

SAN MATEO COUNTY

COUNTYWIDE OVERSIGHT BOARD

Members

Mark Addiego

Aimee Armsby

Chuck Bernstein

Kevin Bultema

Barbara Christensen

Mark Leach

Justin Mates

NOTICE AND AGENDA FOR REGULAR MEETING OF SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD

IN-PERSON MEETING WITH REMOTE PUBLIC PARTICIPATION AVAILABLE

Notice is hereby given of the time and place of a regular meeting of the San Mateo County Countywide Oversight Board (the "Board") and of the business to be transacted at said meeting. Said meeting is to be held at the time and place hereinafter set forth:

This meeting of the Board will be held at 455 County Center, Room 101, Redwood City, California 94063. Members of the public will be able to participate in person at the meeting location or remotely via the Zoom platform. For information regarding how to participate in the meeting, either in person or remotely, please refer to the instructions at the end of the agenda.

Meeting Time: 9:00 a.m.

Meeting Date: Monday, February 9, 2026

Meeting Location: 455 County Center, Room 101, Redwood City, California 94063

This meeting may be accessed remotely through the Zoom Videoconference Link:

<https://smcgov.zoom.us/j/92848810768>

Webinar ID: 928 4881 0768

The agenda of said meeting shall be as follows:

1. Call to Order
2. Roll Call
3. Public Comment
This is an opportunity for members of the public to address the Oversight Board on any Oversight Board-related topics that are not on the agenda. If your subject is not on the agenda, the individual chairing the meeting will recognize you at this time. Speakers are customarily limited to two minutes.
4. Action to Set the Agenda
5. Approval of Minutes of January 5, 2026, Meeting
6. Adopt a Resolution Approving the Purchase and Sale Agreement for Redwood City Successor Agency's Assessor Parcel No. 053-182-030
7. Defeasance of East Palo Alto Successor Agency's Series 2015A Tax Allocation Refund Bonds (Discussion Only)

8. Adjournment

A copy of the Countywide Oversight Board agenda packet is available for review from the Clerk of the Board of Supervisors, 500 County Center, 5th Floor, Monday through Thursday 7:30 a.m.-5:30 p.m. and Friday 8 a.m.-5 p.m.

Levine Act

The Levine Act (California Government Code Section 84308) prohibits, in certain cases, campaign contributions to members of the Board by those who have proceedings (e.g., applications for land use and other entitlements, contracts, etc.) pending before the Board and by those who may have an interest in such proceedings (including those acting as agents for applicants or potential contractors). Moreover, the Levine Act may require disclosure of contributions by such individuals. The law is complex and this brief description is not legal advice. A 2023 version of the Levine Act and a Fair Political Practices Commission summary of it can be found here: <https://www.smcgov.org/bos/levine-act-information>

ADA Requests

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact Kim Boverio, Assistant Clerk of Board, at least two working days before the meeting at (650) 363-1802. Notification in advance of the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. Attendees to this meeting are reminded that other attendees may be sensitive to various chemical-based products.

Public Participation – Written Public Comments

- Written public comments should be emailed to kboverio@smcgov.org and should include the specific agenda item on which you are commenting, or note that your comment concerns an item that is not on the agenda or is on the consent agenda.
- The length of the emailed comment should be commensurate with the two minutes customarily allowed for verbal comments, which is approximately 250-300 words.
- Written comments received by 5:00 p.m. on the day before the meeting will be distributed to the Members of the Board and made publicly available on the Board’s webpage. The Clerk will make every effort to read emails received after that time but cannot guarantee such emails will be read during the meeting, although such emails will still be included in the administrative record.

Public Participation – Spoken Public Comments

- Spoken public comments will be accepted during the meeting through Zoom (see Zoom link on the first page of the Agenda) or in-person.
- You may download the Zoom client or connect to the meeting using an internet browser. If using your browser, make sure you are using a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer.
- You will be asked to enter an email address and name. We request that you identify yourself by name as this will be visible online and will be used to notify you that it is your turn to speak.
- When the Board President or Clerk of the Board calls for the item on which you wish to speak, click on “raise hand.” The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called to speak.
- For any questions or concerns regarding Zoom, including troubleshooting, privacy, or security settings, please contact Zoom directly.

Public Records

Public records that relate to any item on the open session agenda for a regular board meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Board. The Board has designated the office of the Clerk of the Board of Supervisors, located at 500 County Center, 5th floor, Redwood City, CA 94063, for the purpose of making those public records available for inspection. Documents and upcoming meetings are also available on the Board’s website at <https://www.smcgov.org/controller/countywide-oversight-board-former-redevelopment-agencies>.

**San Mateo County Countywide Oversight Board Meeting
Monday, January 5, 2026, 9:00 a.m.**

DRAFT MINUTES

1. Call to Order

The meeting was called to order by Chair Mark Addiego at 9:03 a.m.

2. Roll Call

Present:

Board Members: Mark Addiego, Aimee Armsby, Chuck Bernstein, Kevin Bultema and Barbara Christensen

Absent:

Board Members: Mark Leach and Justin Mates

Staff: Brian Wong, Deputy County Counsel; Daniel McCloskey, Deputy County Counsel; Amanda Johnson, Controller Division Manager; Lorna Mosuela-Buehler, Management Analyst, Controller; Kristie Silva, Assistant Controller; and Kim Boverio, Assistant Clerk of the Board.

3. Public Comment

This is an opportunity for members of the public to address the Oversight Board on any Oversight Board-related topics that are not on the agenda. If your subject is not on the agenda, the individual chairing the meeting will recognize you at this time. Speakers are customarily limited to two minutes.

No written or verbal comments.

4. Action to Set the Agenda

RESULT:	Approved
MOTION:	Barbara Christensen
SECOND:	Kevin Bultema
AYES [5]:	Mark Addiego, Aimee Armsby, Chuck Bernstein
NOES:	None
ABSENT [2]:	Mark Leach, Justin Mates

5. Approval of Minutes of January 6, 2025 Meeting

Amend item #10 to department of finance rather than finance committee.

Mr. Bernstein voted "Nay" because "the accounting for the RDA properties that the City is using as a parking lot is incomplete and the resolution is unfair to the other taxing agencies."

Mr. Bernstein also wants the minutes to reflect that he intends to consult the "Department of Finance" about this matter.

RESULT: **Approved**
MOTION: Aimee Armsby
SECOND: Chuck Bernstein
AYES [5]: Mark Addiego, Kevin Bultema, Barbara Christensen
NOES: None
ABSTAIN: None
ABSENT [2]: Mark Leach, Justin Mates

6. Approval of Minutes of December 8, 2025 Meeting

RESULT: **Approved**
MOTION: Kevin Bultema
SECOND: Aimee Armsby
AYES [5]: Mark Addiego, Chuck Bernstein, Barbara Christensen
NOES: None
ABSTAIN: None
ABSENT [2]: Mark Leach, Justin Mates

7. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 26-27) and FY 2026-27 Administrative Budget of Pacifica Successor Agency

Speaker: Lucy Xie, Deputy Finance Director with City of Pacifica

Motion to approve the resolution:

RESULT: **Approved (Resolution No. 2026-01)**
MOTION: Barbara Christensen
SECOND: Aimee Armsby
AYES [5]: Mark Addiego, Chuck Bernstein, Kevin Bultema
NOES: None
ABSENT [2]: Mark Leach, Justin Mates

- 8. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 26-27) and FY 2026-27 Administrative Budget of the San Bruno Successor Agency

Speaker: Esther Garibay, Finance Manager with City of San Bruno
Drew Corbett, Principal DKG Consultants

Board Member Justin Mates entered meeting at 9:16am.

Motion to approve the resolution:

RESULT: Approved (Resolution No. 2026-02)
MOTION: Kevin Bultema
SECOND: Aimee Armsby
AYES [6]: Mark Addiego, Chuck Bernstein, Barbara Christensen, Justin Mates
NOES: None
ABSENT [1]: Mark Leach

- 9. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 26-27) and FY 2026-27 Administrative Budget of the Foster City Successor Agency

Speaker: Waqas Hassan, Assistant Finance Director with City of Foster City

RESULT: Approved (Resolution No. 2026-03)
MOTION: Aimee Armsby
SECOND: Justin Mates
AYES [6]: Mark Addiego, Chuck Bernstein, Kevin Bultema, Barbara Christensen
NOES: None
ABSENT [1]: Mark Leach

- 10. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 26-27) of the South San Francisco Successor Agency

Speaker: Suzy Kim, Consultant for the Successor Agency
Sky Woodruff, City Attorney of City of South Francisco

RESULT: Approved (Resolution No. 2026-04)
MOTION: Justin Mates
SECOND: Aimee Armsby
AYES [5]: Mark Addiego, Kevin Bultema, Barbara Christensen
NOES [1]: Chuck Bernstein
ABSENT [1]: Mark Leach

Mr. Bernstein voted “Nay” because South San Francisco has not resolved the acquisition of the Linden Properties.

11. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 26-27) and FY 2026-27 Administrative Budget of the Redwood City Successor Agency

Speaker: Beth Goldberg, Finance Director, City of Redwood City

RESULT: **Approved (Resolution No. 2026-05)**
MOTION: Aimee Armsby
SECOND: Barbara Christensen
AYES [6]: Mark Addiego, Chuck Bernstein, Kevin Bultema, Justin Mates
NOES : None
ABSENT [1]: Mark Leach

12. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 26-27) and FY 2026-27 Administrative Budget of the East Palo Alto Successor Agency

Speaker: Tomo Oku, Finance Director, City of East Palo Alto

RESULT: **Approved (Resolution No. 2026-06)**
MOTION: Justin Mates
SECOND: Aimee Armsby
AYES [5]: Mark Addiego, Kevin Bultema, Barbara Christensen
NOES [1]: Chuck Bernstein
ABSENT [1]: Mark Leach

Mr. Bernstein voted “Nay” because the administrative expenses are too high.

13. Nominate, Elect and Adopt a Resolution Confirming the Appointments of the FY 2026-27 San Mateo Countywide Oversight Board Chairperson and Vice-Chairperson

Resolution No. 2026-07

Motion made by Barbara Christensen seconded by Mark Addiego and approved unanimously with Mark Leach being absent to appoint Aimee Armsby as the Chair for FY 2026-27.

Motion made by Aimee Armsby seconded by Justin Mates and approved unanimously with Mark Leach being absent to appoint Barbara Christensen as the Vice-Chair for FY 2026-27.

14. Adopt a Resolution Approving the FY 2026-27 San Mateo County Countywide Oversight Board Meeting Calendar

RESULT: **Approved (Resolution No. 2026-08)**

MOTION: Justin Mates

SECOND: Kevin Bultema

AYES [6]: Mark Addiego, Aimee Armsby, Chuck Bernstein, Barbara Christensen

NOES: None

ABSENT[1]: Mark Leach

Ms. Armsby requested calendar invites to be sent for upcoming meetings be sent to Board Members.

15. Adjournment

The meeting was adjourned at 10:25 a.m.

SAN MATEO COUNTY

COUNTYWIDE OVERSIGHT BOARD

Members

Mark Addiego, Chairperson

Aimee Armsby

Chuck Bernstein

Kevin Bultema

Barbara Christensen

Mark Leach

Justin Mates

Date: January 29, 2026

Agenda Item No. 6

To: San Mateo County Countywide Oversight Board (OB)

From: Kristie Silva, San Mateo County Assistant Controller

Subject: Disposition of Assessor Parcel No. 053-182-030 by the Successor Agency (SA) to the former Redwood City Redevelopment Agency (RDA) and Approval of the Purchase and Sale Agreement for Said Property

Background Information

RDA dissolution law requires SAs to submit a Long Range Property Management Plan (LRPMP), addressing the disposition and use of the properties of the former redevelopment agency (RDA). The LRPMP must be approved by the Oversight Board (OB) and subject to review and approval by the Department of Finance (DOF). Without an approved LRPMP, disposal of assets and properties must comply with Health and Safety Code (HSC) Sections 34177(e) and 34181(a), which are set forth below

As there is no DOF approved LRPMP for the Redwood City SA (see CAC Exhibit A, DOF Letter Dated 12/31/2015), asset disposal is governed by these HSC provisions and is subject to OB approval review and approval by the DOF.

HSC § 34177(e) provides that SAs are required to:

Dispose of assets and properties of the former redevelopment agency as directed by the oversight board; provided, however, that the oversight board may instead direct the successor agency to transfer ownership of certain assets pursuant to subdivision (a) of Section 34181. The disposal is to be done expeditiously and in a manner aimed at maximizing value. Proceeds from asset sales and related funds that are no longer needed for approved development projects or to otherwise wind down the affairs of the agency, each as determined by the oversight board, shall be transferred to county auditor-controller for distribution as property tax proceeds under Section 34188. The requirements of this subdivision shall not apply to a successor agency that has been issued a finding of completion by the department pursuant to Section 34179.7.

HSC § 34181(a) provides that the oversight board shall direct the successor agency to:

(a)(1) Dispose of all assets and properties of the former redevelopment agency; provided, however, that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, parking facilities and lots dedicated solely to public parking, and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset. Any compensation to be provided to the successor agency for the transfer of the assets shall be governed by the agreement relating to the construction or use of that asset. Disposal shall be done expeditiously and, in a manner, aimed at maximizing value. Asset disposition may be accomplished by a distribution of income to taxing entities proportionate to their property tax share from one or more properties may be transferred to a public or private agency for management pursuant to the direction of the oversight board.

(2) "Parking facilities and lots dedicated solely to public parking" do not include properties that generate revenues in excess of reasonable maintenance costs of the properties.

OB staff further notes for the OB's reference the following:

1. The area of the property at issue per unapproved LRPMP is listed at 14,351 square feet (CAC Exhibit B – Excerpt from LRPMP) though the appraisal report lists the gross area as 10,973 square feet, and concludes that the "usable area" is limited to 4,469 square feet. The LRPMP indicates a portion of the parcel is used for temporary parking, which generated revenues of \$1,800 annually.
2. The SA has previously sought to transfer the property to the City for governmental purposes, which is one of the permissible uses for such transfers under HSC 34191.5. The DOF disallowed the transfer by their letter dated 5/7/2018 (CAC Exhibit C).
3. Page 2 of the appraisal report (Appraiser letter dated 5/6/2025) lists the parcel number as 053-**182**-030 in the subject line and 053-**185**-030 in the body of the memo. OB staff has verified with SA that this was a typographical error and that 053-**182**-030 is the correct parcel number.
4. Assessor records show that subject property had an assigned value of \$100,000 at the time it was acquired by the SA in 2001.

The approval of the OB of the purchase and sale agreement is required to complete the transaction.

Financial Impact

If the \$900,000 sale price is approved, the net proceeds from the sale will be distributed to the taxing agencies that reside within the former RDA's boundary.

CAC Exhibits

- A – DOF Letter Dated 12/31/2015 Re SA LRPMP
- B – Excerpts from Unapproved LRPMP
- C – DOF Letter Dated 5/7/2018 Re transfer of property to City
- D - Redwood City Successor Agency Agenda Report



December 31, 2015

Ms. Audrey Ramberg, Interim Finance Director
City of Redwood City
1017 Middlefield Road
Redwood City, CA 94063

Dear Ms. Ramberg:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), successor agencies shall submit an Oversight Board (OB) approved Long-Range Property Management Plan (LRPMP) that addresses the disposition and use of the real properties of the former redevelopment agency to the California Department of Finance (Finance) for approval no later than six months following the issuance of a Finding of Completion. Further, HSC section 34191.3 (a) requires Finance to approve LRPMPs by December 31, 2015 in order for the LRPMP to be effective.

The City of Redwood City Successor Agency (Agency) received their Finding of Completion on December 10, 2015. While the six-month deadline has not lapsed, the Agency has not submitted an OB approved LRPMP to Finance as of the date of this letter. Since HSC section 34191.3 (a) requires Finance to approve the Agency's LRPMP by December 31, 2015, the Agency no longer has the ability to dispose of real property assets through the LRPMP process.

Without an approved LRPMP, an Agency's real property assets are required to be disposed of pursuant to HSC section 34177 (e) and HSC section 34181 (a). A separate OB action must be submitted to Finance for each property. Each individual OB action must identify the use or disposition of the property and to the extent the property is to be sold, indicate whether sales proceeds will be remitted to the county auditor-controller for distribution to the taxing entities or used to pay enforceable obligations. Further, pursuant to HSC section 34181 (a) (1), the OB shall direct the Agency to dispose of properties expeditiously and in a manner aimed at maximizing value.

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

Sincerely,

JUSTYN HOWARD
Program Budget Manager

cc: On the following page

cc: Ms. Alison Freeman, Financial Services Manager, City of Redwood City
Mr. Juan Raigoza, Auditor-Controller, San Mateo County

CAC Exhibit B

Appraised Value & Assessed Value – The parcel does not have an assessed value since it is exempt from property taxes due to public ownership. No appraisal information exists. The value is minimal due to the property's dedication for use as a public parking lot under public ownership.

Rental Revenues – The City charges an hourly fee for parking to discourage all day parking and to make the spaces available for shorter-term library visits. The amount of average gross annual revenues (\$66,350) is less than the average annual costs to maintain the parcel and the parking charge equipment, based on a three-year analysis of annual maintenance costs. Expenses have historically exceeded revenue generated by this parking lot. For three past three years, on average there has been a revenue shortfall of over \$10,000 per year.

Culvert Parcels

Background – This property consists of two parcels:

1. Parcel 053-182-030 - Lathrop Street, Elm Street and the Redwood Creek channel bound this 14,351 square foot triangular shaped parcel. The creek channel divides the parcel, a portion on the south side of the creek is paved and used for temporary parking by an adjacent car dealership pursuant to a non-exclusive, revocable license; and the portion north of the creek is paved with decomposed granite and is used by a nearby apartment building for public open space. The car dealership and apartments have month-to-month non-exclusive Revocable Permit Agreements with the City to temporarily use the parcel for parking, and for weekend public open space.
2. Parcel 053-147-040 - This 7,438 square foot parcel on Lathrop Street near Elm Street is used for a culvert that carries Redwood Creek. Almost the entire parcel is affected by the 30-foot wide culvert easement (see Figure #5 Parcel Map).

Acquisition Purpose - The parcels were acquired for construction, operation and maintenance of the creek channel by the flood control. The acquisition values are unknown. The parcels have been retained for on-going maintenance access.

Acquisition Value - The acquisition value/cost of the parcels is unknown.

Estimated Value - No assessor's value information exists for these parcels, as they are publically owned. No appraisal information exists. The value is minimal due to the planned long term public ownership and use of the property.

Rental Revenues - Revenues are received for one of the two parcels (053-182-030). The portion of the parcel south of the creek, being used by the car dealership for temporary parking pursuant to a revocable license, is rented on a month-to-month basis for \$150 per month, or \$1,800 annually. The portion north of the creek is being used temporarily for weekend public open space by the apartment complex. Compensation for the use consists of the apartment owner's obligation to install and maintain landscape improvements.

Potential for Transit Oriented Development - None. The parcels are to be maintained in public use to accommodate the creek culvert; therefore they are not developable.



May 7, 2018

Ms. Kimbra McCarthy, Assistant City Manager
Redwood City
1017 Middlefield Road
Redwood City, CA 94063

Dear Ms. McCarthy:

Subject: Objection of Oversight Board Action

The Redwood City Successor Agency (Agency) notified the California Department of Finance (Finance) of its January 11, 2018 Oversight Board (OB) Resolution on January 26, 2018. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. OB-18-03, authorizing and directing the transfer of certain property, identified as Assessors' Parcel Number 053-182-030, to Redwood City (City) for governmental use, is not approved.

HSC section 34181 (a), authorizes agencies to transfer ownership of assets constructed and used for governmental purposes, such as roads, school buildings, parks, police and fire stations, libraries, parking facilities and lots dedicated solely to public parking, and local agency administrative buildings, to the appropriate jurisdiction.

It is our understanding the City uses the property to park vehicles and equipment during the maintenance of a nearby culvert. When not in use by the City, the property is essentially open space and available for public parking. The Agency provided a list of maintenance activities and a Baseline Trash Load and Short-Term Trash Load Reduction Plan (Plan) dated February 1, 2012 to support the governmental use of the property.

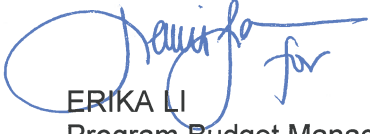
However, these documents do not provide evidence of the construction and use of a public parking lot or governmental use property at the time of dissolution. According to the list, the City performed maintenance two times in fiscal years 2013-14 and 2016-17, respectively. Additionally, both the maintenance activities and the Plan occurred after dissolution. Therefore, the property does not meet the definition of governmental use pursuant to HSC 34181 (a) and is ineligible for transfer to the City. To the extent the Agency can provide support for the governmental use of the property prior to dissolution, this property may be eligible for transfer to the City in the future.

As authorized by HSC section 34179 (h), Finance is returning your OB action to the board for reconsideration.

Ms. Kimbra McCarthy
May 7, 2018
Page 2

Please direct inquiries to Nichelle Jackson, Supervisor, or Cole Chev, Analyst, at (916) 322-2985.

Sincerely,



ERIKA LI
Program Budget Manager

cc: Mr. Derek Rampone, Financial Services Manager, City of Redwood City
Mr. Matthew Slaughter, Property Tax Manager, San Mateo County
Ms. Shirley Tourel, Senior Internal Auditor, San Mateo County

1017 Middlefield Road
Redwood City, CA 94063
(650) 780-7072
Fax (650) 780-7225



MEMORANDUM

Date: January 8, 2026

To: San Mateo County Countywide Oversight Board

From: Beth Goldberg, Finance Director, City of Redwood City

Subject: Approval of the Purchase and Sale Agreement for the sale of real property identified as Assessor's Parcel Number 053-182-030

Former RDA: Redwood City RDA

Recommendation

1. Adopt a resolution approving a Purchase and Sale Agreement between the City of Redwood City, as Buyer, and Successor Agency to the Redwood City Redevelopment Agency, as Seller, for the sale of real property identified as Assessor's Parcel Number 053-182-030 in the amount of \$900,000.

