

AGENDA
OVERSIGHT BOARD
TO THE SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT AGENCY
ANTIOCH COUNCIL CHAMBERS
THIRD & "H" STREETS

June 18, 2012 at 3:00 PM

ROLL CALL (3:25 pm)

Board Members:

Brian Kalinowski, Chair (**absent**)
Martha Parsons, Vice Chair
Keith Archuleta
Tim Forrester
David Fraser (**absent**)
Francisco Hinojoso (**absent**)
Tina Wehrmeister

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

ITEMS

1. **Annotated Agenda for May 21, 2012**

Action: Motion to approve the Annotated Agenda

STAFF REPORT

APPROVED; 4/0

2. **Former Redevelopment Agency properties transferred to the City of Antioch in March, 2011.**

Action: Direction to City staff regarding the properties transferred from the former Antioch Development Agency to the City, including the proposed transfer of the Hard House parcel at 815 First Street to the nonprofit Friends of the Roswell Butler Hard House.

Direction given to City staff to proceed with the concept of conveying the Hard House parcel to the Friends of the Roswell Butler Hard House for no monetary compensation but conditions on the use and further direction on considering the status of other parcels.

3. Direction to City staff regarding summer meeting schedule: July 16 and August 20

Direction given to City staff to work with the Board Chair on the summer meeting schedule depending on whether there are items for consideration and the availability of a quorum.

STAFF REPORT

ORAL COMMUNICATIONS

WRITTEN COMMUNICATIONS

BOARD REPORTS

ADJOURNMENT 3:55 pm

Notice of Availability of Reports

This agenda is a summary of the actions proposed to be taken by the Oversight Board to the Successor Agency to the Antioch Development Agency. Materials provided regarding the agenda items will be available at the following website: <http://www.ci.antioch.ca.us/citygov/oversight/default.htm> or at the City of Antioch Community Development Department located on the 2nd floor of City Hall, 3rd and H Streets, Antioch, California, 94509, between the hours of 8:00 a.m. and 11:30 a.m. or by appointment only between 1:00 p.m. and 5:00 p.m. Monday through Thursday for inspection and copying (for a fee). The meetings of the Oversight Board are accessible to those with disabilities. Auxiliary aides will be made available upon advance request for persons with hearing or vision disabilities at (925) 779-7009 or TDD (925) 779-7081.

ADJOURNMENT

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**REPORT TO THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE ANTIOCH DEVELOPMENT AGENCY FOR CONSIDERATION AT THE
MEETING OF JUNE 18, 2012**

Prepared By: Dawn Merchant, City of Antioch Finance Director

Date: June 6, 2012

Subject: May 21, 2012 Annotated Agenda Approval

RECOMMENDED ACTION

Motion to approve the annotated agenda from the meeting of May 21, 2012

DISCUSSION

The annotated agenda from the meeting of the Oversight Board on May 21, 2012 is attached for review and approval of the board.

ATTACHMENT

Annotated Agenda from the Meeting of May 21, 2012

**ANNOTATED
AGENDA
OVERSIGHT BOARD
TO THE SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT AGENCY**

**ANTIOCH COUNCIL CHAMBERS
THIRD & "H" STREETS**

May 21, 2012 at 3:00 PM

ROLL CALL 3:10 P.M.

Board Members:

Brian Kalinowski, Chair (**Arrived at 3:08 pm**)
Martha Parsons, Vice Chair
Keith Archuleta
Tim Forrester
David Fraser (**Absent**)
Francisco Hinojoso
Tina Wehrmeister

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

ITEMS

1. Annotated Agenda for April 30, 2012

Action: Motion to approve the Annotated Agenda

APPROVED; 6/0

2. Information Update and Approval of Revised ROPS

Action: Motion to approve the Revised ROPS

RESOLUTION 2012-04; 6/0

ORAL COMMUNICATIONS

WRITTEN COMMUNICATIONS

BOARD REPORTS

ADJOURNMENT 3:17 P.M.

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**REPORT TO THE OVERSIGHT BOARD OF THE SUCESSOR AGENCY OF THE
ANTIOCH DEVELOPMENT AGENCY FOR THE JUNE 18, 2012 MEETING**

FROM: Lynn Tracy Nerland, Antioch City Attorney



DATE: June 13, 2012

SUBJECT: **Former Redevelopment Agency Parcels transferred to the City of
Antioch in 2011 including the Hard House Parcel at 815 First Street**

ACTION:

Direction to City staff regarding the properties transferred from the former Antioch Development Agency to the City including the question of whether the Oversight Board would support the transfer of the Hard House parcel to the nonprofit Friends of the Roswell Butler Hard House by either the City or City as Successor Agency to the Antioch Development Agency for no monetary consideration but restrictions on the use of the property as a Local Public History Museum Home for educational and cultural programs.

