatively choose to simply cap off the former landfill in accordance with DTSC requirements and close the Property without any vertical development thereon as its essential function and duty; however, it seeks to negotiate with a potential developer who could vertically develop the Property with a project that generates sufficient revenue to pay for the substantial costs of developing a project on a former landfill and pay for the costs of the remedial systems and operations and maintenance associated therewith; and

WHEREAS, the Board of the CRA now desires to declare the Property as surplus and to offer and initiate the sale of the Property.

NOW, THEREFORE, THE BOARD OF THE CARSON RECLAMATION AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The recitals above are true and correct.

Section 2. Based on the above recitals, the CRA Board finds and declares the Property to be surplus land, and declares its intention to offer the Property for sale in accordance with Government Code Section 54220, *et seq.*

Section 3. Based on the above recitals, the CRA Board finds and declares the Additional Landfill Property to be exempt surplus land (as defined under the Act) pursuant to Government Code Section 54221(f)(1)(G), given the existing legal restrictions imposed upon such property that are prohibitive of residential development.

Section 4. The CRA Board hereby authorizes and directs the Executive Director of the CRA, or his designee, to proceed with the issuance of the NOA to offer the Property for sale to each of the entities / agencies described in Government Code Section 54222 (subject to compliance with the Landfill Development Requirements) and negotiate with such entities / agencies for the disposition of the Property in compliance with the Act, subject to the Landfill Development Requirements.

Section 4. In the event that none of the Required Notice Entities listed in Government Code Section 54222 offer to purchase the Property, or if the CRA and any Required Notice Entity(ies) do not reach an agreement on the terms and conditions of purchase/sale, the CRA intends to offer the Property for sale to the general public and other private developers.

Section 5. The disposal of the Property is found to be exempt from the California Environmental Quality Act pursuant to California Code of Regulation, Title 14, section 15312.

Section 6. This Resolution shall be effective on upon its adoption. The CRA Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this ____ day of August, 2021.

Chair of the CRA Board

ATTEST:

John Carroll, Authority Deputy Secretary

APPROVED AS TO FORM:

Sunny Soltani, Authority Counsel

Exhibit A

LEGAL DESCRIPTION

The Property subject to the Surplus Land Act is shown as Cell 1 on the map shown in Exhibit A-1. The Property defined as Exempt Surplus Land is shown as Cells 3, 4, and 5 on the map shown in Exhibit A-1. The 157 Acre Property is defined as real property in the City of Carson, County of Los Angeles, State of California, described as follows:

PARCEL A:

LOT 1 OF TRACT NO. 42385, AS PER MAP RECORDED IN BOOK 1056, PAGES 84 TO 88 INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WHICH LIE BELOW A PLANE PARALLEL TO AND 500 FEET BELOW THE NATURAL SURFACE OF SAID LAND, WITHOUT HOWEVER, ANY RIGHT TO ENTER UPON THE SURFACE OF SAID LAND, TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME BY MEANS OF WELLS AND EQUIPMENT HAVING SURFACE LOCATIONS OUTSIDE THE OUTER BOUNDARIES OF SAID LAND, IN AND UNDER OR RECOVERABLE FROM SAID LAND, AS RESERVED IN THE DEED FROM DEL AMO ESTATE COMPANY, A CORPORATION, RECORDED JANUARY 10, 1964 AS INSTRUMENT NO. 2198, IN BOOK D-2318, PAGE 313, OFFICIAL RECORDS.