Background

Pursuant to Dissolution Law, the Successor Agency to the Redwood City Redevelopment Agency (Successor Agency) must dispose of all non-housing properties of the former Redwood City Redevelopment Agency in an expeditious manner aimed at maximizing value. Under Health and Safety Code (HSC) Section 34181, the Successor Agency's disposition actions are subject to review and approval by the San Mateo County Countywide Oversight Board.

The Successor Agency Board considered and approved the Purchase and Sale Agreement on December 22, 2025, and authorized the Successor Agency to submit the Purchase and Sale Agreement to the Oversight Board for review and approval.

Discussion

The subject property is located on the corner of Maple and Lathrop Streets and is identified as Assessor Parcel Number 053-182-030 (the Property). The Property is approximately 10,973 square feet in total area, is irregularly shaped, and has an approximate 32-foot-wide storm drain improvement and encumbrance near its southern end that reduces its overall usable area to approximately 4,400 square feet. The City

seeks to acquire the subject property in order to maintain the storm drain as well as wastewater infrastructure, as acquisition will greatly improve the City's ability to access an existing sewer line for emergency repairs or future replacement. The City may also facilitate the development of an outdoor recreational space or another governmental use to be determined later.

Under the proposed transaction terms detailed in the Purchase and Sale Agreement, the Successor Agency will sell, and the City will buy, the Property at its fair market value of \$900,000, as determined by an appraisal dated May 6, 2025 commissioned by the City.

As of January 1, 2020, Assembly Bill (AB) 1486, more commonly referred to as the Surplus Land Act (SLA), requires that successor agencies follow surplus land disposition procedures for properties that were not previously subject to an existing contract. Such procedures include declaring the property as "surplus" or "exempt surplus" as defined in the SLA. The California Department of Housing and Community Development (HCD) oversees and enforces SLA requirements.

The Successor Agency determined that the property is "exempt surplus" pursuant to Government Code Section 54221(f)(1)(B) given that the Property is less than one-half acre in area and is not contiguous to land owned by a state or local agency that is used for open-space or affordable housing purposes. On June 13, 2024, the Successor Agency published a notice for a 30-day comment period and emailed the notice to housing providers and other public entities, as required by SLA. On August 13, 2024, HCD issued a determination letter finding that the Property qualifies as exempt surplus land. As a result, the Successor Agency is exempt from following additional surplus land procedures and may proceed with disposition to the City.

Financial Impact

There will be an increase in revenue to the taxing entities in the amount of \$900,000 from the sale of the Property. When received, this amount will be forwarded to the County Auditor Controller for distribution among the other taxing agencies within San Mateo County.

Attachments:

1. Draft Resolution Approving the Purchase and Sale Agreement
2. Supporting Documentation

RESOLUTION NO. 2026-

A RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF REDWOOD CITY, AS BUYER, AND THE SUCCESSOR AGENCY TO THE REDWOOD CITY REDEVELOPMENT AGENCY, AS SELLER, FOR THE SALE OF REAL PROPERTY IDENTIFIED AS ASSESSOR'S PARCEL NUMBER 053-182-030

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code ("HSC"), as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (together, as amended, the "Dissolution Act") and, in accordance therewith, all redevelopment agencies in the State of California, including the Redwood City Redevelopment Agency ("Redevelopment Agency"), were dissolved as of February 1, 2012; and

WHEREAS, in compliance with the Dissolution Act, the City of Redwood City ("City") determined it would serve as the Successor Agency to the Redwood City Redevelopment Agency ("Successor Agency") effective February 1, 2012; and

WHEREAS, the San Mateo County Countywide Oversight Board ("Oversight Board") has been established pursuant to HSC Section 34179 to oversee the winding down of the former redevelopment agencies in San Mateo County, including the Redwood City Redevelopment Agency, in accordance with the Dissolution Act; and

WHEREAS, the California Department of Finance issued a decision letter dated as of December 31, 2015 requiring the Successor Agency's assets be disposed pursuant to HSC Sections 34177(e) and 34181(a), including certain real property identified as Assessor's Parcel Number 053-182-030 (the "Property"), and requiring a separate Oversight Board action to be submitted to DOF for each property; and

WHEREAS, the purchase price for the Property under the Purchase and Sale Agreement ("Agreement") is \$900,000, which is the fair market value as established pursuant to the appraisal for the Property dated May 6, 2025, with the proceeds of sale to be remitted to the county-auditor controller for distribution to the taxing entities; and

WHEREAS, the Oversight Board considered and by this resolution desires to approve the Agreement, and direct Successor Agency staff to submit this Oversight Board resolution to the California Department of Finance for approval; and

WHEREAS, in compliance with HSC Section 34181(f), the Oversight Board published notice of its consideration of the Agreement at its public meeting after at least 10 days' notice to the public; and

WHEREAS, the sale of the Property to the City under the terms of the Agreement complies with Dissolution Law and is in the best interests of the taxing entities.

NOW, THEREFORE, THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The recitals set forth above are true and correct and incorporated herein.

Section 2. The Oversight Board hereby approves the Agreement between the City of Redwood City and Successor Agency to the Redwood City Redevelopment Agency for the sale of property identified as Assessor's Parcel Number 053-182-030 in the amount of \$900,000, substantially in the form attached as Exhibit A to this Resolution.

Section 3. The Oversight Board hereby authorizes and directs the Successor Agency to submit this Resolution to the California Department of Finance for approval.

Section 4. Upon approval of this Resolution by the California Department of Finance, the Oversight Board hereby authorizes and directs the Successor Agency to do all things that they may deem necessary or proper to effectuate the purposes of this Resolution and implement the Agreement after obtaining DOF approval, including the execution and recordation of deeds and documents contemplated by the Agreement, and taking other appropriate actions to perform the obligations and exercise the rights of the Successor Agency under the terms detailed in the Agreement.

* * *

Exhibit A – Purchase and Sale Agreement between the City of Redwood City and Successor Agency to the Redwood City Redevelopment Agency



December 31, 2015

Ms. Audrey Ramberg, Interim Finance Director
City of Redwood City
1017 Middlefield Road
Redwood City, CA 94063

Dear Ms. Ramberg:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), successor agencies shall submit an Oversight Board (OB) approved Long-Range Property Management Plan (LRPMP) that addresses the disposition and use of the real properties of the former redevelopment agency to the California Department of Finance (Finance) for approval no later than six months following the issuance of a Finding of Completion. Further, HSC section 34191.3 (a) requires Finance to approve LRPMPs by December 31, 2015 in order for the LRPMP to be effective.

The City of Redwood City Successor Agency (Agency) received their Finding of Completion on December 10, 2015. While the six-month deadline has not lapsed, the Agency has not submitted an OB approved LRPMP to Finance as of the date of this letter. Since HSC section 34191.3 (a) requires Finance to approve the Agency's LRPMP by December 31, 2015, the Agency no longer has the ability to dispose of real property assets through the LRPMP process.

Without an approved LRPMP, an Agency's real property assets are required to be disposed of pursuant to HSC section 34177 (e) and HSC section 34181 (a). A separate OB action must be submitted to Finance for each property. Each individual OB action must identify the use or disposition of the property and to the extent the property is to be sold, indicate whether sales proceeds will be remitted to the county auditor-controller for distribution to the taxing entities or used to pay enforceable obligations. Further, pursuant to HSC section 34181 (a) (1), the OB shall direct the Agency to dispose of properties expeditiously and in a manner aimed at maximizing value.

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

Sincerely,

JUSTYN HOWARD
Program Budget Manager

cc: On the following page

cc: Ms. Alison Freeman, Financial Services Manager, City of Redwood City
Mr. Juan Raigoza, Auditor-Controller, San Mateo County

RESOLUTION NO. SA 25-02**A RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY TO THE REDWOOD CITY REDEVELOPMENT AGENCY APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF REDWOOD CITY, AS BUYER, AND THE SUCCESSOR AGENCY TO THE REDWOOD CITY REDEVELOPMENT AGENCY, AS SELLER, FOR THE SALE OF REAL PROPERTY IDENTIFIED AS ASSESSOR'S PARCEL NUMBER 053-182-030**

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code ("HSC"), as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (together, as amended, the "Dissolution Law"), which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies; and

WHEREAS, as of February 1, 2012, the former Redwood City Redevelopment Agency ("Redevelopment Agency") was dissolved under the Dissolution Law and the City of Redwood City ("City") determined it would serve as the Successor Agency to the Redwood City Redevelopment Agency ("Successor Agency"); and

WHEREAS, HSC Section 34179 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 HSC Section 34188 of Part 1.85 of the Dissolution Law; and

WHEREAS, the oversight board overseeing the Successor Agency is the San Mateo County Oversight Board ("Oversight Board"); and

WHEREAS, the California Department of Finance ("DOF") issued a decision letter dated as of December 31, 2015, requiring the Successor Agency's assets be disposed pursuant to HSC Sections 34177(e) and 34181(a), including certain real property identified as Assessor's Parcel Number 053-182-030 (the "Property"), and requiring a separate Oversight Board action to be submitted to DOF for each property; and

WHEREAS, the Successor Agency desires to sell the Property to the City for \$900,000, which is the fair market value as established pursuant to the appraisal for the property dated May 6, 2025, with the proceeds of sale to be remitted to the county-auditor controller for distribution to the taxing entities; and

WHEREAS, the Successor Agency considered and by this resolution desires to approve the Purchase and Sale Agreement ("Agreement") and direct staff to submit the Agreement to the Oversight Board for review and approval; and

WHEREAS, the sale of the Property to the City under the terms of the Agreement complies with Dissolution Law and is in the best interests of the taxing entities.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE SUCCESSOR AGENCY TO THE REDWOOD CITY REDEVELOPMENT AGENCY AS FOLLOWS:

1. The Successor Agency approves the Agreement between the City of Redwood City and Successor Agency to the Redwood City Redevelopment Agency for the sale of property identified as Assessor's Parcel Number 053-182-030 in the amount of \$900,000, substantially in the form attached as Exhibit A to this Resolution.

2. The Successor Agency Executive Director, or their designee, is hereby directed to submit the Agreement to the Oversight Board for review and approval and then submit the Oversight Board action to the DOF as required by the Dissolution Law.

3. The Successor Agency Executive Director, or their designee, is hereby authorized to do all things that they may deem necessary or proper to effectuate the purposes of this resolution and implement the Agreement after obtaining Oversight Board and DOF approval, including the execution and recordation of deeds and documents contemplated by the Agreement, and taking other appropriate actions to perform the obligations and exercise the rights of the Successor Agency under the terms detailed in the Agreement.

4. This Resolution shall become effective immediately upon adoption.

* * *

**PURCHASE AND SALE AGREEMENT
APN 053-182-030**

This PURCHASE AND SALE AGREEMENT (“**Agreement**”) is dated as of _____, 2026, by and between the Successor Agency to the Redwood City Redevelopment Agency, a public body, corporate and politic (“**Successor Agency**” or “**Seller**”), and City of Redwood City, a charter city and municipal corporation of the State of California (“**City**” or “**Purchaser**”). Seller and Purchaser are referred to herein individually as a “**Party**” and collectively as the “**Parties**”.

RECITALS

A. Seller is the fee owner of certain real property located in the City of Redwood City, County of San Mateo, State of California described as Assessor’s Parcel Number 053-182-030 (the “**Property**”). The Property is located at the corner of Maple and Lathrop and approximately 10,973 sq. ft. in size, which is more particularly described in Exhibit “A” attached hereto.

B. The Successor Agency published a notice for a 30-day comment period on June 13, 2024, designating the Property as exempt surplus land as it is less than one-half acre in area and not contiguous to land owned by a state or local agency that is used for open-space or low-and moderate-income housing purposes, pursuant to Government Code Section 54221(f)(1)(B). On August 13, 2024, the California Housing and Community Development Department issued a determination letter finding that the Property qualifies as exempt surplus land under that provision of law.

C. Purchaser desires to acquire the Property from Seller, and Seller agrees to convey the Property to Purchaser as specifically described below.

TERMS & CONDITIONS

1. Purchase and Sale. For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller agrees to sell, and Purchaser agrees to buy the Property under the terms and conditions of this Agreement.

2. Effective Date. This Agreement shall take effect when it has been approved by the Successor Agency, approved by the San Mateo County Oversight Board (“**Oversight Board**”) pursuant to Section 2.1, the Seller has received a determination letter from the California Department of Finance (“**DOF**”) approving of the sale pursuant to Section 2.2, and the Agreement has been fully executed by the Parties (the “**Effective Date**”).

2.1 Disposition of the Property is subject to the approval by the Oversight Board pursuant to Health and Safety Code Section 34181. Accordingly, promptly following the approval of the Agreement by the Successor Agency, Seller shall request the Oversight Board to consider and approve the Agreement. The Oversight Board is not a Party to this Agreement.

2.2 Disposition of the Property is subject to DOF’s review and approval of the Oversight Board’s action pursuant to Health and Safety Code Section 34179. DOF is not a Party to this Agreement.

3. Purchase Price. The purchase price for the Property to be paid by Purchaser to Seller is Nine Hundred Thousand Dollars (\$900,000) (the “**Purchase Price**”), which the Seller and Purchaser agree to be the fair market value of the Property based on an independent appraisal report prepared on May 6, 2025, by Carneghi-Nakasako & Associates. Purchaser shall deliver payment directly to Seller without escrow. Purchaser shall transfer the full Purchase Price amount to the Successor Agency Fund at least one (1) business day before the Conveyance Date (defined in Section 5).

4. Conveyance. Conveyance of the Property (the “**Conveyance**”) will occur by a date not later than thirty (30) days after the Effective Date (the “**Conveyance Date**”). The recordation of the grant deed in the form attached to this Agreement as Exhibit B (“**Deed**”) shall be a determinative indication that the Conveyance has occurred. Actions required to record the Deed shall be completed by City staff.

5. Preliminary Title Report. Seller shall deliver to Purchaser a preliminary title report (“**Preliminary Report**”) not later than ten (10) days after the Effective Date. The Preliminary Report shall be issued by Old Republic Title Company; 524 Gibson Drive, Roseville, CA 95678; Attn: Tracey Gant, Senior Vice President, Tracey.g@ortc.com (“**Title Company**”). Purchaser shall have five (5) days after receipt of the Preliminary Report to approve the Preliminary Report. If there are any changes to the Preliminary Report between the time of Purchaser’s approval of the Preliminary Report and Conveyance, Purchaser shall have five (5) days after receipt of the revised Preliminary Report to approve such changes. Purchaser agrees to take title to the Property subject to the following “**Permitted Exceptions**”: (a) standard printed exceptions in the Preliminary Report and (b) any other title exceptions expressly approved by Purchaser.

6. Purchaser’s Conditions. Purchaser's obligation to purchase the Property is subject to the satisfaction of all of the following conditions or Purchaser's written waiver (in Purchaser’s sole discretion) of such conditions on or before the Conveyance Date:

6.1 It is a Purchaser’s Condition that, on the Conveyance Date, Seller convey to Purchaser marketable and insurable title to the Property and cause to be delivered to Purchaser from the Title Company an ALTA Owner’s Extended Coverage Policy of Title Insurance with liability in the full amount of the Purchase Price, insuring title to the Property to be vested in Purchaser, subject only to the Permitted Exceptions (“**Title Policy**”). The Title Policy must also include such special endorsements or guaranties as Purchaser may request and the Title Company agrees to provide, which special endorsements or guaranties shall be at Purchaser’s sole cost and expense. Seller must deliver to the Title Company such instruments, documents, releases, and agreements and must perform such other acts as Title Company may reasonably require in order to issue the Title Policy.

6.2 Seller has performed all obligations to be performed by Seller pursuant to this Agreement.

6.3 The Oversight Board has approved this Agreement and DOF has reviewed and approved the Oversight Board's action.

7. Seller's Conditions. Seller's obligation to sell and convey the Property to Purchaser are subject to the satisfaction of the following conditions or Seller's written waiver (in Seller's sole discretion) of such conditions on or before the Conveyance Date:

7.1 Purchaser has transferred the Purchase Price and Purchaser's share of conveyance costs (as detailed in Section 8) to the Successor Agency.

7.2 Purchaser has performed all obligations to be performed by Purchaser pursuant to this Agreement.

7.3 The Oversight Board shall have approved this Agreement as evidenced by the Oversight Board resolution referenced in Section 2.1 and DOF has reviewed and approved the Oversight Board's action.

8. Conveyance Costs. Conveyance costs will be allocated as follows:

8.1 Seller will pay all costs associated with removing any debt encumbering the Property.

8.2 The cost of the Title Policy shall be paid in accordance with the custom and practice in San Mateo County.

8.3 Seller and Purchaser are a public agency and therefore exempt from the payment of property taxes, documentary transfer taxes pursuant to Revenue and Taxation Code Section 11922, and cost of recording the Deed pursuant to Government Code Section 27383.

8.4 Any other applicable tax will be paid in accordance with the custom and practice in San Mateo County.

9. Representations. Purchaser represents to Seller that it has made all investigations deemed necessary by it with respect to the Property and that upon Conveyance, Purchaser shall accept transfer of the Property in "as-is," "where-is," "with-all-faults" condition.

10. Survival. All indemnities, covenants, representations and warranties contained in this Agreement shall survive Conveyance.

11. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of California.

12. Severability. If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Agreement, any such provision shall not be affected by the legality, enforceability, or validity of the remainder of this Agreement. If any provision or part thereof of this Agreement is stricken in accordance with the provisions of this Section, then the stricken provision shall be replaced, to the extent possible, with a legal, enforceable and valid provision this is in keeping with the intent of the Parties as expressed herein.

13. Time. Time is of the essence to the performance of each and every obligation under this Agreement.

14. Reasonable Consent and Approval. Except as otherwise provided in this Agreement, whenever a Party is required or permitted to give its consent or approval under this Agreement, such consent or approval shall not be unreasonably withheld or delayed. If a Party is required or permitted to give its consent or approval in its sole and absolute discretion or if such consent or approval may be unreasonably withheld, such consent or approval may be unreasonably withheld but shall not be unreasonably delayed.

15. Further Assurances. The Parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to carry out the intent and purposes of this Agreement.

16. Signatures/Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any one of such completely executed counterparts shall be sufficient proof of this Agreement. If all Parties agree, electronic signatures may be used in place of original signatures on this Agreement. Each Party intends to be bound by the signatures on the electronic document, is aware that the other Parties will rely on the electronic signatures, and hereby waives any defenses to the enforcement of the terms of this Agreement based on the use of an electronic signature. After all Parties agree to the use of electronic signatures, all Parties must sign the document electronically.

17. Representation on Authority of Parties. Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Seller represents and warrants to Purchaser that the execution and delivery of the Agreement and the performance of Seller's obligations hereunder have been duly authorized and that subject to the approval of the Oversight Board, this Agreement is a valid and legal agreement binding on Seller and enforceable in accordance with its terms. Purchaser represents and warrants to Seller that the execution and delivery of this Agreement and the performance of Purchaser's obligations hereunder have been duly authorized and that this Agreement is a valid and legal agreement binding on Purchaser and enforceable in accordance with its terms.

18. Seller Approvals. Whenever this Agreement calls for Seller approval, consent, or waiver, the written approval, consent, or waiver of the Seller's Executive Director or their designee(s) shall constitute the approval, consent, or waiver of the Seller, without further authorization required from the governing board of the Successor Agency. The Seller hereby authorizes the Seller's

Executive Director and their designee(s) to deliver any such approvals, consents, or waivers as are required by this Agreement, or that do not otherwise reduce Seller’s rights under this Agreement, and to waive requirements under this Agreement, on behalf of the Seller.

19. Purchaser Approvals. Whenever this Agreement calls for Purchaser approval, consent, or waiver, the written approval, consent, or waiver of the City’s Mayor or their designee(s) shall constitute the approval, consent, or waiver of the Purchaser, without further authorization required from the City Council. The Purchaser hereby authorizes the City ‘s Mayor and their designee(s) to deliver any such approvals, consents, or waivers as are required by this Agreement, or that do not otherwise reduce Purchaser’s rights under this Agreement, and to waive requirements under this Agreement, on behalf of the Purchaser.

20. References. Unless otherwise indicated, (a) all article and section references are to the articles and sections of this Agreement, and (b) except where otherwise stated, all references to days are to calendar days. Whenever under the terms of this Agreement the time for performance of a covenant or condition falls on a Saturday, Sunday, or California state holiday, such time for performance will be extended to the next business day. “**Business Day**” means a day other than Saturday, Sunday, and California state holidays. The headings used in this Agreement are provided for convenience only and this Agreement will be interpreted without reference to any headings. The date of this Agreement is for reference purposes only and is not necessarily the date on which it was entered into.

(Signature page follows)

IN WITNESS WHEREOF, this Agreement is executed by Purchaser and Seller as of the Effective Date of _____.

Purchaser:

City of Redwood City, a charter city and municipal corporation of the State of California

By: _____
Elmer Martinez-Saballos, Mayor

Seller:

Successor Agency to the Redwood City Redevelopment Agency, a public body, corporate and politic

By: _____
Patrick Heisinger, Executive Director

APPROVED AS TO FORM:

By: _____
Veronica Ramirez, City Attorney

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

ALL THAT CERTAIN PROPERTY SITUATED IN THE CITY OF REDWOOD CITY, COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING:

Vacant Lot at Corner of Lathrop and Maple legal description for APN 053-182-030

All that certain real property situate in the City of Redwood City, County of San Mateo, State of California, being a portion of that certain Grant Deed filed for record on March 24, 1993 as documents number 93046356 of Official records in the Office of the Recorder for the County of San Mateo and being a portion of Maple Street (60 feet wide) as shown on that certain final map entitled "ONE MAPLE STREET SUBDIVISION" filed for record on June 21, 2000 in Volume 130 of maps at pages 54 through 56, inclusive, in the Office of the Recorder for the County of San Mateo and being a portion of Lathrop Street as shown on that certain map entitled "HANCOCK'S ADDITION TO REDWOOD CITY", filed for record on February 21, 1862 in Book "E" of Maps at page 43, and copied into Book 1 of Maps at page 80 in the Office of the Recorder for the County of San Mateo, State of California being more particularly described as follows:

Beginning at the intersection of the centerline of Franklin Street as shown on said final map entitled "ONE MAPLE STREET SUBDIVISION" with centerline of said Maple Street; thence along said centerline of Maple Street, North 08° 46' 11" East, a distance of 57.60 feet to the intersection of the said centerline of Maple Street with the centerline of said Lathrop Street; thence along said centerline of Lathrop Street, South 26° 19' 10" East, a distance of 259.51 feet; thence leaving said centerline, South 63° 40' 50" West, a distance of 30.00 feet to a point on the Southwesterly right-of-way of said Lathrop Street; thence leaving said right-of-way of Lathrop street, South 51° 04' 23" West, a distance of 105.29 feet; thence North 49° 36' 46" West, a distance of 37.15 feet to a point on the Easterly right-of-way of said Maple Street; thence leaving said right-of-way, North 67° 32' 37" West, a distance of 30.00 feet to a point on said centerline of Maple Street; thence along said centerline of Maple Street, North 22° 27' 23" East, a distance of 29.62 feet; thence continuing along said centerline of Maple Street, North 08° 46' 11" East, a distance of 194.51 feet to the POINT OF BEGINNING.