BACKGROUND:

Transfer of Redevelopment Agency Parcels to the City of Antioch

As previously mentioned to the Oversight Board, at City Council and Agency meetings in March 2011, the Agency and City entered into a Property Conveyance Agreement to transfer 25 parcels from the Agency to the City. The agreement, resolutions and list of transferred parcels were included in the background binders given to each Oversight Board member.

In the City's opinion, many of these parcels should have been transferred to the City long ago as they were already in City use and/or on the City books, but no deed had been recorded. These parcels include the Hard House/Lynn House parcel, as well as the Amtrak Station and Barbara Price Park parcels, parcels acquired for street/utility improvements and parcels functioning as improved parking lots downtown. All of these parcels now have recorded deeds to the City of Antioch.

In April 2012, the City received a letter that the State Controller sent to communities throughout the State regarding the transfer of any assets from redevelopment agencies that occurred after January 1, 2011. According to the State Controller's letter, those transactions are to be reversed and the assets conveyed to the successor agencies. This directive has raised a number of legal and procedural issues statewide. For example, it is not clear that the City as Successor Agency to the Antioch Development Agency is a separate legal entity that can hold title to property; although, there is pending State legislation to clarify this issue. In addition,

there remain more fundamental concerns about a State-mandated “fire sale” of former redevelopment agency parcels, which may also be addressed in future legislation.

City staff intended to see how these issues resolved before suggesting any action item for any entity as to these 25 parcels, as none of the 25 former redevelopment agency parcels have been conveyed to third-parties. In fact, the only parcel discussed for transfer in the near future is the Roswell Butler Hard House (“Hard House”) parcel to a nonprofit organization.

Roswell Butler Hard House

As described in Attachment B to the staff report presented to the Antioch City Council on March 13, 2012 (Attachment 1), the Hard House was built in 1869 by the first “mayor” of Antioch – Roswell Butler Hard. In 1979, the parcel on which both the Hard House and Lynn House Gallery stand was purchased by the Antioch Development Agency. The Hard House was listed on the State and Federal Registry of Historic Sites in 1993. Although the Lynn House was restored into an art gallery, there have not been the resources to restore the Hard House and it is in a state of significant disrepair.

In 2009, a group of residents interested in the restoration of the Hard House formed the nonprofit, “Friends of the Roswell Butler Hard House” (“Friends”). The Friends began discussions with City/Agency staff and then a City Council/Agency Board subcommittee regarding the subdivision of the Hard House and Lynn House into two separate parcels and transfer of the Hard House Parcel to the Friends.

Proposal for the Hard House Parcel

The Friends are eager to have ownership of the Hard House parcel to start rehabilitating it and to relieve the City from this obligation. A Purchase and Sale Agreement has been drafted as directed by the Antioch City Council. Based on the Opinions of Value prepared by two licensed appraisers, the Hard House parcel would have negligible value, given the costs to restore a historical property. In addition, the Agreement would include a deed restriction requiring the House to be rehabilitated and operated as a Local Public History Museum Home for educational and cultural programs. City staff and the Friends are also discussing the details of a Right of First Refusal should the Friends subsequently desire to transfer the parcel to another entity.

If the Hard House/Lynn House parcel is required to be transferred to the City as Successor Agency to the Antioch Development Agency, then the Oversight Board likely has a role in approving the transfer from the City as Successor Agency to the Friends. Therefore, it seemed prudent at this time to apprise the Oversight Board of this matter and seek preliminary direction as to the this parcel and the other parcels conveyed by the former Antioch Development Agency to the City in March 2011.