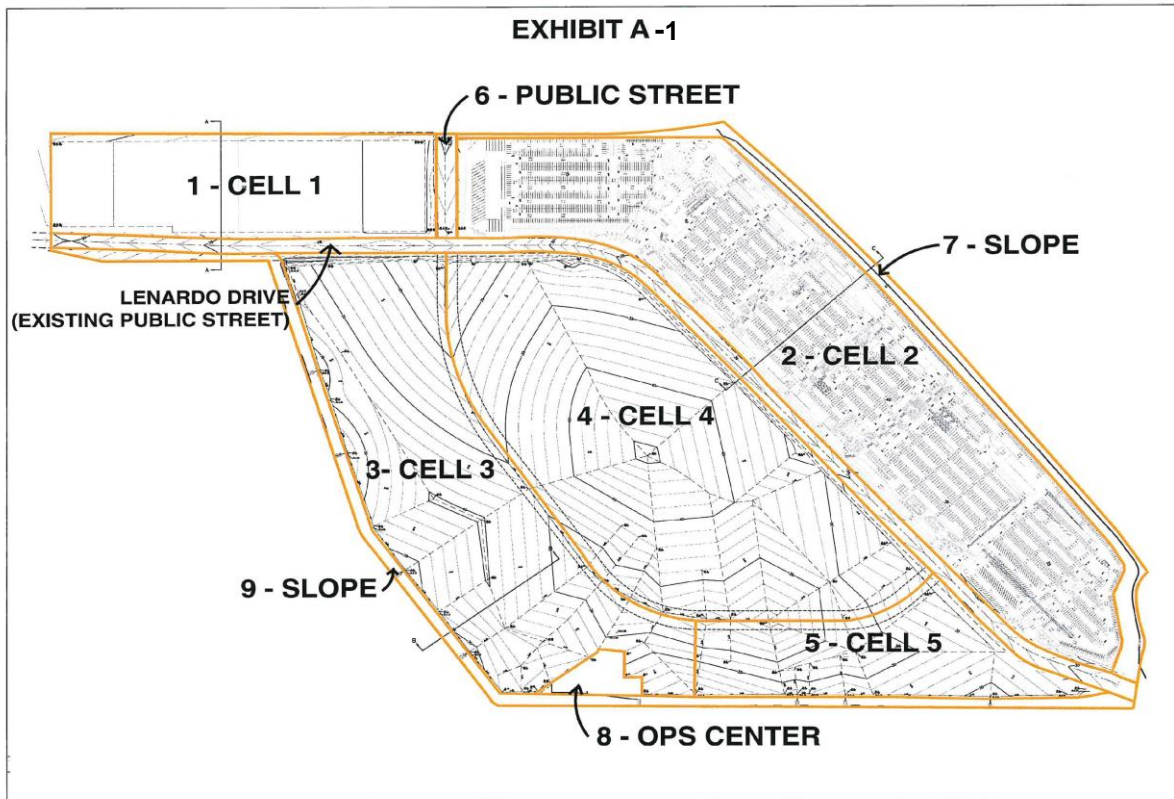
PARCEL B:

PARCELS 1 AND 2 OF PARCEL MAP NO. 70372, AS PER MAP FILED IN BOOK 377, PAGES 76 TO 89 INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES WHICH LIE BELOW A PLANE PARALLEL TO AND 500 FEET BELOW THE NATURAL SURFACE OF SAID LAND, WITHOUT HOWEVER, ANY RIGHT TO ENTER UPON THE SURFACE OF SAID LAND, TO EXPLORE FOR, DEVELOP OR REMOVE SAID SUBSTANCES, BUT WITH FULL RIGHT TO EXPLORE FOR, DEVELOP AND REMOVE THE SAME BY MEANS OF WELLS AND EQUIPMENT HAVING SURFACE LOCATION OUTSIDE THE OUTER BOUNDARIES OF SAID LAND, IN AND UNDER OR RECOVERABLE FROM SAID LAND, AS RESERVED IN THE DEED FROM DEL AMO ESTATE COMPANY, A CORPORATION, RECORDED JANUARY 10, 1964 AS INSTRUMENT NO. 2198, IN BOOK D-2318, PAGE 313 OF OFFICIAL RECORDS.

APN: 7336-010-013, 7336-010-903 and 7336-010-904

Exhibit A-1



CITY OF CARSON)

COUNTY OF LOS ANGELES)

STATE OF CALIFORNIA)

I, _____, Secretary of the Carson Reclamation Authority do hereby certify that the foregoing Resolution No. 21-10-CRJPA was duly passed and adopted by the Board of the Carson Reclamation Authority at the regular meeting thereof, held on the ____ day of _____, 2021, and was signed by the Chair of the Carson Reclamation Authority, and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Authority Chief Deputy Secretary