A.P. No.: 053-182-030

RECORDING REQUESTED BY:

City of Redwood City,
A charter city and municipal corporation

AND WHEN RECORDED MAIL TO:

City of Redwood City
1017 Middlefield Road
Redwood City, CA 94063

No fee for recording pursuant to
Government Code Section 27383

APN 053-182-030

SPACE ABOVE FOR RECORDER’S USE ONLY

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the SUCCESSOR AGENCY TO THE REDWOOD CITY REDEVELOPMENT AGENCY (“*Grantor*”) hereby grants to CITY OF REDWOOD CITY (“*Grantee*”), all of Grantor’s respective rights, title, and interest in the real property located in the City of Redwood City, County of San Mateo, State of California, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, the Grantor has caused this Grant Deed to be executed by its authorized representative(s) on _____, _____.

GRANTOR:
SUCCESSOR AGENCY TO THE REDWOOD
CITY REDEVELOPMENT AGENCY

By: _____
_____, Executive Director

EXHIBIT A TO GRANT DEED

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

ALL THAT CERTAIN PROPERTY SITUATED IN THE CITY OF REDWOOD CITY, COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING:

Vacant Lot at Corner of Lathrop and Maple legal description for APN 053-182-030

All that certain real property situate in the City of Redwood City, County of San Mateo, State of California, being a portion of that certain Grant Deed filed for record on March 24, 1993 as documents number 93046356 of Official records in the Office of the Recorder for the County of San Mateo and being a portion of Maple Street (60 feet wide) as shown on that certain final map entitled "ONE MAPLE STREET SUBDIVISION" filed for record on June 21, 2000 in Volume 130 of maps at pages 54 through 56, inclusive, in the Office of the Recorder for the County of San Mateo and being a portion of Lathrop Street as shown on that certain map entitled "HANCOCK'S ADDITION TO REDWOOD CITY", filed for record on February 21, 1862 in Book "E" of Maps at page 43, and copied into Book 1 of Maps at page 80 in the Office of the Recorder for the County of San Mateo, State of California being more particularly described as follows:

Beginning at the intersection of the centerline of Franklin Street as shown on said final map entitled "ONE MAPLE STREET SUBDIVISION" with centerline of said Maple Street; thence along said centerline of Maple Street, North 08° 46' 11" East, a distance of 57.60 feet to the intersection of the said centerline of Maple Street with the centerline of said Lathrop Street; thence along said centerline of Lathrop Street, South 26° 19' 10" East, a distance of 259.51 feet; thence leaving said centerline, South 63° 40' 50" West, a distance of 30.00 feet to a point on the Southwesterly right-of-way of said Lathrop Street; thence leaving said right-of-way of Lathrop street, South 51° 04' 23" West, a distance of 105.29 feet; thence North 49° 36' 46" West, a distance of 37.15 feet to a point on the Easterly right-of-way of said Maple Street; thence leaving said right-of-way, North 67° 32' 37" West, a distance of 30.00 feet to a point on said centerline of Maple Street; thence along said centerline of Maple Street, North 22° 27' 23" East, a distance of 29.62 feet; thence continuing along said centerline of Maple Street, North 08° 46' 11" East, a distance of 194.51 feet to the POINT OF BEGINNING.

A.P. No.: 053-182-030

CERTIFICATE OF ACCEPTANCE OF GRANT DEED

This is to certify that the interest in real property conveyed by the grant deed dated _____, 2026 from Successor Agency to the Redwood City Redevelopment Agency, a public body, corporate and politic, as Grantor, to the City of Redwood City, a charter city and municipal corporation of the State of California, as Grantee, is hereby accepted by the undersigned officer on behalf of the City of Redwood City pursuant to authority conferred by Resolution _____ of the City of Redwood City adopted on _____, and the Grantee consents to recordation thereof by its duly authorized officer.

Dated: _____, _____, City Clerk

Passed and adopted by the Council of the City of Redwood City at a
Joint City Council/Successor Agency Board/Public Financing Authority Meeting
thereof held on the 22nd day of December 2025 by the following votes:

AYES: Chu, Gee, Howard, Padilla, Sturken, Vice Mayor Eakin,
and Mayor Martínez Saballos

NOES: None

ABSENT: None

ABSTAINED: None

RECUSED: None



Elmer Martínez Saballos
Mayor of the City of Redwood City

Attest:



Yessika Castro, CMC, CPMC
City Clerk of Redwood City

I hereby approve the foregoing resolution this
22nd day of December 2025.



Elmer Martínez Saballos
Mayor of the City of Redwood City

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

651 Bannon Street, Suite 400, Sacramento, CA 95811
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



August 13, 2024

Alexandra Lawrence, Senior Associate
RSG, Inc.
170 Eucalyptus Ave, Suite 200
Vista, CA 92084

SENT VIA EMAIL TO: alawrence@rsgsolutions.com

Dear Alexandra Lawrence:

**RE: HCD's Review of the Successor Agency to the Redwood City
Redevelopment Agency's Determination of Property Located at Maple and
Lathrop Streets (APN 053-182-030) as "Exempt Surplus Land"**

Thank you for notifying the California Department of Housing and Community Development (HCD) of the Successor Agency to the Redwood City Redevelopment Agency's (Successor Agency) determination of an approximately 10,973 square-foot property on APN 053-182-030 (Property), as "exempt surplus land."

HCD reviewed the Successor Agency's public notice (Notice) and supporting information pursuant to Section 400 of the Surplus Land Act (SLA) Guidelines. As explained below, HCD finds that the Property qualifies as "exempt surplus land" under Government Code section 54221, subdivision (f)(1)(B).

Analysis

According to the Notice, and supporting information submitted on July 29, 2024, the Property is exempt from the SLA pursuant to Government Code Section 54221, subdivision (f)(1)(B), and the Successor Agency intends to dispose of the Property that the Successor Agency declared as "exempt surplus land". The Property is less than one-half acre in area and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes. Pursuant to Government Code Section 54221, subdivision (b)(4), the City published the Notice for a 30-day comment period and emailed the Notice to the entities identified in subdivision (a) of Section 54222. According to information submitted on July 29, 2024, none of the characteristics listed in Government Code section 54221, subdivision (f)(2) applies to the Property.

Conclusion

Based on the documentation provided, HCD finds that the Property qualifies as “exempt surplus land” under Government Code section 54221, subdivision (f)(1)(B).

If you have any questions or need additional technical assistance, please contact Jenny Nusbaum, Senior Innovative Projects Specialist, at jenny.nusbaum@hcd.ca.gov.

Sincerely,



Laura Nunn
Senior Manager, Housing Accountability Unit
Housing Policy Development

APPRAISAL OF:

APN 053-182-030

SOUTHEAST CORNER OF MAPLE AND LATHROP STREETS

REDWOOD CITY, CALIFORNIA

PREPARED FOR:

CITY OF REDWOOD CITY

REDWOOD CITY, CALIFORNIA

MAY 2025

2025CNA112

May 6, 2025

Patrick Heisinger
Assistant City Manager
City of Redwood City
1017 Middlefield Road
Redwood City, CA 94063

Re: 2025CNA112, *Appraisal Report*
Task Order No. 5
APN 053-182-030
S.E. Corner of Maple and Lathrop Streets
Redwood City, California

Dear Mr. Heisinger:

At your request and authorization, Carneghi-Nakasako & Associates has appraised the real property at the southeast corner of Maple Street and Lathrop Street in Redwood City, California and identified by the San Mateo County Assessor's office as Assessor's Parcel Number 053-185-030. *As you know, Carneghi-Nakasako & Associates previously provided an opinion of the market value of this same property in an Appraisal Report identified as 2023CNA158, dated February 2, 2024, and having a date of value of January 26, 2024.*

The subject property consists of a single legal parcel containing approximately 10,973 gross square feet of land area. The parcel is irregularly shaped with generally level topography. However, there is an approximate 32-foot-wide storm drain easement near the southern end of the subject property that reduces its overall usable area. This easement is improved with a concrete-lined channel containing Redwood Creek, and coupled with the City's need to maintain culvert access, the usable area of the parcel reduces to about 4,469 square feet, based on a calculation provided by James O'Connell, Acting City Engineer for the City of Redwood City.

The subject parcel includes approximately 193 feet of frontage along Maple Street and about 165 feet of frontage along Lathrop Street. The subject parcel is legally intended for high density commercial/residential development per the Mixed Use – Corridor General Plan land use designation and the Mixed Use Corridor – El Camino Real District zoning. The subject is unimproved aside from some fencing; it appeared to be supporting a construction staging area on the date of value for the adjacent Elco Yards development to the southeast.

The client for this appraisal is Mr. Patrick Heisinger, Assistant City Manager, City of Redwood City. The purpose of this appraisal is to estimate the current fee simple fair market value of the subject property identified above. It is my understanding that the intended use/user of this appraisal is for the exclusive use of the Successor Agency of the City of Redwood City for assistance in negotiating the disposition of the subject parcel. ***This appraisal report should not be used or relied upon by any other parties for any reason.***

Market Value Conclusion

Based on the research and analysis, and subject to the assumptions and limiting conditions contained in this report, it is the opinion of the undersigned that the fee simple fair market value of the subject property, as of April 30, 2025 is:

NINE HUNDRED THOUSAND DOLLARS

(\$900,000)

This appraisal report is identified on the footer of each page as 2025CNA112, and includes several related exhibits and addendum.

Exposure Time

Based on the research of comparable transactions and discussions with local real estate brokers as well as considering the current economic climate and real estate market, it is my opinion that the subject property would have required a reasonable exposure time of approximately six to nine months, as of the date of valuation.

Certification

I, the undersigned, hereby certify that, to the best of my knowledge and belief: the statements of fact contained in this report are true and correct; the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions; I have no present or

prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved; I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment; I previously provided appraisal services regarding the subject of this report for the same client in an Appraisal Report identified as 2023CNA158, dated February 2, 2024, and having a date of value of January 26, 2024; my engagement in this assignment was not contingent upon developing or reporting predetermined results; my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal; my analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*; I have made a personal inspection of the property that is the subject of this report; no one provided significant real property appraisal assistance to the person signing this certification; the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute; and the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. As of the date of this report, Matthew Watson, MAI has completed the continuing education program for Designated Members of the Appraisal Institute. In accordance with the Competency Provision in the USPAP, I certify that my education, experience, and knowledge are sufficient to appraise the type of property being valued in this report.

We are pleased to have had this opportunity to be of service. Please contact us if there are any questions regarding this appraisal.

Sincerely,

Carneghi-Nakasako & Associates



Matthew Watson, MAI
Certified General Real Estate Appraiser
State of California No. AG040050

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ADDENDA

- Subject Photographs**
- Exhibit B Plat Map**
- 2012 Grant Deed with Legal Description**
- Assessor’s Parcel Maps for Comparable Land Sales**
- Appraiser Qualifications**

I. REPORT SUMMARY

A. Property Appraised

The subject property consists of a single legal parcel containing approximately 10,973 gross square feet of land area. The parcel is irregularly shaped with generally level topography. However, there is an approximate 32-foot-wide storm drain easement near the southern end of the subject property that reduces its overall usable area. This easement is improved with a concrete-lined channel containing Redwood Creek, and coupled with the City’s need to maintain culvert access, the usable area of the parcel reduces to about 4,469 square feet, based on a calculation provided by James O’Connell, Acting City Engineer for the City of Redwood City. The subject parcel includes approximately 193 feet of frontage along Maple Street and about 165 feet of frontage along Lathrop Street. The subject is unimproved aside from some fencing; it appeared to be supporting a construction staging area on the date of value for the adjacent Elco Yards development to the southeast.

B. Property Identifications

For ease of reference, the following represents a summary of pertinent property identifications for the subject property.

Assessor’s Parcel No:	053-182-030
General Plan:	Mixed Use – Corridor
Zoning:	Mixed Use Corridor – El Camino Real
Zip Code:	94063
Flood Zone:	A & X (Shaded)
Alquist Priolo Zone:	Not located in an Alquist-Priolo Earthquake Special Studies Zone

C. Client, Purpose, Intended Use, and Intended User

The client for this appraisal is Mr. Patrick Heisinger, Assistant City Manager, City of Redwood City. The purpose of this appraisal is to estimate the current fee simple fair market value of the subject property.

It is my understanding that the intended use/user of this appraisal is for the exclusive use of the Successor Agency of the City of Redwood City for assistance in negotiating the disposition of the subject parcel. ***This appraisal report should not be used or relied upon by any other parties for any reason.***

D. Report Format and Scope of Work

This report is intended to satisfy the requirements of USPAP Standards Rule 2-2 as a real property appraisal presented in an Appraisal Report format.

The scope of work performed within this Appraisal Report is to utilize the Sales Comparison Approach to value in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) to arrive at the fair market value conclusion indicated as the purpose of this appraisal and is to be based on the existing zoning.

Specific steps include: a personal inspection of the subject property; a tour of the surrounding and nearby area of the subject property; a review of the maps and reports depicting the location and size of the subject property; collection of descriptive information for the subject property including, but not limited to, zoning data; and the research and analysis of comparable data to arrive at the value indication as put forth in this report. The sources of information used in this report may have included: appraiser files; real estate brokers and agents; real estate developers; property owners; CoStar; DataTree, MLS; local government agencies including planning departments; and other market participants.

E. Property Rights Appraised

Fee simple property rights are appraised. *Fee Simple Estate* is defined as “absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”¹

F. Date of Inspection/Valuation/Report

The appraiser made a personal inspection of the subject property on January 26, 2024. A personal inspection of the subject property from the adjoining rights of way was performed again on April 30, 2025, which is the date of valuation.

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

The date of this Appraisal Report is May 6, 2025.

G. Definition of Market Value

Market value means “the most probable price, as of a specific date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.”²

In this appraisal the terms “market value” and “fair market value” are used interchangeably.

H. Market Value Conclusion

Based on the research and analysis, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraiser that the fair market value of the fee simple interest in the subject property, as of April 30, 2025, is:

NINE HUNDRED THOUSAND DOLLARS

(\$900,000)

I. Exposure Time

The subject is part of a limited market in that there would be few potential buyers. Based on the actual exposure times for the sale of similar properties, together with conversations with active brokers in the market, and given the price level of the fair market value conclusion, it is my opinion that the fee simple interest being appraised would have been offered on the market for approximately six to nine months, prior to the hypothetical consummation of a sale at the concluded opinion of market value, as of the effective date of value. As such, it is the appraiser’s opinion that a reasonable exposure time for the subject property is 6 to 9 months.

² Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

J. Limiting Conditions, Extraordinary and General Assumptions

Extraordinary Assumptions

1. A preliminary title report covering the subject parcel was not available. The only known easement affecting the subject property is a storm drain easement supporting Redwood Creek, which is in favor of the City of Redwood City and affects the southern portion of the subject. Valuation of the subject property is based on the extraordinary assumption that title to the property is marketable and free and clear of any liens, easements, encumbrances, encroachments, and special assessments, other than those identified in this report.
2. The developer of the Elco Yards project appears to have a temporary construction easement over, or license to use, the subject property for vehicle and equipment storage. At the time of our previous appraisal, James O’Connell, Acting City Engineer for the City of Redwood City, and Patti Schrottenboer, Senior Civil Engineer, both opined that there is no agreement in place. It was an extraordinary assumption of this appraisal that there is no temporary construction easement or license allowing for use of the subject.
3. The storm drain easement near the southern subject boundary reduces the developable or usable area of the subject parcel. This easement is improved with a concrete-lined channel containing Redwood Creek, and coupled with the City’s need to maintain culvert access, the usable area of the parcel is reduced. Based on the plat map drawn by James O’Connell, Acting City Engineer for the City of Redwood City, and displayed in the Addenda as Exhibit B, the net developable or usable area of the subject is 4,469 square feet. It was an extraordinary assumption of this appraisal the developable area of the subject was 4,469 square feet.

The use of these extraordinary assumptions might have affected the assignment results.

General Assumptions and Limiting Conditions

1. It is the client’s responsibility to read this report and to inform the appraiser of any errors or omissions of which he/she is aware prior to utilizing this report or making it available to any third party.

2. No environmental or soil study was submitted for review. No obvious signs of contamination were observed upon physical inspection of the subject property. However, valuation of the subject property is based on the general assumption that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or engineering, which might be required to discover such factors. It is assumed that no soil contamination exists because of chemical drainage or leakage in connection with any production/operation (current or historical) on or near the subject property.
3. Plot plans and maps are included to assist the reader in visualizing the property. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser is assumed by the appraiser.
4. All information has been checked where possible and is believed to be correct, but is not guaranteed as such.
5. The appraiser is not required to give testimony or appear in court in connection with this appraisal unless arrangements have been previously made.
6. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with the proper written qualification and only in its entirety, and only for the contracted intended use as stated herein.
7. Neither all nor part of the contents of this report shall be conveyed to the public through advertising, public relations, new sales, or other media without the written consent and approval of the appraiser, particularly as to the valuation conclusions, the identity of the appraisers, or any reference to the Appraisal Institute or the MAI designation.

8. Information regarding any earthquake and flood hazard zones for the subject property was provided by outside sources. Accurately reading flood hazard and earthquake maps, as well as tracking constant changes in the zone designations, is a specialized skill and outside the scope of the services provided in this appraisal assignment. No responsibility is assumed by the appraisers in the misinterpretation of these maps. It is strongly recommended that any lending institution re-verify earthquake and flood hazard locations for any property for which they are providing a mortgage loan.

II. AREA & NEIGHBORHOOD DESCRIPTION

A. San Mateo County

San Mateo County is one of the nine counties touching San Francisco Bay and comprising the San Francisco Bay Area. It totals approximately 450 square miles of land extending from the Pacific Ocean on the west to San Francisco Bay on the east, and benefits from its proximity to both San Francisco and the Silicon Valley area. The County is characterized by a ribbon of manufacturing, engineering, and technical products firms closest to the bay, with business and residential areas stretching westward into the foothills. Land available for development is in short supply.

Due to the generally built-out nature of the County, population expansion has slowed considerably in the last two decades. As of January 1, 2025, the State Department of Finance (DOF) estimated the County's population at 748,337, an increase of 0.1 percent from one year prior. Meanwhile, the number of housing units as of January 1, 20225 was estimated at 292,078, which is up 0.8 percent from the prior year. In its *Plan Bay Area 2050* publication, the Association of Bay Area Governments (ABAG) estimates that the number of households (or occupied housing units) in San Mateo County will increase to 394,000 by 2050.

In terms of employment, San Mateo County has a diversified economy. Its unemployment rate has historically been below state and national levels. As of February 2025, the California Employment Development Department (EDD) estimated the unemployment rate in San Mateo County at 3.7 percent, based on a labor force of 418,700. This represents a decline of approximately 100 in the labor force and a slight increase from the unemployment rate of 3.6 percent reported one-year prior. In its *Plan Bay Area 2050* publication, ABAG estimates that the number of jobs in San Mateo County will increase to 507,000 by the year 2050.

Transportation systems serving the County are well established and heavily used by area residents and workers. Two primary freeways running north/south through the area are the Bayshore Freeway (Highway 101) and Interstate 280. Highway 92 and Interstate 380 connect these arteries in the central and north/central portions of the county. El Camino Real represents the main commercial arterial in the County connecting to San Francisco in the north and Santa Clara County on the south. CalTrain passenger trains and limited rail freight

serve the area. SamTrans bus service is also available with multiple local routes. San Francisco International Airport is the region's main airport.

B. City of Redwood City

Redwood City is located in the center of San Mateo County and is bordered by San Francisco Bay on the east, the town of Woodside to the west, San Carlos to the north, and Menlo Park and Atherton to the south and comprises just under 34 square miles of land, roughly half of which is underwater in the shore area along the Bay. As of January 1, 2025, the DOF estimated Redwood City's population at 82,073, a decrease of about 0.6 percent from the prior year.

Redwood City is the county seat for San Mateo County and the government is a major employer. The largest employers within the city include: Oracle Corporation; Stanford University Hospital & Clinics; the County of San Mateo; Box Inc; Guardant Health, Inc.; Kaiser Permanente; and Electronic Arts. Similar to the County as a whole, Redwood City has been experiencing strong employment conditions for several years, reflective of the strength in the local economy. The Redwood City unemployment rate, according to the EDD, was reported at 3.5 percent as of February 2025. This is marginally higher than the 3.4 percent unemployment rate from one year ago.

Redwood City is primarily residential in nature, with a variety of housing types and price/rental ranges evident. While some sections of the downtown area and the North Fair Oaks neighborhoods include older, lower quality structures interspersed with new, high quality office buildings, the Redwood Shores community has a relatively affluent residential base and has experienced substantial new construction of high-quality office, research & development (R&D), and residential properties over the past decade. As the newer office parks have become fully built-out, there has been increased interest in downtown in-fill and redevelopment sites, which have been the focus of new construction over the last several years.

Commercial and industrial land uses are clustered mostly along Highway 101, which extends along the Bay on the City's east side. This freeway stretches north to south along the entire San Francisco Peninsula, connecting San Francisco with San Jose and Santa Clara County's southernmost communities. Interstate 280 is the other major thoroughfare, although it technically lies outside of the city's boundaries to the west. A network of east/west surface streets connect the two freeways, the most prominent of which is Woodside Road (Highway 84). East of

Highway 101, this thoroughfare extends toward the Port of Redwood City, wherein it is renamed Seaport Boulevard.

C. Neighborhood Description

The subject’s general neighborhood boundaries are: Brewster Avenue to the northwest; El Camino Real to the west and south; Chestnut Street to the south and east; and Veterans Boulevard to the north. The subject is specifically located just south of the Redwood City downtown core area. The core area is where the majority of ground-level shops are concentrated, and therefore where pedestrian activity is most lively and where the most pedestrian amenities are located.

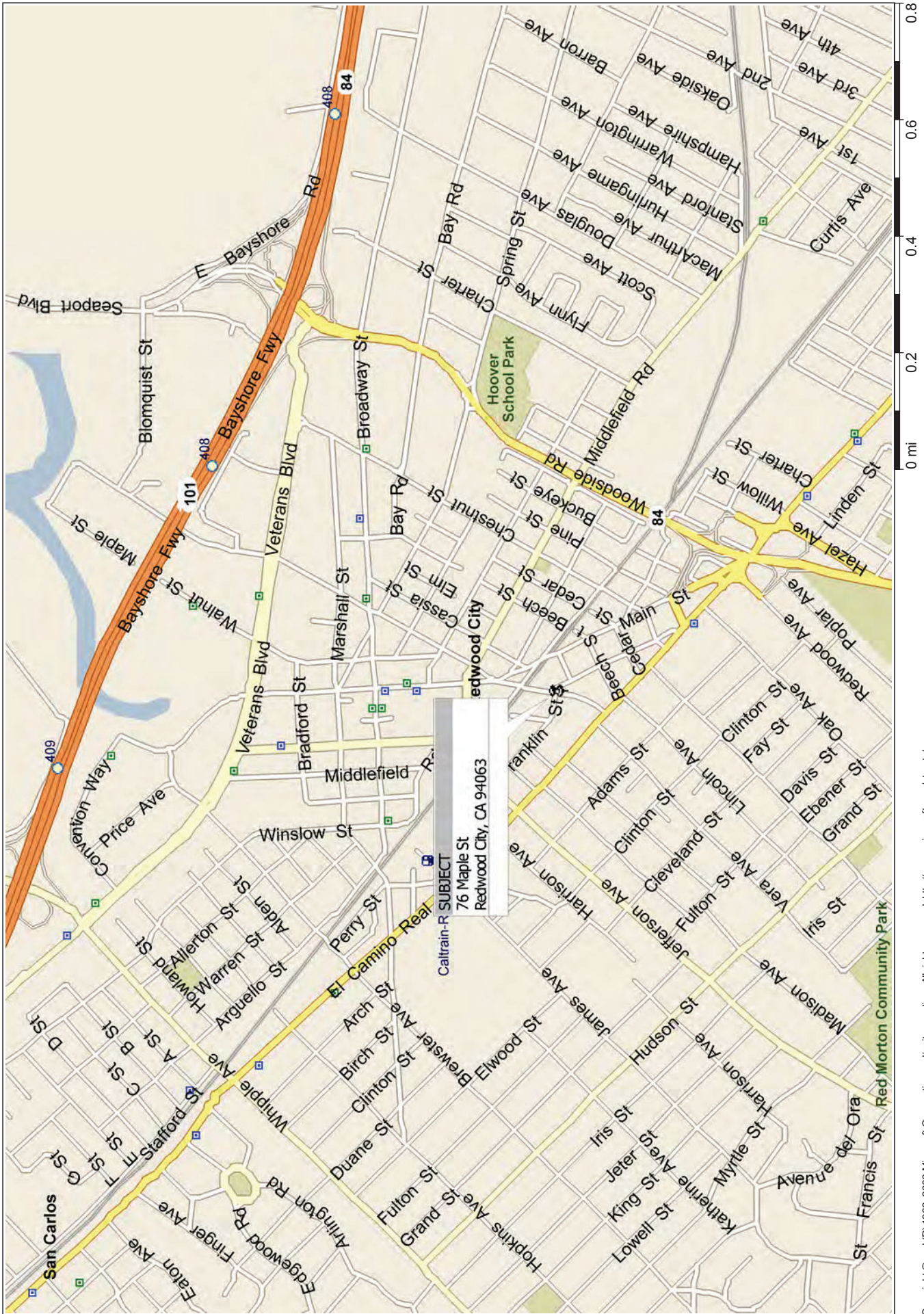
The subject is across Maple Street from the Downtown Precise Plan Area. The downtown’s streets double as outdoor open spaces—attractively shaped volumes defined by contiguous mixed-use, retail, residential, office, theater, and civic buildings from corner to corner, featuring a bare minimum of front or side yard setbacks. Main Street, about two blocks north of the subject, is where the city and its Downtown began.

Adjacent uses to the subject property include: the Elco Yards development to the south; the Franklin Street Apartments across Maple Street to the west and northwest, which is a 225-unit multibuilding residential development constructed in 2002; and the 1180 Main St office building beyond Lathrop Street and Redwood Creek channel to the northeast, which is a three-story, 109,375 sq ft building above two levels of underground parking that was completed in 2022.

The aforementioned Elco Yards development is continuing construction and will add about 655,000 square feet of large-scale office and life science buildings to the subject’s neighborhood. Delivery of these LEED Gold buildings is expected in 2025. As a side note, the Elco Yards project entitlement envisioned a community garden on the subject property even though it was owned by the Successor Agency and not part of the entitlement approvals.

Transportation within the subject neighborhood is considered good. Woodside Road/Highway 84 is located approximately one-quarter of a mile south of the subject property and provides a full interchange with Highway 101 approximately one-quarter mile to the east, and Interstate 280 approximately three miles to the west. Additional nearby surface arterials include: Veterans Boulevard, Jefferson Avenue, El Camino Real, and Middlefield Road.

NEIGHBORHOOD MAP



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III. MARKET ANALYSIS

According to the Federal Reserve District's Beige Book, published March 5, 2025, overall economic activity rose slightly since mid-January. Six Districts reported no change, four reported modest or moderate growth, and two noted slight contractions. Consumer spending was lower on balance, with reports of solid demand for essential goods mixed with increased price sensitivity for discretionary items, particularly among lower-income shoppers. Unusual weather conditions in some regions over recent weeks weakened demand for leisure and hospitality services. Vehicle sales were modestly lower on balance. Manufacturing activity exhibited slight to modest increases across a majority of Districts. Contacts in manufacturing, ranging from petrochemical products to office equipment, expressed concerns over the potential impact of looming trade policy changes. Banking activity was slightly higher on balance among Districts that reported on it. Residential real estate markets were mixed, and reports pointed to ongoing inventory constraints. Construction activity declined modestly for both residential and nonresidential units. Some contacts in the sector also expressed nervousness around the impact of potential tariffs on the price of lumber and other materials. Agricultural conditions deteriorated some among reporting Districts. Overall expectations for economic activity over the coming months were slightly optimistic.

As for real estate and construction activity in the subject's Twelve District, conditions in the residential real estate sector softened slightly on net. Demand for single-family homes remained solid in some regions, such as Southern California, but reportedly cooled in others such as Arizona and Oregon. Inventories remained limited. Demand rose for multifamily rental units, particularly at the lower end of the market, and vacancies were easy to fill. Rents rose somewhat despite recently completed units increasing local supply in some areas. Contacts in the Los Angeles area attributed the increased demand for rental units and higher asking rents to the recent wildfires. Contacts observed fewer new single- and multifamily construction projects, citing higher construction costs and economic uncertainty.

Commercial real estate conditions were largely similar to those in the prior reporting period. Office space demand increased slightly but remained subdued overall. Rents for retail space rose at a pace in line with inflation. Commercial projects continued to be held back, with contacts citing higher construction and financing costs. However, work on public and infrastructure projects continued. Contacts reported that businesses paid attention to the possibility of further increases in construction materials costs and labor availability issues.

A. Regional Economic Conditions

The March 2025 Allen Matkins/UCLA Anderson Forecast for the California economy states that *Much of the story currently being told in regard to the California economy is rooted in immigration. Immigration policy will likely have two effects on California.*

The first will be the withdrawal of millions of undocumented workers from the U.S. labor force — including in California — either through the deportation process underway or because such workers voluntarily leave jobs that put them at high risk of deportation. The current Forecast report for California assumes such deportations will commence and be carried out, as repeatedly promised by the current administration since the beginning of the election campaign. Studies have shown that past incidents of mass deportation decreased the number of undocumented workers but also decreased the rate of employment in the remaining population.

The second effect of immigration policy involves H1B visas issued to workers in the tech industry. The emphasis the new administration is expected to place on growth in technology suggests that H1B visas will benefit California's economy. Three important factors will make meeting California's need for more housing challenging. First, deportations will deplete the construction workforce. The loss of workers the industry relies on for installing drywall, flooring, roofing and finishing, for example, will directly diminish production of single-family and smaller (non-high-rise) multifamily developments.

The second factor relates to persistent inflation in the U.S. The Federal Reserve is much less likely to lower the federal funds rate with the trend in consumer inflation moving away from their 2.0% target. This will increase the cost of funds for construction loans and, therefore, the cost of new construction.

The third factor relates to the tariff policy of the Trump administration. The source of building materials is international, with key inputs such as lighting and electrical fixtures and appliances originating in China. A 20% or more increase in the cost of these inputs will increase the cost of construction and further limit the demand for newly built homes. Moreover, nearly 70% of U.S. lumber imports come from Canada, and 71% of gypsum imports (the primary component of drywall) come from Mexico.

The California economy is forecasted to grow at about the same rate as the U.S. in 2025 and 2026, and slightly faster in 2027. The unemployment rate for the first quarter of this year is expected to average 5.5%, and the averages for 2025, 2026 and 2027 are expected to be 5.7%, 5.2% and 4.8%, respectively.

B. General Commercial Real Estate Market & Economic Summary

According to an April 2025 report by CoStar Group covering the subject's San Francisco area, which includes San Francisco and San Mateo Counties: *The San Francisco Bay Area is the global leader in innovation and development of information technology. Home to several of the world's largest companies, including Apple, Alphabet, NVIDIA, and Meta, San Francisco and San Jose lead the nation with the highest economic growth rates at the metropolitan level. This translates into high wages and nation-leading household income growth. In turn, San Francisco has some of the nation's highest rents and prices across all real estate asset classes.*

However, growth in the technology sector tends to be volatile, with innovation happening in bursts. This does not sit well with the slow-moving world of real estate, with the result that San Francisco's real estate markets have a long history of boom followed by bust, causing volatility in rents, prices, and vacancy.

The current boom-bust cycle began with the tech boom of the 2010s, which comprised a significant expansion of cloud computing and mobile technologies. San Francisco was the hub for leading companies that built global businesses around mobile applications that disrupted traditional industries. Real estate demand surged, prompting nation-leading rates of growth in rents and prices and a surge in the construction of office and residential towers in downtown San Francisco.

The cycle abruptly turned downwards in early 2020. By then, affordability had become a problem, causing businesses and people to relocate from San Francisco to less expensive parts of the country. The COVID-19 pandemic and associated lockdowns triggered a surge in this exodus. Tech companies adopted distributed workforce models, and employees left the city in large numbers. As of the second quarter of 2025, the population has started to grow again, increasing by an estimated 1.3% in the past year.

Starting in 2022, cyclical economic pressures have also been at work after the Fed began raising interest rates to slow the economy and reduce inflation.

Locally, the most visible impacts have been layoffs in the tech sector and a large decline in real estate investment sales activity.

Downtown San Francisco suffered the most, with the exodus of tech workers part of a broader narrative that involves a fall in residents and visitors amid an increase in crime, homelessness, and drug abuse. Low economic activity and social problems impacted the viability of retailers, restaurants, and hotels. Recent actions by the City of San Francisco appear to have an impact, increasing activity levels and translating to some signs of growth in demand for office and multifamily rentals.

Total employment remains slightly below its prepandemic level. Flexible working practices make it unclear how many San Francisco businesses' employees live in the metro area. After falling to a 10-year low of 2.3% in 2022, the unemployment rate has increased to 3.7% currently.

Over the past year, growing investment in the AI technology sector has seeded what may be San Francisco's next period of growth. The city is the leading location for startups and expanding AI companies. This already positively impacts office leasing and should raise demand across other real estate sectors in the quarters ahead.

C. Retail Market Conditions

The commercial brokerage firm Cushman & Wakefield's *U.S. Retail Marketbeat* for the first quarter of 2025, notes that *The U.S. consumer economic backdrop was solid heading into 2025 and there remain many positive forces such as healthy household balance sheets, continued job growth and positive wage gains. But trade policy has shifted abruptly, presenting near-term headwinds to consumer spending and the retail sector more broadly. Tariffs placed on imported goods have been implemented at a dizzying pace, and while there is little clarity on the stable-state size and scope of the tariffs, the policy shift is already impacting the economy.*

Tariffs impact the retail sector in several ways: 1) Retailers pay higher costs for imported goods and materials, reducing profit margins; 2) Consumers face higher costs for retail goods, impacting the mix and amount that they spend; 3) The uncertainty surrounding trade policies complicates operational planning, potentially reducing conviction about strategic investments. While some retailers may be able to mitigate cost increases through negotiations with suppliers, higher

costs and elevated uncertainty will likely impact leasing decisions in the coming quarters. The tariffs will directly impact some sectors more than others given the specifics of the policies—appliances and sporting goods for example are heavily sourced from China—but the entire sector will feel strained from a consumer lens. Consumer sentiment in early April slumped to the lowest level since 2021 as tariff concerns compounded anxiety about the employment and income picture. Heightened volatility in the stock market is also fueling concerns for older and wealthy consumers, which raises concerns about discretionary spending on luxury and big-ticket purchases.

It is too early, however, to sound the recession alarm. Our view is that the tariffs will gradually be rolled back as trade negotiations progress, allowing consumer confidence and business sentiment to improve over the next few months. While we may see a pause in leasing activity as we await greater clarity, a wave of unexpected layoffs and store closures seems equally unlikely. Generally, this feels like a moment of pause rather than contraction.

The report notes that asking retail rents in the broader San Francisco market increased marginally from \$42.95/SF/Year in Q1-2024 to \$43.12/SF/Year in Q1-2025. Over the same period, rents in the broader San Jose market increased from \$39.66/SF/Yr to \$40.27/SF/Yr. Meanwhile, both of these markets had new retail under construction.

According to statistics compiled by CoStar Group, *The Redwood City retail submarket has a vacancy rate of 1.5% as of the second quarter of 2025. Over the past year, the submarket's vacancy rate has changed by -1.4%, a result of 2,300 SF of net delivered space and 58,000 SF of net absorption. Redwood City's vacancy rate of 1.5% compares to the submarket's five-year average of 3.0% and the 10-year average of 2.5%. The Redwood City retail submarket has roughly 120,000 SF of space listed as available, for an availability rate of 3.0%.*

As of the second quarter of 2025, there is 97,000 SF of retail space under construction in Redwood City. In comparison, the submarket has averaged 22,000 SF of under construction inventory over the past 10 years.

Market rents in Redwood City are \$37.00/SF. Rents have changed by -0.4% year over year in Redwood City, compared to a change of -0.4% across the wider San Francisco market. Annual rent growth of -0.4% in Redwood City compares to the submarket's five-year average of 0.6% and its 10-year average of 2.0%.

D. Office and R&D Market Conditions

The commercial brokerage firm Cushman & Wakefield reported in their San Mateo County Office & R&D Q1 2025 Marketbeat: *The San Mateo County combined office and R&D vacancy rate jumped 110 basis points (bps) in the first quarter to 22.4%. The continuing trend of record high vacancy was largely due to four large blocks of space over 50,000 square-feet (sf). The largest sublease block is from Snowflake as they added 210,000 sf and will relocate from San Mateo to Menlo Park to grow into nearly 800,000 sf. The largest direct block to hit the market was 110,000 sf at 101 Lincoln Center Dr in Foster City, formerly occupied by Gilead Sciences. R&D vacancy which accounts for only 3.1% of total vacancy, decreased 30 bps from the previous quarter to 278,364 sf with much of that being direct space in Southern San Mateo County.*

The San Mateo County overall asking rent dropped to \$5.78 per square foot (psf) on a monthly, full-service basis, from \$5.94 psf the previous quarter and \$0.56 below the peak \$6.34 psf in the first quarter of 2023. Menlo Park retained the top spot at \$7.71 psf due to premium direct class A rents in the Sand Hill Road submarket. Class A complexes continued to command elevated direct rents in the market at \$6.39 psf with the Menlo Park Class A direct asking rent reigning supreme at \$9.32 psf, though that has been trending down from its peak of \$11.60 psf in the fourth quarter of 2023.

Two projects in Redwood City totaling 537,000 sf are currently under construction, with 100% of the total square footage available; both projects are expected to deliver in the second half of 2025. The latest major deliveries last year were 220 Park Road, located in the heart of downtown Burlingame, partially leased to Skyknight Capital, and Burlingame Bay Center fully leased to Meta.

Leasing activity had a slow start to the year at 398,776 sf with Central San Mateo County capturing 59% of transactions. New leasing made up 54% of all deals, led by the City of Burlingame leasing 26,522 sf at 1440 Chapin Ave in Burlingame.

Net absorption remained in the red at negative 463,878 sf. The bulk of negative absorption was in Foster City, San Mateo and Menlo Park recording figures of -182,553 sf, -181,307 sf and -101,233 sf respectively. The bright spot was North San Mateo County at positive 63,485 sf, led by South San Francisco and Brisbane with 49,635 sf and 21,424 sf, respectively.

In the first quarter of 2025, there were two transactions recorded in San Mateo County, closing for a total of \$17.6M. The top sale was 350 Marine Parkway (\$12.9M) in Redwood City, with the buyer being an owner-user. Recent sales transactions have been in assets with a history of strong leasing, secured pre-leasing or owner/user. Similar transactions are expected to close in the coming months, signaling long-term faith in the market.

E. Residential Market Conditions

National and local providers of real estate sales data do not typically report statistics on residential land sales, since there are too few residential land sales to provide reliable statistics. Because there are few residential lot sales, and because land sales are more susceptible to quick supply and demand changes, the selling and pricing trends for land do not always mimic the residential housing market. Market participants indicated that land sales have slowed due to elevated interest rates, high costs of construction, and limited sites available that are not challenging in terms of development. Most market participants opined that competing land selling prices peaked in early 2022, declined in the latter half of 2022 and have generally been stable since that time despite few sales and below average demand.

Using data from the local MLS, among all residential sales in Redwood City, which includes detached single-family dwellings, duets, and condominiums, the median sale price was generally declining over the second half of 2022 and first few months of 2023 before increasing through about October 2023. Following a sharp decline through January 2024, the median price has oscillated up and down. Between March 2024 and March 2025, the median sale price increased 4.8 percent from \$2,100,000 to \$2,200,000. Within this time frame it troughed at \$1,608,000 in October 2024. The median price is currently at the same level it was in April 2022 and just \$20,000 higher than the October 2023 median. Over the last twelve months the medium number of days to sell a home in Redwood City increased from 9 to 11 days. Within San Mateo County, the MLS reports the median sale price for all homes was \$1.63 million in March 2025, essentially flat from the \$1.628 million reported in March 2024.

As of Q1-2025, the median sale price of condominiums and townhouses in Redwood City was \$1,153,750, according to the MLS, which is considerably higher than the \$910,000 median sale price reported in Q1-2024, but was down from the median of \$1,280,000 reported in Q1-2023. In general, median pricing peaked around Q2-2023, declined through Q1-2024, increased in Q2-2024, and

decreased again in Q4-2024. The number of sales has been fairly consistent with 22 sales in Q1-2024 and 20 sales in Q1-2025.

According to a CoStar report on the Redwood City/Menlo Park multifamily submarket, *In the second quarter of 2025, the Redwood City/Menlo Park submarket has come to the end of a period of improving stability. Demand was strong over the previous three years, and new supply was limited. As a result, the vacancy rate fell to a level last seen in 2017. However, the delivery of several hundred new units in the current period is now testing the robustness of demand.*

The wider metro area saw growing demand for apartments in 2024. The vacancy rate decreased to its pre-pandemic level as absorption remained strong and very few new developments were completed. Rent growth has shifted from negative to positive territory, and average rents have surpassed the peak level set in 2019.

Redwood City/Menlo Park is one of the larger submarkets in the San Francisco metro area, with approximately 17,000 units. The submarket has a wide diversity of housing stock, including some of the Bay Area's most exclusive and expensive for-sale residential neighborhoods in Menlo Park and Atherton and large amounts of workforce housing further north in Redwood City. Indeed, workforce housing is the predominant rental property type, with approximately 9,000 units in the 1 & 2 Star category.

The submarket is home to several noteworthy tech firms. The entry and expansion of Google and Meta have fueled housing demand in the past five years. While the past two years brought hiring freezes and layoffs, housing demand has remained positive.

Developers have responded to strong demand by pushing ahead with new projects. The submarket has 520 units currently under construction, the second highest in the metro area. Moreover, around 780 units in two 4 & 5 Star buildings were completed in 2024, the most in the metro area. This supply addition is testing the submarket's appetite for premium-level apartments.

F. Conclusion

Commercial properties generally exhibited slowing demand and stable to decreasing pricing over the last 18 months. Although some return-to-office mandates have begun, overall, demand for office and retail uses serving said offices remains below historical norms. Office construction is not occurring, and

minimal new retail is being added to the market. This is true both in Redwood City and the larger Bay Area. Following the Pandemic, many of the hotel proposals were never built.

Redwood City (and the Bay Area in general) is an undersupplied housing market. Demand for housing is expected to continue in the long-term, with increased demand for higher density housing options, a result of the scarcity of developable land and the more affordable nature for prospective buyers/renters. Residential market conditions in San Mateo County market have slowed over the last two plus years months due primarily to elevated interest rates. That said, median selling prices did not decline significantly, and in fact, recently increased to 2022 levels. Market participants report minimal remaining available land for residential development in the local market, which has created few sale data points and has generally kept pressure and the pricing of residential sites. Most market-rate residential projects are not being constructed due to ongoing concerns with high interest rates and supply-chain issues. Recently, the uncertainty on tariffs for raw materials places additional risk on new development.

Overall, market conditions are considered stable for the subject property with long-term outlook considered positive.

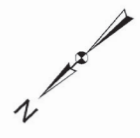
IV. PROPERTY IDENTIFICATION AND DESCRIPTION

A. Parcel Description

The subject property consists of a single legal parcel containing approximately 10,973 gross square feet of land area. A legal description of this parcel is contained in a 2012 Grant Deed, displayed in the Addenda. An Assessor’s Parcel Map showing the subject and surrounding properties is displayed on the following page. The subject parcel is irregularly shaped with generally level topography. As shown in the aerial view below, taken from Google Earth, and with the subject’s approximate boundaries in red, the southern portion is encumbered with a concrete channel, or culvert, which contains Redwood Creek.



This culvert is an approximate 32-foot-wide storm drain easement near the southern end of the subject property that reduces its overall usable area. This easement is improved with a concrete-lined channel containing Redwood Creek, and reduces the usable area of the site to about 4,469 sq ft after accounting for the City’s need to maintain culvert access. This area is based on a plat map prepared by James O’Connell, Acting City Engineer for the City of Redwood City, and displayed in the Addenda as Exhibit B. *It was an extraordinary assumption of this appraisal the developable area of the subject was 4,469 square feet.*



- 1 HANCOCKS ADDITION TO REDWOOD CITY RSM 1/80
- 2 SOUTH MAIN MIXED USE RSM 144/10-17
- 3 ASSessor's MAP COUNTY OF SAN MATEO, CALIF.

The subject parcel includes approximately 193 feet of frontage along Maple Street and about 165 feet of frontage along Lathrop Street. Each of these public streets is 60 feet in width and supports one travel lane in each direction along the subject's frontages. These frontages have curb and gutter, and a partial sidewalk at the intersection only. On the date of value, there was a below grade utility project occurring along the Lathrop St frontage. Following this utility project the subject is likely to have new curb/gutter, and possibly sidewalk. As of the date of value, the subject parcel had one curb cut onto Lathrop St. Based on its shape, frontages, size, and limited utility, the subject's development utility rates below average.

The subject parcel is unimproved aside from some partial perimeter fencing, trees along the street frontages, and some irrigated landscaping near the culvert along Maple Street. As noted above, the subject appeared to be supporting a construction staging area on the date of value for the adjacent Elco Yards development to the southeast. *It was an extraordinary assumption of this appraisal that there is no temporary construction easement or license allowing for use of the subject property.*

B. Utilities

All utilities, including electricity, water, natural gas, sewer, and telephone, are stubbed to the site or available in the adjacent public rights-of-way.

C. Preliminary Title Report, Easements, Encroachments, and Encumbrances

A preliminary title report or condition of title guarantee covering the subject was not available. The only known easement is the storm drain easement along the southern boundary which is about 32 feet in width. We did not note any other easements affecting the subject parcel. No responsibility is assumed for legal matters. *Valuation of the subject property is based on the extraordinary assumption that title to the property is marketable and free and clear of any liens, easements, encumbrances, encroachments, and special assessments, other than those identified in this report.*

D. Assessed Valuation and Real Estate Taxes

The subject property is not assessed for ad valorem tax purposes as it is owned by a public entity. In this appraisal, real estate taxes were not an issue that affected my opinion(s). Transfer of this land to private ownership would result in

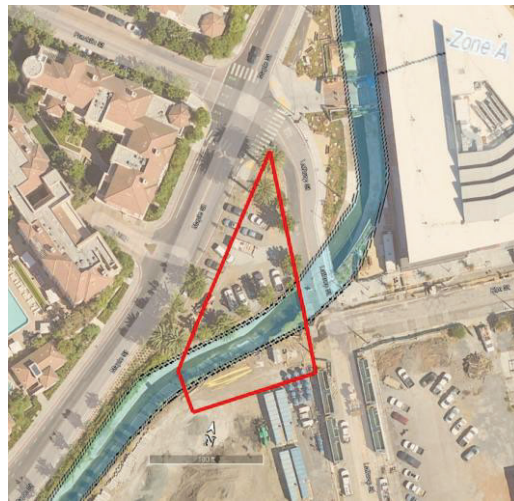
assessment by San Mateo County and application of the relevant tax rate to determine property taxes due.

E. Environmental Observations

Although no obvious signs of contamination were observed upon physical inspection of the subject property, the appraisers are not experts in contamination issues and no environmental or soil study was submitted for review. The subject has historically supported the storage of vehicles and construction equipment. The appraisers assume no responsibility for such conditions, or for engineering which might be required to discover such factors. *Valuation of the subject property is based on the extraordinary assumption that no soil contamination exists in connection with any operation (current or historical) on or near the subject property.*

F. Flood Hazard and Earthquake Information

According to Flood Insurance Rate Map, Community & Panel Number 06081C0301F, published on April 5, 2019, the subject property is located in Flood Zones X(shaded) and A. These zones are shown on the Google Earth aerial below with the subject’s boundaries approximately outlined in red:



Flood Zone A is wholly contained within the concrete channel which is shown as the blue ribbon bisecting the subject above. This zone identifies areas where there is a one-percent annual chance flood discharge contained in the flood control structure. The balance of the subject is within Flood Zone X (shaded), which identifies areas of the 0.2% annual chance flood hazard and areas of one-percent

annual chance flood with average depth less than one foot or with drainage areas of less than one square mile. Flood hazard insurance is not required for buildings in Flood Zone X.

The subject parcel is not within an Alquist-Priolo earthquake special studies zone.

G. General Plan & Zoning

The subject has a General Plan land use designation of **Mixed Use—Corridor**. *The Mixed Use - Corridor category allows for the reinvention of key corridors to support major transit and complementary commercial and residential uses, encouraging transit use, bicycle use, and pedestrian activity. In some places, schools may be necessary and appropriate. Development approaches allow for both horizontal and vertical mixed use. Ground-floor retail/service storefronts may be required at designated nodes. Design considerations should include sensitivity to lower-intensity residential neighborhoods behind sections of the corridor, public and private amenities, and transit accessibility features. The height of single use commercial and residential structures is limited to four stories. Combined use commercial-residential structures can extend in height up to six stories, provided privacy concerns of established neighborhoods are adequately addressed through setbacks of upper stories or other design approaches. Structured parking is allowed, provided no parking levels front directly on El Camino Real, Broadway, Veterans Boulevard, or Woodside Road.*

Development Standards

- ❖ *Combined Use (Commercial and Residential)*
 - *Maximum residential density: 80 du/acre*
 - *Maximum commercial intensity: FAR: 1.00*
- ❖ *Single Use (Commercial)*
 - *Maximum commercial intensity: FAR: 0.5*
- ❖ *Single Use (Residential)*
 - *Maximum residential density: 80 du/acre*

The subject property is zoned **MUC-ECR** (Mixed Use Corridor—El Camino Real). This zoning district is intended for the *revitalization of El Camino Real as a grand, multimodal, and attractive boulevard. The MUC-ECR sub-district represents a continuation of the Grand Boulevard Initiative vision and the Downtown Precise Plan design goals. The purposes of the MUC-ECR sub-district are to:*

- i. *Transform El Camino Real into a remarkable, walkable, and exciting corridor, home to a variety of residential and nonresidential uses.*
- ii. *Facilitate a pedestrian-scaled environment with buildings that emphasize active and street-oriented frontages, well-scaled and designed buildings, and engaging outdoor spaces and landscaping.*
- iii. *Allow for higher-intensity residential, commercial, and mixed-use buildings to provide the appropriate height relative to the width of the street.*
- iv. *Provide increased opportunities in Redwood City for residents to live near goods, services, transit, and entertainment.*
- v. *Ensure that consideration and proper transition is provided to adjacent lower-density residential uses.*
- vi. *Encourage additional pedestrian and transit amenities along El Camino Real and the development of a consistent street front, with ample public right-of-way to facilitate pedestrian environment.*

Development within this zone has no minimum lot size but setbacks ranging from 0 to 6 feet are generally required. There is a primary street sidewalk width minimum of 12 feet. Residential uses are permitted a maximum height of 85 feet while commercial uses can be built to 60 feet. The maximum allowable residential density is 80 dwelling units per acre regardless of whether the project is wholly residential or mixed-use. The maximum floor area ratio (FAR) for a commercial use is 0.5 while a mixed-use is permitted to have a FAR of up to 1.0.

The subject is within the Downtown Parking Zone, wherein off-site parking requirements are somewhat reduced and wherein parking in-lieu fees can be paid instead of providing parking as part of a new development. Redwood City's Downtown Precise Plan (DTPP), whose border begins across Maple St from the subject, was amended in June 2023 to not require off-street parking. However, if and when the DTPP is expanded, is unknown and may or may not include the subject property. Nonetheless, the City released an RFP in early 2024 for the *Downtown and Central Redwood City Plan*, which will contemplate expansion of the DTPP boundary, and for which the subject property may be included as part of the Stambaugh-Heller Neighborhood of the DTPP.

It is noted that due to the presence of Redwood Creek, there are additional setback considerations to protect stormwater runoff. In general, no permanent structures can be located within 30 feet of the creek centerline, as confirmed by William Chiu, Senior Planner for the City of Redwood City.

H. Ownership History

According to a summary transcript of the public record and the client, fee title to the subject property is vested in:

Successor Agency to the Redwood City Redevelopment Agency

No arm's-length ownership transfers of the subject property over the past five years were disclosed by my research. The subject property is not currently being marketed as available for sale.

V. HIGHEST AND BEST USE AND VALUATION METHODOLOGY

A. Highest and Best Use

Highest and best use is defined as “the reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.”³

Implied in the definition of highest and best use is that the determination of highest and best use considers the contribution of a specific use to the community, and community development goals, as well as the benefits of that use to individual property owners.

For the highest and best use of land, the use must meet the following four criteria: the highest and best use must be 1) physically possible, 2) legally permissible, 3) financially feasible, and 4) maximally productive. The following paragraphs discuss each of the four criteria and conclude the highest and best use of the subject property.

Physically Possible

The subject property consists of a single legal parcel containing approximately 10,973 gross square feet of land area with two public street frontages. The parcel is irregularly shaped with generally level topography. However, there is an approximate 32-foot-wide storm drainage easement at the southern portion of the parcel. This easement is in favor of the City of Redwood City and is improved with a concrete-lined channel containing Redwood Creek. After accounting for the City’s need to maintain culvert access, the usable area of the parcel is reduced. Based on the plat map drawn by James O’Connell, Acting City Engineer for the City of Redwood City, and displayed in the Addenda as Exhibit B, the net developable or usable area of the subject is 4,469 square feet. *It was an extraordinary assumption of this appraisal the developable area of the subject was 4,469 square feet.* The subject parcel includes approximately 193 feet of frontage along Maple Street and about 165 feet of frontage along Lathrop Street. However, these two streets meet in a point, such that the overall shape of the parcel is irregular and the developable area north of the creek is triangular. Based

³ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

on its shape, frontages, and usable area, the subject property's development utility rates below average.

Legally Permissible

The subject parcel is General Planned Mixed Use—Corridor and has a zoning designation of Mixed Use Commercial—El Camino Real District. These designations are primarily intended for developments of commercial, residential, or a combination of both. Density is restricted to 80 dwelling units per acre and maximum height varies from 4 to 6 stories. A community garden or other open space use is not a legally permissible use under the zoning code.

The zoning code calls for any development to be 30 feet from the centerline of any creek. This was verified by William Chiu, Senior Planner at the time of the previous appraisal. However, due to the City's need for culvert maintenance, this restriction is already accounted for.

Although most types of commercial, residential, or mixed-use development would be legally permissible, the shape and usable area of the subject would only support a building with a small footprint. Despite the parcel constraints, the fact that parking can be reduced and partly or fully offset by the payment of parking in-lieu fees, would permit a greater range of design possibilities. Additionally, the subject property may become part of the DTPP, for which no off-street parking would be required, which would further increase the development potential of the site. Therefore, based on the physically possible and legally permissible uses, the subject is best utilized for the development of a small commercial or mixed-use building. The subject could also be utilized as a vehicle parking lot.

Financially Feasible/Maximally Productive

The subject last transferred from a private owner in 2001. The historic use(s) of the subject has been for vehicle storage, whether for auto dealerships, or construction staging/storage yards. On the date of value, it appeared to be being utilized for construction storage related to the Elco Yards development. Due to the scarcity of parking in and around the downtown area, this remains a financially feasible use.

From a development standpoint, very limited commercial/mixed-use development would be supported given the shape and developable area of the property. There was evidence in the subject's immediate neighborhood that a small building could

function on a small site. Some examples include an approximate 1,150 square foot (SF) building at 1003 Main St, an approximate 550 SF building at 1112 Main St, and a 2,820 SF, two-story, mixed-use building on a 3,050 SF lot at 507 Woodside Rd. Each of these is also sited at a triangular corner of the respective sites. However, we are not aware of any new construction of similar buildings in the recent past. Nonetheless, some sales of irregular shaped and or small parcels that could be developed were discovered in this market and are presented as sale comparables in the following analysis. This is evidence that there are some investors/developers willing to purchase sites that are challenging to develop. The subject's downtown location near mass transit, shopping, and employment opportunities, would support several financially feasible uses. However, economic and market conditions have softened in recent years for commercial and residential uses and most new projects are not breaking ground. Therefore, the financially feasible use is to hold for a future development use.

A greater return to the land would be realized as a development site. Thus, the maximally productive use of the subject is to hold for a small commercial or mixed-use development while allowing parking and/or construction storage to continue in the interim.

Conclusion

After analyzing the subject parcel based on the four highest and best use criteria, the highest and best use of the subject parcel is to hold for future development of a small commercial or mixed-use development while allowing parking and/or construction storage to continue in the interim.

B. Valuation Methodology

As stated previously, this appraisal report utilizes the Sales Comparison Approach to value only. The Cost and Income Capitalization Approaches to value are not included in this analysis.

The **sales comparison approach** is based on the principle of substitution, i.e., the value of a property is governed by the prices generally obtained for similar properties. In analyzing the market data, it is beneficial that the sales prices be reduced to common denominators to relate the degree of comparability to the property being appraised. The difficulty inherent in this approach is that no two properties are exactly alike.

VI. FAIR MARKET VALUE ANALYSIS

The fair market value of the subject property is estimated using the sales comparison approach. In the sales comparison approach, value is estimated by comparing the subject property with recent sales of properties considered similar and adjusting for various comparative differences. Comparisons are made based on the differences in physical, use/zoning, and locational characteristics. In addition, conditions of sale, financing terms, and date of sale are also considered. In the following analysis, the sales were primarily analyzed qualitatively since sufficient market data to support quantitative adjustments was not available.

Searches were performed to discover recent sales of parcels of real estate that had unusual shape, small size, and/or limited utility in Redwood City and the greater peninsula. Because similar properties to the subject parcel sell infrequently, our search went back to the start of 2022 and also included properties for which the land use ordinances permitted lower density/intensity uses. The selected sales are more appropriately called market benchmarks since no one sale is truly ‘comparable.’ For each sale we determined whether the transaction indicated a subject property value of greater than, less than, or in the range of the transaction price. Consideration on a per square foot of land area was also analyzed.

The sale benchmarks considered to give the best indication of market value for the subject parcel are outlined in the table on the following page, keyed to the map that follows, and are further described in the following section.

A. Comparable Sales Discussion

Comparable 1 is addressed at 640 Woodside Road in Redwood City, located about 0.9 miles south-southeast of the subject. This property consists of one legal parcel containing approximately 11,088 square feet of land area. This property is rectangular with about 139 feet of frontage along Woodside Road and a depth of about 80 feet. The topography is level, and at street grade. The property has a General Plan land use designation of Mixed Use – Neighborhood and a corresponding zoning designation of Mixed Use Neighborhood.

In November 2024, the property transacted at a sales price of \$2,300,000, equivalent to approximately \$207 per square foot of land area. The property was offered on the market for about four months at an asking price of \$2,700,000 prior to going under contract. At the time of sale, the property was improved with a restaurant building measuring about 1,224 square feet that was constructed circa

Comparable Sales Appraisal of APN 053-182-030, Southeast Corner of Maple and Lathrop Streets Redwood City, California

No.	Location	COE Date	Sale Price	Land Area (SF/Ac)	General Plan / Zoning Entitlements or Other Approvals?	Price/SF Land	Grantor/Grantee Document #	Comments
1	640 Woodside Rd Redwood City APN: 059-062-420	11/24	\$2,300,000	11,088 0.25	Mixed Use - Neighborhood Mixed Use Neighborhood No	\$207	R G Borgman & L J Bowman Rev Tr Redwood City, Woodside LLC #62516	Sale of a mixed-use zoned property improved with an older restaurant building of about 1,224 square feet and associated parking
2	1005 Acacia Avenue Los Altos APN: 170-01-045	9/24	\$350,000	2,580 0.06	Commercial Neighborhood Thoroughfare Commercial No	\$136	Benson Properties Inc SCG Legacy LLC #25698620	Sale of an irregularly-shaped vacant parcel; part of an assemblage, but no immediate plans to redevelop
3	1065 El Camino Real Mountain View APN: 189-01-146	7/24	\$1,300,000	5,031 0.12	Mixed-Use Corridor P (38) No	\$258	Daniel Piccinini Sandra Lo & Merlin Hsu #25661849	All cash sale of a triangular lot fronting El Camino Real with a public alleyway at rear; improved with a dwelling of about 1,160 SF of living area built circa 1940; marketed as a redevelopment site
4	135 El Camino Real Menlo Park APN: 071-433-140	9/23	\$1,035,000	2,830 0.06	ECR Mixed Use ECR Downtown Sp. Plan Yes	\$366	David M Neubauer Duc Minh Dinh #43103	Sale of a small lot fronting El Camino Real and entitled for a mixed-use development comprising one residential unit of 1,186 SF above a 365 SF commercial unit
5	Ellsworth Place Palo Alto APN: 127-35-152	11/22	\$950,000	4,493 0.10	SF PC-2343 No	\$211	RRP Homes LLC RLD Land LLC #25396821	Sale of a site utilized for parking that is along a flood control channel; has secondary frontage along Middlefield Road. Gross size of 6,493 square feet is reduced by 2,000 square feet due to a 20' wide private roadway
6	3435 Pacific Blvd San Mateo APNs: 040-091- (140, 150, & 160)	Listing	\$1,200,000	7,760 0.18	Mixed-Use Low C-1 No	\$155	Derry Family Partnership	Three contiguous vacant lots adjacent to Laurel Creek, which reduces the net developable area; gross size is about 8,778 sq ft; secondary frontage along public alley

Subject Property

SEC Maple & Lathrop Streets
Redwood City
APN: 053-182-030

Source: Carneghi-Nakasako & Associates, May 2025
2025CNA112

COMPARABLE SALES MAP



1965. This property was reportedly leased at the time of sale with less than five years remaining, so it will not be redeveloped immediately. Nonetheless, this comparable was selected based on its recent sale date, location, and because the primary value is in the land.

Comparable 2 represents the sale of property addressed as 1005 Acacia Avenue in Los Altos, about 8.4 miles southeast. This property consists of a single legal parcel containing approximately 2,580 square feet of land area. It is irregularly shaped and includes approximately 78 feet of frontage on Acacia Avenue. The site is at street grade and previously was improved with a small dwelling, which was demolished prior to sale. The property has a General Plan land use designation of Commercial Neighborhood and is zoned Thoroughfare Commercial. This property is also within the Sherwood Avenue Specific Plan. These designations generally call for commercial uses, but allow for mixed-use residential and commercial development.

In September 2024, the property transacted at a sales price of \$350,000, equivalent to approximately \$136 per square foot of land area. This property sold off-market and the participating broker opined that the shape of the property severely constrained the developable area, which reduced the achievable price. The property was purchased by an adjacent property owner but neither this property nor the adjoining property was entitled for any new development at the time of sale. The buyer plans to hold the property for future development.

Comparable 3 represents the sale of the property addressed as 1065 El Camino Real in Mountain View, approximately ten miles southeast of the subject. This property is about 0.2 miles from Castro Street and the downtown area of Mountain View. This property consists of a single legal parcel containing approximately 5,031 square feet of land area, based on assessor's records. The site is mostly triangular and its southern and western boundaries are formed by a public alleyway. This site has about 79 feet of frontage on El Camino Real. This property has mostly level topography, is generally at street grade, and has all offsites in place including curb, gutter, and sidewalk. The General Plan land use designation is Mixed Use Corridor and the zoning is a planned district for the El Camino Real Precise Plan.

This property transacted in July 2024 at a recorded sales price of \$1,300,000, equivalent to approximately \$258 per square foot of land area. The property was marketed as a redevelopment site when it was placed on the market in June 2023. The asking price was \$1,549,500 and the property did not go under contract until

June 2024. At the time of sale, this property was improved with a dwelling containing about 1,160 square feet of gross living area that was constructed circa 1940 and appeared in fair condition. No redevelopment plans were in process at the time of sale. The buyer was expected to hold the property for future development.

Comparable 4 is located at 135 El Camino Real in Menlo Park, about 3.7 miles southeast of the subject. This property consists of one legal parcel containing approximately 2,830 square feet of land area. This property is rectangular and narrow with a width of about 25 feet and a depth ranging from about 112 to 114 feet. There is secondary access along Alto Lane, which is a 20-foot-wide alleyway. The topography is level, and at street grade. The property is adjacent an office building with below grade parking on the north and an under-construction mixed-use building to the south. It has a General Plan land use designation of El Camino Real Mixed Use and a corresponding zoning designation of Downtown Specific Plan-El Camino Real.

In September 2023, the property transacted at a sales price of \$1,035,000, equivalent to approximately \$366 per square foot of land area. The seller had spent two years entitling the property with a mixed-use proposal for a 1,551 square foot building. The approved entitlements were for a single residential unit above an office unit.

Comparable 5 represents the sale of the property at the east corner of Ellsworth Place and Middlefield Road in Palo Alto, located approximately 6.5 miles southeast of the subject. This property consists of a single legal parcel containing approximately 4,493 net square feet of land area, based on city records. The site is mostly rectangular and its southeastern boundary is formed by Matadero Creek, which is a concrete lined channel. This site has about 100 feet of frontage on Ellsworth Place, a narrow 20-foot-wide street, and about 35 feet of frontage along Middlefield Road. This property has mostly level topography and is generally at street grade; only the Middlefield Road frontage contains curb, gutter, and sidewalk. The Comprehensive Plan land use designation is Single Family Residential and the zoning is a planned district, which dates from 1967, and includes the multifamily property across Ellsworth Place at 2901 Middlefield Rd.

In November 2022, this property transacted at a recorded sale price of \$950,000, equivalent to approximately \$211 per square foot of land area. The property was being used for parking to support the adjacent apartment complex. The buyer plans to rezone the property to R-1 and to develop a single-family dwelling. A

small portion of the Ellsworth Place frontage may require dedication to improve ingress/egress, and visibility to/from Middlefield Rd.

Comparable 6 represents the sale listing of a development site addressed at 3435 Pacific Boulevard in San Mateo, and located about 5.4 miles northwest of the subject. This property consists of three legal parcels containing a combined gross land area of about 8,778 square feet. The presence of Laurel Creek along the southeast side restricts the developable area of this property, since the current parcel boundaries reach to the center of the creek. Based on the assessor's map and aerial imagery, the net developable area of this property is about 7,760 square feet, which is shown on the table. The shape of this property is generally a right trapezoid, with about 120 feet along the longest side and about 80 feet of frontage along Pacific Blvd. There are railroad tracks across Pacific Blvd from this property. The rear of this property is an alley. The General Plan land use designation is Mixed Use-Low and is zoned C-1, which is a general commercial designation. The General Plan allows for residential densities ranging from 10-35 dwelling units per acre.

This property was placed on the market at an initial asking price of \$1,500,000. In early April 2025, the asking price was reduced to \$1,200,000, equivalent to approximately \$155 per net square foot of land area. The property is expected to sell to a developer who will entitle the property for future development.

B. Comparable Sale Analysis

The comparable transaction benchmarks indicate an unadjusted price range of \$350,000 to \$2,300,000, or approximately \$136 to \$366 per square foot of land area, rounded. Adjustments are now applied to the comparable transaction benchmarks to reflect comparative differences with the subject. A Comparable Sales Adjustment Grid is displayed on the following page. Transactional adjustments were applied on a quantitative basis while all other adjustments were qualitative.

Real Property Rights Conveyed

Aside from Comparable 1, all selected comparable sales transacted on fee simple terms and do not warrant adjustment. Comparable 1 represents the sale of a leased fee interest as this property sold leased with between four and five years remaining on the tenant's lease term. Because this property is generating cash

Comparable Sales Adjustment Grid
Appraisal of APN 053-182-030, Southeast Corner of Maple and Lathrop Streets
Redwood City, California

San Mateo County

Subject Property	Comparable 1		Comparable 2		Comparable 3		Comparable 4		Comparable 5		Comparable 6	
	Sale Price	\$/SF of Land	Sale Price	\$/SF of Land	Sale Price	\$/SF of Land	Sale Price	\$/SF of Land	Sale Price	\$/SF of Land	Sale Price	\$/SF of Land
4,469 SF	\$2,300,000	\$207/SF	\$350,000	\$136/SF	\$1,300,000	\$258/SF	\$1,035,000	\$366/SF	\$950,000	\$211/SF	\$1,200,000	\$155/SF
Property Rights	Leased Fee	0%	Fee Simple	0%	Fee Simple	0%	Fee Simple	0%	Fee Simple	0%	Fee Simple	0%
Financing	All Cash	0%	Conventional	0%	All Cash	0%	Conventional	0%	Conventional	0%	Fee Simple	0%
Conditions of Sale	Arm's-Length	0%	Off Market	10%	Arm's-Length	0%	Arm's-Length	0%	Arm's-Length	0%	Fee Simple	0%
Adjusted Sales Price	\$2,300,000	\$207/SF	\$385,000	\$149/SF	\$1,300,000	\$258/SF	\$1,035,000	\$366/SF	\$950,000	\$211/SF	\$1,200,000	\$155/SF
Adjusted Price/SF:												
Date of Sale/Listing	11/24	0%	9/24	0%	7/24	0%	9/23	0%	11/22	-5%	Listing	-5%
Adj For Mkt Cond/SF:	\$	\$207/SF	\$	\$149/SF	\$	\$258/SF	\$	\$366/SF	\$	\$201/SF	\$	\$147/SF
Location	Redwood City											
Property Size	+	+	+	+	Similar	Similar	+	-	-	-	+++	+++
Developmental Utility	-	-	+	-	Similar	Similar	+	-	Similar	Similar	-	+
Contributory Value of Impr	-	-	+	+	-	-	-	-	Similar	Similar	-	-
Entirements/Zoning	-	-	None	None	-	-	None	None	None	None	None	None
Overall Adjustment Rating	Superior	Similar	Far Inferior	Far Inferior	Superior	Less	Superior	Far Superior	Similar	Similar	Superior	Far Inferior
Subject Unit Value is:		Similar		Much More		Less		Much Less		Similar		Much More

Source: Cameghi-Nakasako & Associates, May 2025
2025CNA112

Adj Grid

flow during what would normally be considered the entitlement period, I concluded that no adjustment for the sale of the leased fee rights is warranted.

Financing

All selected comparable sales transacted on an all cash or cash-equivalent basis with conventional financing. Therefore, no adjustment is warranted for this element of comparison for any of the comparables.

Conditions of Sale

Conditions of sale represent motivations involved in purchase negotiations or decisions which may have affected the purchase price. Comparables 1, 3, 4, and 5 are considered to have transacted under typical negotiations, and no adjustment for this category are warranted. Comparable 2 sold in an off-market transaction to a buyer who was creating an assemblage. After making all other adjustments first, this comparable appears to have sold at a below market rate, despite buyer motivation, and warrants an upward adjustment at the rate shown on the adjustment grid, which brought this sale in line with other comparable data.

Date of Sale / Market Conditions

Comparables 1, 2, and 3 transacted within the last 10 months, considered generally reflective of current market conditions, and no adjustment for market conditions is warranted for these comparables. For Comparable 4, selling prices today are generally at a similar level as the sale date of this property and no adjustment for this category is warranted. The older sale date of Comparable 5 occurred during a superior market period and warrants a downward adjustment for market conditions, as shown on the adjustment grid. Comparable 6 is a listing for sale and based on typical buyer and seller negotiations a downward adjustment is applied.

After the transactional adjustments outlined above, the comparables adjusted gross sale prices range from \$385,000 to \$2,300,000, which is equivalent to a range of about \$147 to \$366 on a price per square foot of land area basis.

Location

The subject is located on the periphery of downtown Redwood City and generally has average exposure and access to mass transit and freeways. Comparable 1 is in

Redwood City but is farther from the synergies of downtown, rating inferior for this element of comparison and warranting an upward adjustment. Comparable 2 is in the Sherwood area of Los Altos, an inferior location supported by lower rents and selling prices, and warranting an upward adjustment. The overall locational appeal of Comparable 3 is concluded to rate similar and no adjustment for this category is warranted. Comparable 4 is near downtown Menlo Park and faces El Camino Real, rating superior for this element of comparison and warranting a downward adjustment. Comparable 5 is in the midtown neighborhood of Palo Alto, rating superior appeal and warranting upward adjustment. Comparable 6 is across from a railroad right-of-way, outside of a downtown, and has limited access. Its neighborhood lacks the synergies of newer development while the surrounding land use ordinances will keep the development intensity at a lower level. The overall location of Comparable 6 rates inferior, and warrants upward adjustment.

Property Size

The subject property contains approximately 4,469 square feet of usable/developable land area. Typically, a larger site will sell for a lesser amount, on a price per square foot of land area basis, as compared to a smaller site due to economies of scale. Smaller properties will typically command a lower gross selling price compared to larger properties as there is less land to utilize. Within the range of the comparables, larger Comparables 1 and 6 warrant a downward adjustment on a gross sales price basis while smaller Comparables 2 and 4 warrant an upward adjustment on a gross sale price basis. On a price per square foot of land area basis, larger Comparables 1 and 6 are adjusted upward while smaller Comparables 2 and 4 are adjusted downward. Comparables 3 and 5 are of relatively similar size as compared to the subject property and no further adjustment is warranted in this category.

Developmental Utility

Based on its shape, frontage(s), and access, the subject parcel's development utility rates below average. Comparable 1 is rectangular with good frontage along Woodside Road, rating superior for this element of comparison and warranting a downward adjustment. Comparable 2 has an irregular shape and only one street front, rating inferior for this category and warranting an upward adjustment. Comparable 3 is mostly triangular but it has two alleyway frontages plus about 80 feet along El Camino Real, allowing for a mostly usable site. Overall, the

developmental utility of this comparable rates superior, and a downward adjustment in this category is warranted.

Comparable 4 is just 25 feet wide but has a usable rectangular shape with secondary access at the rear, rating slightly superior for this element of comparison and warranting a downward adjustment. Comparable 5 has relatively similar developmental utility and/or constraints as compared to the subject and no adjustment is warranted in this category. Comparable 6 is right trapezoidal in shape and contains secondary frontage along an alley, concluded to rate slightly superior for this element of comparison and warrant a downward adjustment.

Contributory Value of Improvements

This adjustment accounts for any structural improvements present on the comparable sales for which the market would be willing to pay a greater amount above that of the underlying land. Improved properties can typically generate higher rents during entitlement periods compared to unimproved land. Among the selected sale benchmarks, only Comparables 1 and 3 had improvements considered to contribute value to the selling price. Each of these comparables warrants a downward adjustment. The remaining comparables are all unimproved and thus no further adjustment is warranted in this category.

Land Use Ordinances (General Plan/Zoning/Entitlements)

This adjustment accounts for differences in allowed uses including building height, intensity or density of development, and whether any planning approvals are in process or had been achieved by the close of escrow. Comparables 1 and 3 sold unentitled and have generally similar legal classifications as the subject and no adjustment is warranted in this category. The land use ordinances of Comparables 2, 5, and 6 are more restrictive in terms of development intensity, rating inferior for this element of comparison and warrant upward adjustment. Comparable 4 sold with approved entitlements at the time of sale and warrants a significant downward adjustment for the time and risk that the seller undertook.

C. Value Conclusion

The range of sale prices and adjusted unit values was more consistent on a price per square foot basis than on a gross sale price basis. Therefore, the price per square foot unit of comparison is utilized following.

After the qualitative adjustments discussed above, the comparable benchmarks indicate that the unit value would be much less than Comparable 4, less than Comparable 3, about the same as Comparables 1 and 5, and much more than Comparable 2. After disregarding the highest and lowest adjusted unit values, the remaining comparables indicate a market value in the range of about \$195 to \$205 per square foot of land area. Applying the concluded per unit value range to the subject's usable land area results in a fair market value conclusion range as follows:

$$\begin{array}{rcl} 4,469 \text{ SF} \times \$195.00/\text{SF} = & \$871,455 & \\ & \text{to} & \\ 4,469 \text{ SF} \times \$205.00/\text{SF} = & \$916,145 & \end{array}$$

After consideration for the subject's locational and physical characteristics, a value conclusion near the upper middle of the range, at **\$900,000** is concluded. This conclusion is also supported by the analysis of the gross sale prices of the comparables.

Based on the research and analysis, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraiser that the fair market value of the fee simple interest in the subject property, as of April 30, 2025, is:

NINE HUNDRED THOUSAND DOLLARS

(\$900,000)

The reader is reminded that the conclusion above is based on the exposure time concluded above and subject to the conditions and assumptions displayed at the beginning of this appraisal report. If these were not made, the appraiser's conclusion(s) might be different.

ADDENDA

SUBJECT PROPERTY PHOTOS



SUBJECT FRONT AT INTERSECTION OF MAPLE AND LATHROP STREETS



VIEW FROM MAPLE STREET LOOKING SOUTHEAST

SUBJECT PROPERTY PHOTOS



ON-SITE VIEW LOOKING SOUTHEAST



ALTERNATE VIEW FROM MAPLE STREET LOOKING EAST

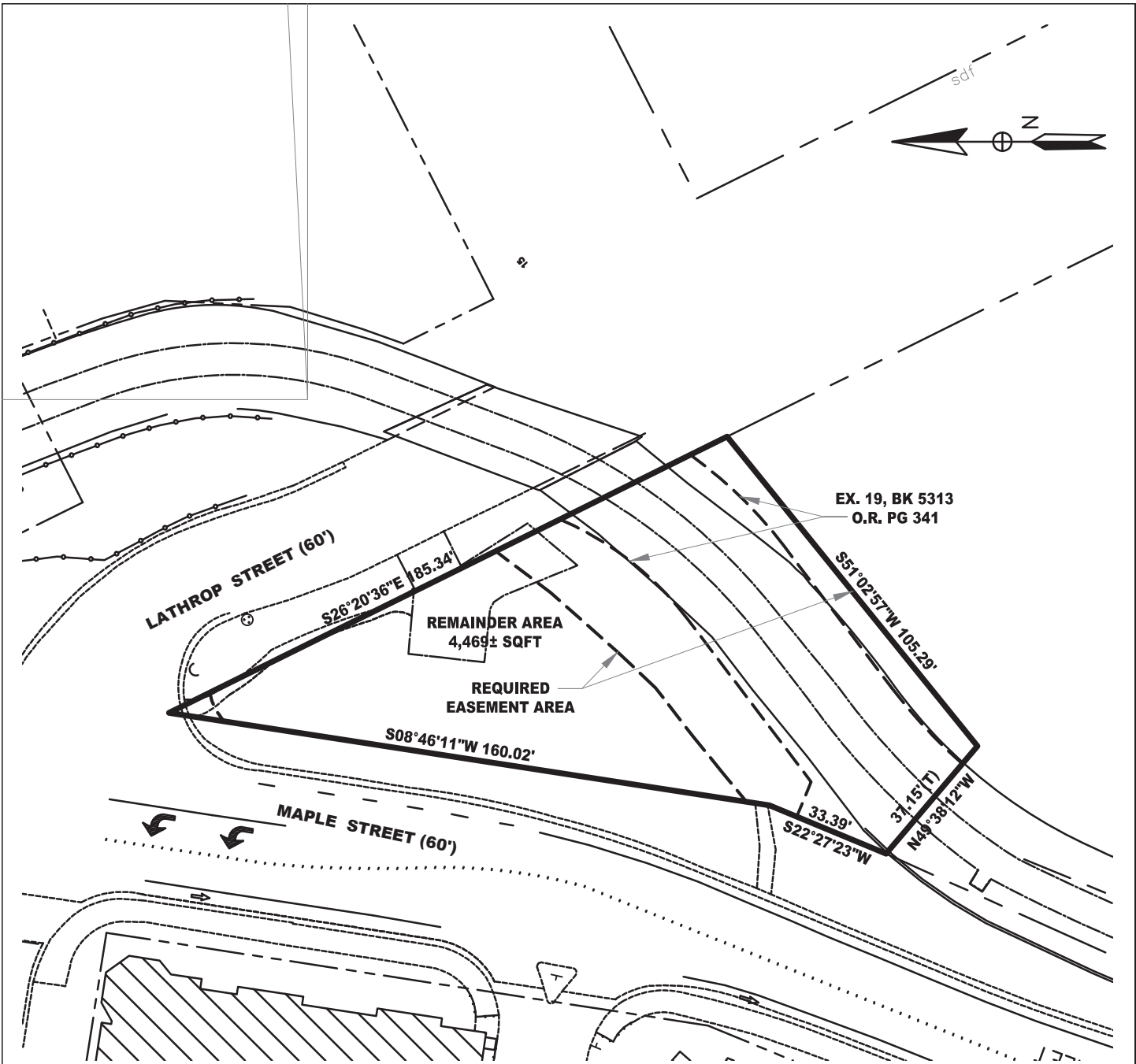
SUBJECT PROPERTY PHOTOS



LANDSCAPED AREA ALONG MAPLE STREET



VIEW ALONG MAPLE STREET LOOKING NORTH WITH SUBJECT AT RIGHT



BASIS OF BEARINGS

THE BEARING OF S26°20'36"E, ALONG THE SOUTHEASTERLY LINE OF LATHROP STREET, AS SHOWN ON THAT CERTAIN SUBDIVISION MAP ENTITLED "FINAL MAP NO. 2020-002", RECORDED IN BOOK 144 OF MAPS AT PAGES 10-17, ON JUNE 1, 2022, IN THE OFFICE OF THE RECORDER OF SAN MATEO COUNTY.

LEGEND

- POB POINT OF BEGINNING
- PROPERTY BOUNDARY
- BOUNDARY OF EASEMENT



EXHIBIT "B"
 PLAT TO ACCOMPANY LEGAL DESCRIPTION
 FOR PUBLIC UTILITY EASEMENT
 VACANT LAND; APN: 053-182-030
 CITY OF REDWOOD CITY COMMUNITY DEVELOPMENT DEPARTMENT
 1017 MIDDLEFIELD ROAD, REDWOOD CITY, CA 94063

SCALE: 1"=30'
 DATE: 12/20/23
 SHEETS: 1 OF 1
 DWG BY: JO
 CHK: JO

2012-173260

5:00 pm 11/20/12 DE Fee: NO FEE
Count of Pages 9
Recorded in Official Records
County of San Mateo
Mark Church
Assessor-County Clerk-Recorder



RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Successor Agency to the Redwood City
Redevelopment Agency *c/o city clerk*
1017 Middlefield Road
Redwood City, CA 94063
Attn: Executive Director

(Space Above This Line for Recorder's Use Only)
[Exempt from recording fee per Gov. Code § 27383]

APN: 053-182-030

GRANT DEED

THE UNDERSIGNED GRANTOR DECLARES AS FOLLOWS:

The undersigned declares that this Grant Deed is exempt from Recording Fees pursuant to California Government Code section 27383 and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code section 11922.

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged,

The CITY OF REDWOOD CITY, a charter city and municipal corporation of the State of California ("City"), hereby grants to the SUCCESSOR AGENCY TO THE REDWOOD CITY REDEVELOPMENT AGENCY, a public body, corporate and politic, of the State of California existing under the provisions of ABx1 26, enacted June 28, 2011 and AB 1484, enacted June 27, 2012 ("Grantee"), the real property ("Property") legally described in the document attached hereto, labeled Exhibit A, and incorporated herein by this reference.

1. The Property is conveyed subject to the Redevelopment Plan. The Property is also conveyed subject to all matters of record.

2. Grantee hereby covenants and agrees, for itself and its successors and assigns, that Grantee shall maintain and use the Property in accordance with the uses and provisions of the Redevelopment Plan.

3. Grantee herein covenants by and for itself and its successors and assigns that there will be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of section 12955 of the Government Code, as those bases are defined in sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of section 12955, and section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property herein conveyed, nor shall Grantee establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property herein conveyed. The foregoing covenants shall run with the land. Each

2406

9P
W

and every deed, lease and contract entered into with respect to the Property shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

a. In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there will be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of section 12955 of the Government Code, as those bases are defined in sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of section 12955, and section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

b. In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of section 12955 of the Government Code, as those bases are defined in sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of section 12955, and section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

c. In contracts: "There shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of section 12955 of the Government Code, as those bases are defined in sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of section 12955, and section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the premises."

4. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other financing or security instrument recorded against the Property, provided, however, that any successor of Grantee to the Property shall be

bound by such remaining covenants, conditions, restrictions, limitations and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

5. Grantee's covenants contained in Section 2 of this Grant Deed shall remain in effect until the termination date of the Redevelopment Plan.


6. The covenants against discrimination, as set forth in Section 3, shall remain in effect in perpetuity.

7. Any amendments to the Redevelopment Plan that change the uses or development permitted on the Property or change the restrictions or controls that apply to the Property or otherwise affect the Property shall require the written consent of the Grantee. Amendments to the Redevelopment Plan applying to other property in the Redevelopment Project Area shall not require the consent of the Grantee or its successor in interest to the Property.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized as of the dates set forth below.

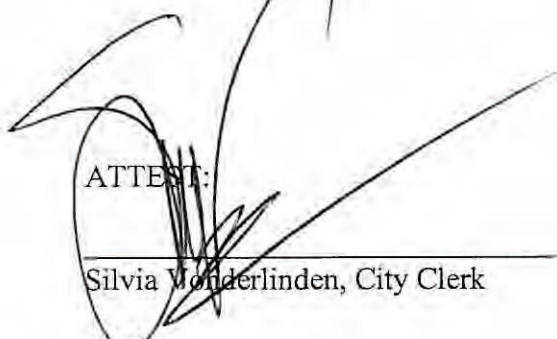
CITY OF REDWOOD CITY, a charter city, and
a municipal corporation of the State of
California

Dated: November 20, 2012


By: 
Alicia Aguirre, Mayor
[notary acknowledgement required]

"GRANTOR"

ATTEST:


Silvia Wunderlinden, City Clerk

APPROVED AS TO FORM:


Pamela Thompson, City Attorney

bound by such remaining covenants, conditions, restrictions, limitations and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

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IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized as of the dates set forth below.

CITY OF REDWOOD CITY, a charter city, and a municipal corporation of the State of California

Dated: November 20, 2012

By: Alicia C. Aguirre
Alicia Aguirre, Mayor
[notary acknowledgement required]

"GRANTOR"

ATTEST:

Silvia Wunderlinden, City Clerk

APPROVED AS TO FORM:

Pamela Thompson
Pamela Thompson, City Attorney

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

ALL THAT CERTAIN PROPERTY SITUATED IN THE CITY OF REDWOOD CITY, COUNTY OF SAN MATEO, STATE OF CALIFORNIA, BEING:

Vacant Lot at Corner of Lathrop and Maple legal description for APN 053-182-030

All that certain real property situate in the City of Redwood City, County of San Mateo, State of California, being a portion of that certain Grant Deed filed for record on March 24, 1993 as documents number 93046356 of Official records in the Office of the Recorder for the County of San Mateo and being a portion of Maple Street (60 feet wide) as shown on that certain final map entitled "ONE MAPLE STREET SUBDIVISION" filed for record on June 21, 2000 in Volume 130 of maps at pages 54 through 56, inclusive, in the Office of the Recorder for the County of San Mateo and being a portion of Lathrop Street as shown on that certain map entitled "HANCOCK'S ADDITION TO REDWOOD CITY", filed for record on February 21, 1862 in Book "E" of Maps at page 43, and copied into Book 1 of Maps at page 80 in the Office of the Recorder for the County of San Mateo, State of California being more particularly described as follows:

Beginning at the intersection of the centerline of Franklin Street as shown on said final map entitled "ONE MAPLE STREET SUBDIVISION" with centerline of said Maple Street; thence along said centerline of Maple Street, North 08° 46' 11" East, a distance of 57.60 feet to the intersection of the said centerline of Maple Street with the centerline of said Lathrop Street; thence along said centerline of Lathrop Street, South 26° 19' 10" East, a distance of 259.51 feet; thence leaving said centerline, South 63° 40' 50" West, a distance of 30.00 feet to a point on the Southwesterly right-of-way of said Lathrop Street; thence leaving said right-of-way of Lathrop street, South 51° 04' 23" West, a distance of 105.29 feet; thence North 49° 36' 46" West, a distance of 37.15 feet to a point on the Easterly right-of-way of said Maple Street; thence leaving said right-of-way, North 67° 32' 37" West, a distance of 30.00 feet to a point on said centerline of Maple Street; thence along said centerline of Maple Street, North 22° 27' 23" East, a distance of 29.62 feet; thence continuing along said centerline of Maple Street, North 08° 46' 11" East, a distance of 194.51 feet to the POINT OF BEGINNING.

A.P. No.: 053-182-030

[NOTARY ACKNOWLEDGEMENTS]

[To be attached]

CERTIFICATE OF ACCEPTANCE
(California Government Code Section 27281)

This is to certify that the interest in real property situated in the City of Redwood City, County of San Mateo, State of California, conveyed from the City of Redwood City to the Successor Agency to the Redwood City Redevelopment Agency by the certain Grant Deed dated November 20 2012 is hereby accepted by the undersigned officer or agent on behalf of the Successor Agency and pursuant to authority conferred by Successor Agency Resolution No. 12-12 adopted on November 20, 2012, and the Successor Agency consents to the recordation of said document in the Office of the Recorder of San Mateo County, State of California.

Dated: November 20, 2012

SUCCESSOR AGENCY, a public body, corporate and politic, of the State of California

By: 
Robert B. Bell, Executive Director

bound by such remaining covenants, conditions, restrictions, limitations and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

5. Grantee's covenants contained in Section 2 of this Grant Deed shall remain in effect until the termination date of the Redevelopment Plan.

6. The covenants against discrimination, as set forth in Section 3, shall remain in effect in perpetuity.

7. Any amendments to the Redevelopment Plan that change the uses or development permitted on the Property or change the restrictions or controls that apply to the Property or otherwise affect the Property shall require the written consent of the Grantee. Amendments to the Redevelopment Plan applying to other property in the Redevelopment Project Area shall not require the consent of the Grantee or its successor in interest to the Property.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized as of the dates set forth below.

CITY OF REDWOOD CITY, a charter city, and a municipal corporation of the State of California

Dated: November 20, 2012

By: Alicia C. Aguirre
Alicia Aguirre, Mayor
[notary acknowledgement required]

"GRANTOR"

ATTEST:

Silvia Wunderlinden, City Clerk

APPROVED AS TO FORM:

Pamela Thompson
Pamela Thompson, City Attorney

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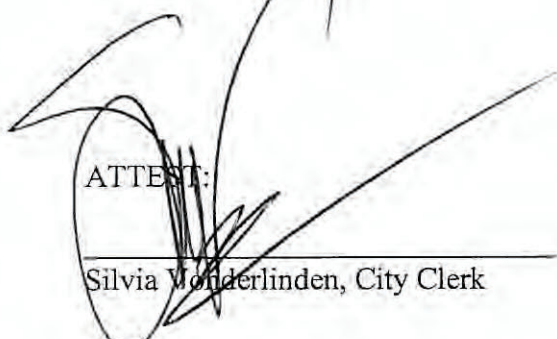
CITY OF REDWOOD CITY, a charter city, and
a municipal corporation of the State of
California

Dated: November 20, 2012


By: 
Alicia Aguirre, Mayor
[notary acknowledgement required]

"GRANTOR"

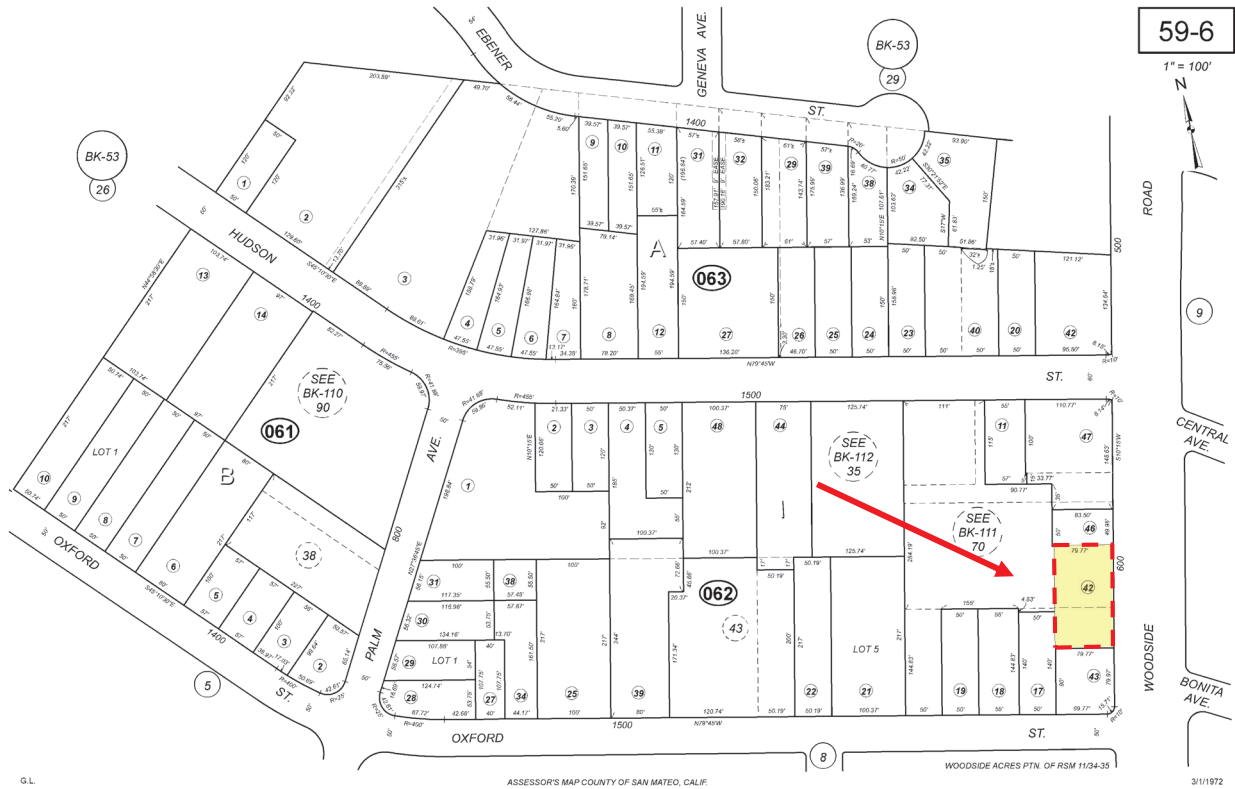
ATTEST:


Silvia Wunderlinden, City Clerk

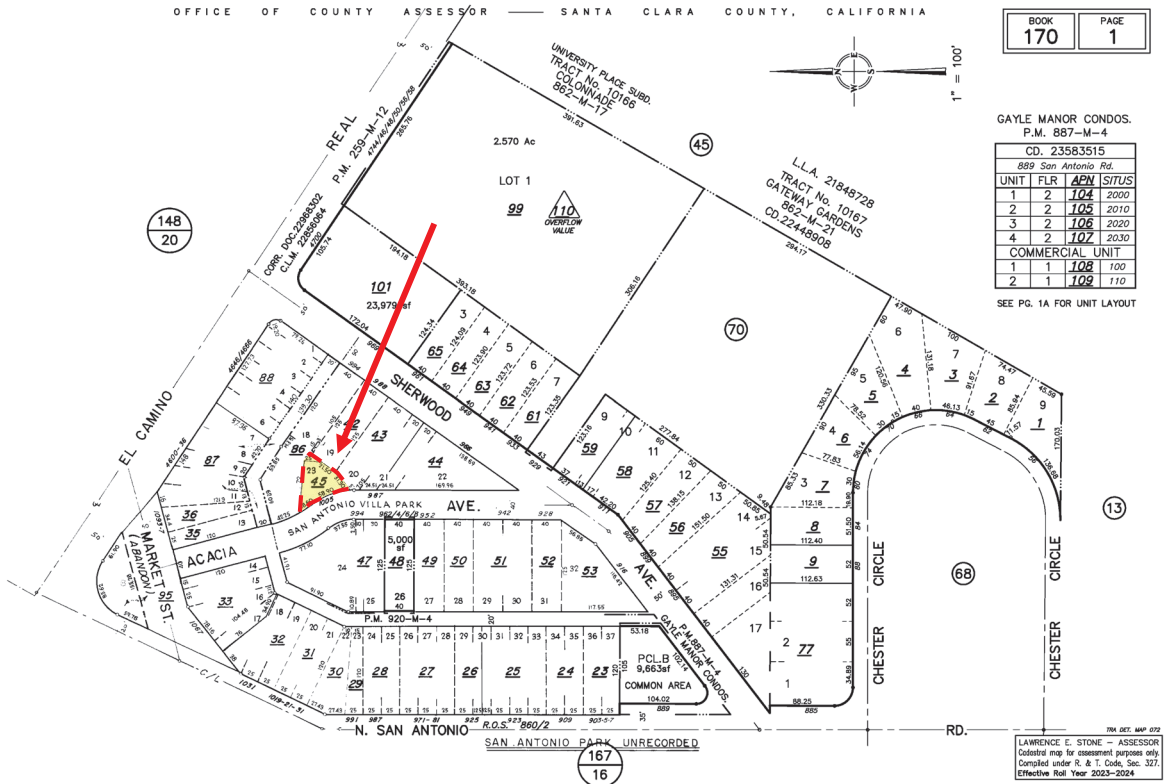
APPROVED AS TO FORM:


Pamela Thompson, City Attorney

COMPARABLE SALE PARCEL MAPS



Comparable Sale 1



Comparable Sale 2

COMPARABLE SALE PARCEL MAPS

OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA

BOOK 127 PAGE 35



LAWRENCE E. STONE - ASSESSOR
 District map for assessment purposes only
 Compiled under R. & T. Code, Sec. 327
 Effective Roll Year 2022-2023

Comparable Sale 5



1. PARCEL MAP VOL. 65/65
 2. GLENDALE VILLAGE RSM 322-3
 3. MAP NO. 3 GLENDALE VILLAGE RSM 35/29
 4. TOWN OF BERESPOND MAP NO. 1 RSM 1444-45
 5/14/1976

Comparable Sale 6

CARNEGHI-NAKASAKO + ASSOCIATES Carnegie-Nakasako & Associates
 Commercial Real Estate Appraisal

San Mateo County Countywide Oversight Board Meeting 2/9/26

2025CNA112

99 of 111

Qualifications of Matthew Watson, MAI
CARNEGHI-NAKASAKO + ASSOCIATES

Principal

California Certified General Real Estate Appraiser No. AG040050

1550 The Alameda, Suite 210, San Jose CA 95126

Main: 408-535-0900 ext. 106

Direct: 408-514-1610

matt@cnaappraisal.com

Mr. Watson has been appraising commercial, industrial, residential, and special purpose properties in the broader San Francisco Bay Area since 2002. He was awarded the Appraisal Institute’s MAI designation in 2016 and has furthered his appraisal knowledge by attending appraisal classes and seminars offered by the Appraisal Institute, including the past twenty-three Fall Conferences put on by the Appraisal Institute’s Northern California Chapter. Past appraisal/valuation work include fee simple, leased fee, leasehold, and easement appraisals of improved properties and/or land for: schools; service stations; office buildings; industrial; R&D buildings; warehouses; apartment complexes; retail; shopping centers; big-box retail; restaurants; mixed-use; auto-related uses; manufactured housing communities; churches; agriculture; ranchland; courthouse; data center; parking garages; historic properties; a former salt pond; residential and commercial condominiums; attached and detached single family dwellings, including residential subdivisions; and entitled development projects. Appraisal services have been provided to a variety of attorneys, individuals, trusts, partnerships, title companies, lenders, school districts, cities, and non-profits. He also provides services to property owners and various agencies for easement, right-of-way, and open space acquisitions.

Experience

Since January 2018:	Project Manager/Principal	Carneghi-Nakasako + Associates San Jose, California
January 2002 – December 2017:	Appraiser/Senior Appraiser	The Schmidt-Prescott Group, Inc. Fremont and San Jose, California

Professional Affiliations

- **California Certified General Real Estate Appraiser No. AG040050**
- **MAI Designated Member of the Appraisal Institute (No. 464083)**

Qualifications of Matthew Watson, MAI CARNEGHI-NAKASAKO + ASSOCIATES

Education

B.S. Electrical Engineering

University of California
Santa Barbara, California

Appraisal & Real Estate Classes & Seminars Sponsored by The Appraisal Institute

2024-2025 7-Hour Equivalent USPAP Update Course

Advanced Concepts & Case Studies

Advanced Income Capitalization

Advanced Land Valuation

Advanced Sales Comparison & Cost Approaches

Appraising Automobile Dealerships

Basic Appraisal Procedures

Business Practices & Ethics (Nov. 2019)

California Elimination of Bias and Cultural Competency for Appraisers (Nov. 2023)

Eminent Domain and Condemnation

Federal & California Statutory and Regulatory Laws (Dec. 2021)

General Market Analysis & Highest and Best Use

General Appraiser Report Writing & Case Studies

General Demonstration Report Writing

General Demonstration Report—Capstone Program

General Applications

Supervisory Appraiser/Trainee Appraiser Course

Spring Litigation Conference 2011, 2012, 2013, 2014, 2015, 2016

Updated – March 2025

SAN MATEO COUNTY

COUNTYWIDE OVERSIGHT BOARD

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Date: January 29, 2026 Agenda Item No. 7

To: San Mateo County Countywide Oversight Board

From: Kristie Silva, San Mateo County Assistant Controller

Subject: Successor Agency (SA) to the Former East Palo Alto Redevelopment Agency
Defeasance of Series 2015A Tax Allocation Refunding Bonds (Discussion Only)

Background Information:

The SA has provided an analysis of a potential cash defeasance of their 2015 Series A bonds, which is their only remaining enforceable obligation. The SA's memo (attached as CAC Exhibit A) was prepared by the SA to provide information to the OB regarding the processes, timeline, financial impact and costs involved with defeasing the bonds. Among other things, the SA has determined that cash defeasance could be funded using a portion of Redevelopment Property Tax Trust Fund (RPTTF) for two apportionment periods.

The County Controller's office has prepared a fiscal analysis showing the distribution of property tax revenues both before and after dissolution of the SA, which shows that the total annual shift in property tax revenues from RPTTF to general tax is approximately \$15.4 million after dissolution of the SA (CAC Exhibit B).

Financial Impact:

This item is for information and discussion only. The OB is not requested at this time to approve the cash defeasance or other actions that would have a financial impact.

CAC Exhibits

A – EPA SA Bond Defeasance Agenda Report

B – San Mateo County Controller Fiscal Impact Analysis (Before and After SA Dissolution)

Date: February 9, 2026
 To: San Mateo County Countywide Oversight Board
 From: Tomohito Oku, Finance Director
 Subject: Defeasance of Series 2015A Tax Allocation Refunding Bonds
 Former RDA: **East Palo Alto**

BACKGROUND

The City of East Palo Alto Successor Agency is exploring options for early termination of the Agency's outstanding financial obligations in an effort to expedite dissolution of the Agency and to generate tax increment savings for the benefit of the taxing entities, consistent with Health and Safety Code (HSC) Section 34181.

The East Palo Alto Successor Agency Recognized Obligations Payment Schedule (ROPS) provides for distribution of Redevelopment Property Tax Trust Funds (RPTTF) through 2032 to fund one outstanding debt obligation – the Series 2015A Tax Allocation Refunding Bonds. The East Palo Alto Successor Agency will have no outstanding obligations after the ROPS 32-33A period.

The East Palo Alto Successor Agency estimates that accelerated termination of the Agency's obligations would generate savings in an amount greater than RPTTF residual revenue required to dissolve the Agency. The table below summarizes the outstanding Remaining ROPS RPTTF obligation as of 1/15/2026, and calculates the estimated savings generated by an advanced cash defeasance.

RPTTF Summary Table	June 2026	Jan 2027	
	Defeasance 1	Defeasance 2	Total
Remaining RPTTF Obligations Per ROPS			
Series 2015A Tax Allocation Bonds Debt Service	\$ 5,719,427	\$ 3,762,669	\$ 9,482,096
Less: Applied Debt Service Reserves	-	-	-
Net Series 2015A Tax Allocation Bonds Debt Service	\$ 5,719,427	\$ 3,762,669	\$ 9,482,096
Bond Trustee Services and Arbitrage Reports	16,500	16,500	33,000
Administrative RPTTF	120,000	120,000	240,000
Total Remaining RPTTF Obligation	\$ 5,855,927	\$ 3,899,169	\$ 9,755,096
Funding Required Cash Defeasance			
Total Funds Required for Cash Defeasance	\$ 4,853,679	\$ 3,598,494	\$ 8,452,173
Cost of Bond Defeasance	40,000	10,000	50,000
Cash on hand with Successor Agency	-	-	-
Net Required RPTTF needed for Defeasance	\$ 4,893,679	\$ 3,608,494	\$ 8,502,173
Calculated RPTTF Net Savings	\$962,248	\$ 290,675	\$ 1,252,923

Note: This calculation excludes the 10/1/2026 principal and interest debt service payment.

The following table summarizes status of the Series 2015 Bonds:

Series	2015A Bonds
Dated	September 1, 2015
Original Par	\$16,950,000
Outstanding Principal (as of 1/15/2026)	\$9,645,000
Call Date	October 1, 2025
Final Maturity	October 1, 2032

Pursuant to Health and Safety Code (HSC) Section 34181, the Successor Agency is directed to determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the oversight board for its approval. HSC §34181 further provides that the Oversight Board may approve any amendments to or early termination of successor agency agreements or obligations it finds that amendments or early termination would be in the best interests of the taxing entities.

Consistent with this direction, the East Palo Alto Successor Agency is exploring options available to accelerate the defeasance of the Series 2015A Bonds.

DISCUSSION

The East Palo Alto Successor Agency has analyzed the cash defeasance requirements, estimated savings and benefit to taxing entities, confirmed available funding sources, and prepared a timeline required for defeasance and dissolution, all of which is summarized below for Oversight Board consideration.

Cash Defeasance: The Series 2015A Bonds have a maturity date of October 1, 2032. The bond indentures of trust provide for a redemption date of October 1, 2025, after which the remaining bond principal balances could be paid off in one lump sum. The bonds can be redeemed on any date on or after October 1, 2025, thus an escrow account would not be needed.

Estimated RPTTF Savings: The East Palo Alto Successor Agency estimates that early defeasance of the Series 2015A Bonds would generate a net savings of \$1,252,923 Redevelopment Property Tax Trust Fund (RPTTF) dollars. The estimated RPTTF savings are generated by reduced interest payments, elimination of administrative RPTTF payments, and elimination of bond trustee and arbitrage services through 2032.

Estimated Available Funding: The East Palo Alto Successor Agency has confirmed that the residual Redevelopment Property Tax Trust Fund (RPTTF) money available from two payment periods would be sufficient to fund a cash defeasance of the Series 2015A Bonds.

A cash defeasance could be funded using a portion of Redevelopment Property Tax Trust Fund (RPTTF) for two apportionment periods. Based on the calculations prepared by the San Mateo County Controller's Office for May 2025 and January 2026 RPTTF pass through remittances (see table below), the East Palo Alto Successor Agency has estimated that in fiscal year 2026-27 there would be enough residual RPTTF funds available to fund a full cash defeasance of the Agency bonds ("Residual Balance").

San Mateo County Controller's Office

**East Palo Alto Redevelopment Property Tax Trust Fund (RPTTF) Apportionment Per HSC 34183
For ROPS 25-26A Period: July 01 - December 31, 2025**

H & S Code	Category Description		Amount
34182(c)(1)	Property Tax Revenue Transferred to RPTTF	[A]	8,282,744
		Total [A]	8,282,744
	County Controller Administrative Costs:	[B]	
34183(a)	AB 26 County Auditor Controller Admin Costs		3,824
34183(a)	SB 2557 Costs		141,045
		Total [B]	144,869
34183(a)(1)	Pass-Through Payments (PTP)	[C]	2,770,017
34183(a)(1)	Prior Yr Pass Through Adjustments		-
		Total [C]	2,770,017
34183(a)(2)	RPTTF Funded ROPS	[D]	167,275
34186(a)	ROPS Actual vs Estimated Adjustment		(60,000)
		Total [D]	107,275
34171(b)	Successor Agency (SA) Administrative Allowance	[E]	25,000
		Total [E]	25,000
34167.5	SCO Audit Invoice	[F]	-
		Total [F]	-
	Residual Balance (G) = (A) - (B) - (C) - (D) - (E) - (F)	[G]	5,235,584
34188	Adjustment		-
	ROPS + Successor Agency Admin Allowance (D + E)		132,275

**East Palo Alto Redevelopment Property Tax Trust Fund (RPTTF)
ROPS 25-26B Period: January 01 - June 30**

H & S Code	Category Description		Amount
34182(c)(1)	Property Tax Revenue Transferred to RPTTF	[A]	9,265,928.64
		Total [A]	9,265,928.64
	County Controller Administrative Costs:	[B]	
34183(a)	AB 26 County Auditor Controller Admin Costs		2,319.30
34183(a)	SB 2557 Costs		-
		Total [B]	2,319.30
34183(a)(1)	Pass-Through Payments (PTP)	[C]	737,573.66
34183(a)(1)	FY 2024-25 PTP Adjustment		-
		Total [C]	737,573.66
34183(a)(2)	RPTTF Funded ROPS	[D]	1,434,203.00
34186(a)	ROPS Actual vs Estimated Adjustment		-
		Total [D]	1,434,203.00
34171(b)	Successor Agency (SA) Administrative Allowance	[E]	15,000.00
		Total [E]	15,000.00
34167.5	SCO Audit Invoice	[F]	-
		Total [F]	-
	Residual Balance (G) = (A) - (B) - (C) - (D) - (E) - (F)	[G]	7,076,832.68
34188	Adjustment		-
	ROPS + Successor Agency Admin Allowance (D + E)		1,449,203.00

A cash defeasance of the Series 2015A Bonds would require an allocation of residual RPTTF in the ROPS 26-27A period and 2026-27B period:

Total Available RPTTF Resources

RPTTF 2026-2027A Period Residual Balance	\$5,235,584
RPTTF 2026-2027B Period Residual Balance	7,076,833
Total	\$12,312,417

Total Estimated Required Resources

Total Funds Required for Cash Defeasance	\$8,502,173
Less Cash	0
Estimated Required RPTTF Monies for Defeasement	\$8,502,173

The defeasance would occur in two phases, with a portion of the outstanding principal defeased in June 2026 and the remaining balance defeased in January 2027. 1. Using residual RPTTF revenues will result in a reduction of residual revenue for two periods to tax entities.

Defeating the Series 2015A Bonds, and the subsequent dissolution of the East Palo Alto Successor Agency, would have the following fiscal impacts:

1. Produce net savings of \$1.25 million in RPTTF to the benefit of the taxing entities.
2. Elimination of Residual Balance RPTTF distributed to the taxing entities starting in the ROPS 27-28 period, followed by increases in property tax revenues distributed to the taxing entities upon dissolution of the Successor Agency.

Timeline for Defeasance and Dissolution: Early defeasance of the bonds would expedite final dissolution of the Agency pursuant to HSC §34187.

The following is a summary of the actions required to complete the bond defeasance and dissolve the East Palo Alto Successor Agency:

February 9, 2026	OB Consideration of Amended of ROPS
March 2026	OB Approves Amendments to ROPS
March 2026	Submit expediated request to CA DOF to Approve OB Action
April 15, 2026	DOF Review and Approval of Amended ROPS
April 20, 2026	Meet and Confer Request
May 29 2026	Distribution of ROPS 26-27A RPTTF
June 2026	Partial Defeasance of Series 2015A Bonds
Winter 2027	Distribution of ROPS 26-27B RPTTF
Winter 2027	Complete Defeasance of Series 2015A Bonds
February 2027	OB Staff Due Diligence Review Related to SA Dissolution
Feb/March 2027	OB Consideration of Request to Dissolve Successor Agency
April 2027	DOF Determination on Request to Dissolve Successor Agency
June 2027	Distribution of Increased Property Tax to Taxing Entities (no RPTTF)

We understand there is a potential path to using the 2026-27A RPTTF residual revenue to defease a portion of the bonds; however, this would require expedited action from the Department of Finance and guidance from the Oversight Board. The City aims to secure Oversight Board approval in March, followed by DOF approval - ideally in late March or early April.

Additionally, we understand that the ROPS can be amended during the Meet and Confer process, but only with obtaining Oversight Board approval of the amended ROPS. Any delay in this process would reduce the savings to taxing entities.

CONCLUSION

The East Palo Alto Successor Agency believes that implementation of this defeasance plan complies with Health and Safety Code Section 34171(d)(1)(E), which states that the Successor Agency, with approval or at the direction of the Oversight Board, is permitted to terminate any existing agreements or obligations and provide any necessary and required compensation or remediation for such termination.

The defeasance plan complies with HSC §34181 which provides that the Oversight Board may approve any amendments to or early termination of successor agency agreements or obligations it finds that amendments or early termination would be in the best interests of the taxing entities.

- Early defeasance of the Series 2015A Bonds would generate net savings of RPTTF required to fully dissolve the Agency (\$1.25 million).
- Early defeasance of the bonds would facilitate earlier dissolution of the East Palo Alto Successor Agency pursuant to HSC §34187.
- Dissolution of the Successor Agency would result in increased residual tax receipts, or increased property tax revenues distributed to the taxing entities.

Attachments

1. Defeasance Schedule and Bonds Debt Service Schedule
2. Defeasance Plan and Timeline

Current Debt Service

Maturity	Principal	Coupon	Interest	Annual Debt Service
10/1/2025				
4/1/2026				
10/1/2026	1,250,000 *	3.000%	161,775	1,411,775
4/1/2027		3.000%	143,025	
10/1/2027	1,295,000	3.000%	143,025	1,581,050
4/1/2028		3.250%	123,600	
10/1/2028	1,325,000	3.250%	123,600	1,572,200
4/1/2029		3.375%	102,069	
10/1/2029	1,370,000	3.375%	102,069	1,574,138
4/1/2030		3.500%	78,950	
10/1/2030	1,425,000	3.500%	78,950	1,582,900
4/1/2031		3.625%	54,013	
10/1/2031	1,465,000	3.625%	54,013	1,573,025
4/1/2032		3.625%	27,459	
10/1/2032	1,515,000	3.625%	27,459	1,569,919
Total	\$ 9,645,000		\$ 1,220,006	\$ 10,865,006

*10/1/2026 payment is not included in the defeasance

Proposed 6/1/2026 Defeasance

Maturity	Principal	Coupon	Interest	Annual Debt Service
10/1/2025				
6/1/2026				
10/1/2026	0	3.000%	\$ 57,358	\$ 57,358
4/1/2027		3.000%	\$ 86,038	
10/1/2027	0	3.000%	\$ 86,038	\$ 172,075
4/1/2028		3.250%	\$ 86,038	
10/1/2028	0	3.250%	\$ 86,038	\$ 172,075
4/1/2029		3.375%	\$ 86,038	
10/1/2029	420,000	3.375%	\$ 86,038	\$ 592,075
4/1/2030		3.500%	\$ 78,950	
10/1/2030	1,425,000	3.500%	\$ 78,950	\$ 1,582,900
4/1/2031		3.625%	\$ 54,013	
10/1/2031	1,465,000	3.625%	\$ 54,013	\$ 1,573,025
4/1/2032		3.625%	\$ 27,459	
10/1/2032	1,515,000	3.625%	\$ 27,459	\$ 1,569,919
Total	\$ 4,825,000		\$ 894,427	\$ 5,719,427

Proposed 6/1/2026 Defeasance Requirement

Maturity	Principal	Coupon	Interest
4/1/2026			
6/1/2026			\$ 28,679
10/1/2026	0	3.000%	\$ 57,358
4/1/2027		3.000%	\$ 86,038
10/1/2027	0	3.000%	\$ 86,038
4/1/2028		3.250%	\$ 86,038
10/1/2028	0	3.250%	\$ 86,038
4/1/2029		3.375%	\$ 86,038
10/1/2029	420,000	3.375%	\$ 86,038
4/1/2030		3.500%	\$ 78,950
10/1/2030	1,425,000	3.500%	\$ 78,950
4/1/2031		3.625%	\$ 54,013
10/1/2031	1,465,000	3.625%	\$ 54,013
4/1/2032		3.625%	\$ 27,459
10/1/2032	1,515,000	3.625%	\$ 27,459
Total	\$ 4,825,000		\$ 28,679

Debt Service After 6/1/2026 Defeasance

Maturity	Principal	Coupon	Interest	Annual Debt Service
10/1/2025				
4/1/2026				
10/1/2026	1,250,000	3.000%	75,738	1,325,738
4/1/2027		3.000%	56,988	
10/1/2027	1,295,000	3.000%	56,988	1,408,975
4/1/2028		3.250%	37,563	
10/1/2028	1,325,000	3.250%	37,563	1,400,125
4/1/2029		3.375%	16,031	
10/1/2029	950,000	3.375%	16,031	982,063
4/1/2030		3.500%	-	
10/1/2030		3.500%	-	-
4/1/2031		3.625%	-	
10/1/2031		3.625%	-	-
4/1/2032		3.625%	-	
10/1/2032		3.625%	-	-
Total	\$ 4,820,000		\$ 296,900	\$ 5,116,900

Proposed 11/1/2027 Defeasance

Maturity	Principal	Coupon	Interest	Annual Debt Service
10/1/2025				
4/1/2026				
1/1/2027				
4/1/2027		3.000%	28,494	
10/1/2027	1,295,000	3.000%	56,988	1,380,481
4/1/2028		3.250%	37,563	
10/1/2028	1,325,000	3.250%	37,563	1,400,125
4/1/2029		3.375%	16,031	
10/1/2029	950,000	3.375%	16,031	982,063
4/1/2030		3.500%	-	
10/1/2030		3.500%	-	-
4/1/2031		3.625%	-	
10/1/2031		3.625%	-	-
4/1/2032		3.625%	-	
10/1/2032		3.625%	-	-
Total	\$ 3,570,000		\$ 192,669	\$ 3,762,669

Proposed 11/1/2027 Defeasance Requirement

Maturity	Principal	Coupon	Interest
10/1/2026			
1/1/2027			28,494
4/1/2027		3.000%	28,494
10/1/2027	1,295,000	3.000%	56,988
4/1/2028		3.250%	37,563
10/1/2028	1,325,000	3.250%	37,563
4/1/2029		3.375%	16,031
10/1/2029	950,000	3.375%	16,031
4/1/2030		3.500%	-
10/1/2030		3.500%	-
4/1/2031		3.625%	-
10/1/2031		3.625%	-
4/1/2032		3.625%	-
10/1/2032		3.625%	-
Total	\$ 3,570,000		\$ 28,494



City of East Palo Alto
2026 SA Bond Defeasance (2015 Series A)



Calendar (as of January 28, 2026)

Date	Activity
Thursday, January 15, 2026	Memo to Staff due to County Oversight Board for Jan 5th meeting
Monday, February 9, 2026	Defeasance Study Session (amendments to ROPS) at Oversight Board
Monday, February 23, 2026	City Council Meeting to approve defeasance
Monday, March 9, 2026	Oversight Board approves amendments to ROPS
Tuesday, March 10, 2026	Submit expediated request to CA DOF to approve OB action
Wednesday, April 1, 2026	RPTTF estimates communicated to taxing entities
Wednesday, April 15, 2026	Deadline: CA DOF Issues Determination Letter
Monday, April 20, 2026	Deadline: CA DOF Meet & Confer
Friday, May 1, 2026	Generate semi-final sources and uses table
Tuesday, May 5, 2026	Distribute Conditional Notice of Redemption
Thursday, May 7, 2026	Send final RPTTF disbursement request to County
Friday, May 29, 2026	County deposits 2026-27A RPTTF monies
Monday, June 1, 2026	City transfers 2026-27A RPTTF monies to trustee
Friday, June 5, 2026	Defeasance Bonds (Partial)
Friday, September 18, 2026	Generate semi-final sources and uses table
Friday, September 25, 2026	Send final RPTTF disbursement request to County
Friday, December 4, 2026	Distribute Conditional Notice of Redemption
Wednesday, December 30, 2026	County deposits 2026-27B RPTTF monies
Tuesday, January 5, 2027	City transfers 2026-27B RPTTF monies to trustee
Friday, January 8, 2027	Defeasance Bonds (Full)
Monday, February 1, 2027	OB Consideration of Request to Dissolve Successor Agency
Tuesday, February 2, 2027	OB Verification of SA Asset Disposition and Resolution of Dissolution
Wednesday, March 3, 2027	DOF Determination on Request to Dissolve Successor Agency
Friday, May 28, 2027	Distribution of Increased Property Tax to Taxing Entities (no RPTTF)

CAC Exhibit B

PROPOSED DISSOLUTION OF THE FORMER EAST PALO ALTO REDEVELOPMENT AUTHORITY

1. When completely dissolved local agencies will no longer have to finance the former RDA.
2. Every year on 10/15, all local agencies receive a letter from the Controller's Office with estimates of their property tax revenues for the fiscal year based on the equalized roll. The following information is intended to illustrate what the 10/15 levy letter would look like for FY 2027-28 after being completely dissolved. The "Difference" column shows the additional total annual estimated property tax revenues the local agencies would receive if the former East Palo Alto RDA fully dissolved.
3. The estimated amounts below do not take into account refunds, supplemental taxes, roll corrections or other property tax revenues.
4. Once the former RDA is fully dissolved, wherever applicable local agencies will not receive pass through payments or residual dollars from the former East Palo Alto RDA.
5. The amounts provided below are estimates using available data, at this time, from FY 2024-25. Actual distribution amounts may vary.

Taxing Agencies within former Belmont RDA Boundary	ORIGINAL Levy Letter - Sent to Taxing Agencies in Former East Palo Alto RDA Boundary for FY 2024-25:					YEAR 1 (Dissolution) - Levy Letter Sent to Taxing Agencies in Former East Palo Alto RDA Boundary for FY 2027					
	Secured (a)	Unsecured (b)	HOPTR (c)	ERAF Shift (d)	Total (e=a+b+c+d)	Secured (f)	Unsecured (g)	HOPTR (h)	ERAF Shift (i)	Total (j=f+g+h+i)	Difference (\$) (k=j-i)
GENERAL COUNTY TAX	\$665,818,215.54	23,974,127.35	1,890,028.10	(305,988,322.10)	\$385,714,048.89	666,369,423.13	23,994,316.64	1,890,028.10	(306,230,192.09)	386,023,575.78	309,526.89
FREE LIBRARY	40,917,585.65	1,627,754.09	110,879.50	(9,132,280.00)	\$33,523,939.24	41,287,206.33	1,641,413.68	110,879.50	(9,214,570.04)	33,824,929.47	300,990.23
CITY OF EAST PALO ALTO	9,308,363.15	402,367.23	37,808.51	(1,011,959.52)	\$8,736,579.37	14,857,119.98	607,582.66	37,808.51	(1,609,316.06)	13,893,195.09	5,156,615.72
RAVENSWOOD ELEM GENRL PURPOSE	19,231,341.85	(120,063.37)	81,744.85	0.00	\$19,193,023.33	23,392,209.49	33,705.38	81,744.85	0.00	23,507,656.39	4,314,636.39
SEQUOIA HIGH GENRL PURPOSE	190,077,383.01	6,804,531.08	529,205.91	0.00	\$197,411,120.00	191,748,154.96	6,866,275.98	529,205.91	0.00	199,143,636.85	1,732,516.85
SM JR COLLEGE GEN PUR	193,506,169.99	6,984,371.16	549,863.34	0.00	\$201,040,404.49	194,231,701.90	7,011,183.80	549,863.34	0.00	201,793,749.04	752,344.55
MENLO PARK FIRE DISTRICT	74,432,641.62	2,926,082.04	203,241.92	(9,196,100.98)	\$68,365,864.60	76,116,293.98	2,988,376.86	203,241.92	(9,403,112.55)	69,906,800.21	1,540,935.61
EAST PALO ALTO SANITARY DISTRICT	1,078,610.21	46,511.70	4,396.34	(457,670.08)	\$671,848.17	1,727,572.67	70,649.17	4,396.34	(730,377.50)	1,072,240.68	400,392.51
SAN FRANCISCO CRK FLD ZN 2	554,047.31	22,657.86	1,409.95	(93,715.86)	\$484,399.26	554,048.86	22,657.86	1,409.95	(93,716.72)	484,399.95	0.69
RAVENSWOOD SLOUGH FLOOD ZONE	16,836.57	(201.00)	68.23	(6,212.93)	\$10,490.87	16,864.97	(200.22)	68.23	(6,223.68)	10,509.30	18.43
EPA DRAINAGE MAINTENANCE DISTRICT	163,905.99	6,585.51	468.07	(19,404.20)	\$151,555.37	183,931.13	7,521.87	468.07	(21,783.89)	170,137.18	18,581.81
RAVENSWOOD LIGHTING	566,314.05	24,621.39	2,488.14	(287,805.47)	\$305,618.11	977,731.68	39,984.39	2,488.14	(494,783.67)	525,420.54	219,802.43
MIDPENINSULA REG. OPEN SPACE	20,432,406.60	721,682.06	57,345.73	0.00	\$21,211,434.39	20,628,862.70	728,942.24	57,345.73	0.00	21,415,150.67	203,716.28
BAY AREA AIR QUALITY MANAGEMENT	5,962,684.64	215,216.56	16,943.27	0.00	\$6,194,844.47	5,985,042.09	216,042.75	16,943.27	0.00	6,218,028.11	23,183.64
COUNTY HARBOR DISTRICT	10,059,076.16	363,068.27	28,583.47	(2,584,956.95)	\$7,865,770.95	10,096,792.12	364,462.02	28,583.47	(2,594,703.22)	7,895,134.39	29,363.44
SMC MOSQUITO & VECTOR CONTROL DIST	4,220,663.34	160,810.98	11,557.27	(755,353.30)	\$3,637,678.29	4,241,194.78	161,569.65	11,557.27	(758,978.59)	3,655,343.11	17,664.82
COUNTY EDUCATION TAX	100,702,931.42	3,634,755.87	286,154.99	0.00	\$104,623,842.28	101,080,508.20	3,648,709.48	286,154.99	0.00	105,015,372.67	391,530.39
Total	\$1,337,049,177.10	\$47,794,878.78	\$3,812,187.59	(\$329,513,781.39)	\$1,059,142,462.08	\$ 1,353,496,658.97	\$ 48,403,194.21	\$ 3,812,187.59	\$ (331,157,758.01)	\$ 1,074,554,282.76	\$ 15,411,820.68

To: San Mateo Countywide Oversight Board
From: Chuck Bernstein, Member of the Oversight Board
Date: February 9, 2026
Re.: Item 6, Proposed Disposition of Property

I have reviewed the supporting documentation for Item 6 and am planning to make comments on it at the meeting on this morning. I thought it might be helpful to put some of my comments in writing so that you would be able to see them when I am speaking. I would also like this communication included in the minutes.

Summary

While I think the appraisal is well done in general, the “Extraordinary Assumptions” incorporated into the appraisal require an adjustment of the appraiser’s \$900,000 valuation for the property. The appraiser himself emphasizes this option:

The reader is reminded that the conclusion above is based on the exposure time concluded above and subject to the conditions and assumptions displayed at the beginning of this appraisal report. If these were not made, the appraiser’s conclusion(s) might be different. [p. 82/111]

Rather than apply the appraiser’s per-square-foot value to the “usable area” of 4,469 sq. ft., it should be applied to the whole property area, at this point an uncertain 10,973 sq. ft. That increases the valuation to roughly \$2,250,000. The reasons for doing this are two-fold: (a) the usable area of 4,469 sq. ft. was based on a map by the Acting City Engineer for Redwood City (p. 46/111), which represents a potential conflict of interest of interest, and (b) more importantly, the 4,469 was determined “after accounting for the City’s need to maintain culvert access” (p. 62/111), meaning that the City of Redwood City took a larger portion than the estimated “usable area” for its own use: “This easement is in favor of the City of Redwood City.... [p. 69/111]. If the City’s earlier estimate of 14,351 sq. ft. is used, the value would be over \$3,000,000.

Unusual Aspects of Situation

The three “Extraordinary Assumptions” [p. 46/111] in the appraisal are, indeed, extraordinary:

1. There is no title report. This is something that can normally be prepared several weeks, unless there are problems with it. Before the Oversight Board votes on this proposed sale price, it should see a preliminary title report, both to understand if there are any easements on it that should not have been granted or if there are any pending sales, leases, or easements that are in the process of being negotiated.
2. The second is that the adjacent developer, Elco Yards, “appears to have a temporary construction easement over, or a license to use, the subject property,” although this is denied by the City’s engineering staff [p. 46/111]. Moreover, the situation becomes more ambiguous when combined with the appraiser’s observation that “...The Elco Elco Yards project entitlement envisioned a community garden on the subject property even though it was owned by the Successor Agency and not part of the entitlement approvals” [p. 51/111]. A title report would help dispel the confusion surrounding these matters, any one of which could affect the valuation of the property.

3. The third assumption pertains to the reduction of the property's area from 10,973 sq. ft. to 4,469 sq. ft., cited in the "Summary," above. This is due to the easement the City gave itself for maintenance access, which is used only periodically. It should also be noted that the City indicated that the property was 14,351 sq. ft. in 2015 in the unapproved LRPMP [CAC Exhibit B, p. 13/111), so there is even some uncertainty regarding the size of the whole subject property, which should and could have been resolved months or even years ago.

Calculation of Valuation

I do not have the expertise to understand when and for what reasons "extraordinary assumptions" are included in an appraisal. It is not clear if the appraiser in this case does not support the assumptions or if they were simply provided to him at the beginning of the engagement and his caveats about their impact on the valuation are routine.

In any case, the first two assumptions make me nervous about what is going on with the subject property. The third one seems obvious: the appraiser is specifying that his valuation is based on the assumption that the City has taken 6,504 sq. ft. of the property for its own use before the appraiser values the remaining 4,469 sq. ft. There is no reason why the taxing agencies other than the City of Redwood City should be contributing their portion of the former RDA's assets for the City's use to maintain a City culvert.

If we then value the whole 10,973 sq. ft. at the same rate as the appraiser valued the 4,469 sq. ft., we get a value of \$2,209,823. The valuation was calculated as of April 30, 2025, so it will be over a year old by the time the disposition is effected, which will bring the value to close to \$2,250,000.

Alternatively, if the property is 14,351 sq. ft, the value would be over \$3,000,000. The appraiser's report made the "extraordinary assumption" that the area was 4,469 sq. ft., and the appraiser did not discuss or verify that measurement.

No mention is made in either the appraisal or the staff reports of the taxing area included or the precise amount of property tax revenue that goes to the City. However, roughly 16% of property taxes in Redwood City go to the City itself, so a significant portion of the increase in valuation would be returned to the City.

* * * * *

The basic flaw in the proposal before us is that the property size has been reduced by the easement the City created for its own benefit. The maintenance of the culvert should not be paid for by the other taxing agencies.

It seems obvious that the proposed price is much too low. To aid this effort, more research must be done: the property should be surveyed to determine its actual size; the easement terms and its date of execution should be included; and there should be a title report.