Responsibilities of the Oversight Board

Copies of the legislation were also included in the initial binders for the Oversight Board. 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.” (Cal. Health & Safety Code section 34179) The Dissolution Act lists the following actions by successor agencies that require the approval of the Oversight Board (Cal. Health and Safety Code section 34180):

- Establishment of new repayment terms for outstanding loans
- Refunding of outstanding bonds or other debts
- Setting aside of amounts of reserves required by bonds
- Merging project areas
- Continuing acceptance of federal or state grants
- Retention of properties for future development
- Establishment of a Recognized Obligation Payment Schedule
- Agreements between the Successor Agency and the City
- Agreements to pledge property tax revenues

The Dissolution Act (Cal. Health and Safety Code Section 34181) also provides that the oversight board shall direct the successor agency to:

- Dispose of all assets and properties of the former redevelopment agency that were funded with tax increment and direct the successor agency to transfer ownership of certain public assets (e.g. roads, parks, public facilities) to the appropriate public agency.
- Terminate agreements that do not qualify as enforceable obligations.
- Transfer housing responsibilities.
- Terminate any agreement by which the redevelopment agency provides funding for debt service for another public entity’s obligations for construction or operation of facilities if in the best interests of the taxing entities.
- Determine whether agreements between the former redevelopment agency and private parties should be terminated or renegotiated.

FINANCIAL IMPACTS:


As to the Hard House parcel, the proposed Purchase and Sale Agreement includes no money for the City, City as Successor Agency or any taxing entities. The Agreement does include a deed restriction requiring the Hard House to be rehabilitated and operated as a Local Public History Museum Home for educational and cultural programs. In addition, the City would be relieved of maintenance obligations for the Hard House. Currently no rehabilitation efforts, or even maintenance, are occurring at the Hard House due to the City’s budget issues and priority of other City needs.

ATTACHMENTS:

1. City Council Staff Report presented at March 13, 2012 meeting
2. Letter from California State Controller dated April 20, 2012

ATTACHMENT "1"

STAFF REPORT TO THE MAYOR AND CITY COUNCIL FOR CONSIDERATION AT THE COUNCIL MEETING OF MARCH 13, 2012

PREPARED BY: Brian Nunnally, Economic Development Analyst 

APPROVED BY: Jim Jakel, City Manager 

DATE: March 7, 2012

SUBJECT: Consider a proposal from the non-profit Friends of Roswell Butler Hard House for the restoration and preservation of the Hard House

RECOMMENDATION:

Provide direction to Staff on the proposal from the Friends of Roswell Butler Hard House regarding their restoration project and ownership of the Property.

SUMMARY:

The City of Antioch owns the Roswell Butler Hard House ("House"), which is recognized on the National Registry of Historic Buildings. Over the years the House has become dilapidated and is in currently uninhabitable. A non-profit group, the *Friends of the Roswell Butler Hard House* ("Friends"), would like to renovate, restore and preserve the House. City Staff, as well as the Council subcommittee assigned to the project, have met with the Friends several times and received its restoration and ownership proposal. Staff is seeking City Council direction on the proposal.

BACKGROUND:

In 2010 the Friends made the following recommendations for the Hard House:

1. The House should be rehabilitated and restored and not reconstructed.
2. The House should be restored to its original footprint and architecture of 1869 (a rear addition would be removed).
3. The House should be owned by the newly formed private non-profit, 501 (c) (3) as this will create the highest financial potential of restoring the property.
4. The City of Antioch should transfer title of the Hard House and land to the non-profit with the property to be used for public benefit; and, if the non-profit dissolves anytime in the future, the first choice will be the transfer of the real property back to the City or, if declined, then to the Antioch Historical Society for future protection.

To provide the structure for an Agreement with the Friends, and to protect the City from future liability, staff has the following recommendations and would like Council direction:

Structural Integrity: The Hard House is recognized on the National Registry of Historic Buildings, which subjects the renovation of the building to different standards

than would otherwise apply. The Hard House has not been occupied nor maintained for many years, adding significantly to the renovation work that will be required. Therefore, staff recommends that the City require that the Friends provide the following information:

- A structural renovation plan, developed by a certified engineer that complies with California historic building code
- A site work safety plan, including rules and requirements for those working in or around the Hard House site
- A plan for the removal and disposal of all hazardous materials

Ownership of Property: The subject of ownership is key to several issues regarding this project, and the statewide termination of Redevelopment Agencies further complicates these issues. It is understood that the Friends desire to immediately own the property on which the renovation will take place, but given recent changes in Redevelopment, many title companies are not issuing Title Insurance for properties conveyed that were formerly held by the Redevelopment Agency and transferred from the Redevelopment Agency to another party after January 1, 2012, so if the State of California or the Oversight Board that is in the process of being appointed were to rule that the City's conveyance of the Hard House to the Friends was not a legally-authorized transfer, the property would belong to the State and the Friends would not be compensated for any expenditures made by the Friends; this possibility was disclosed to the Friends at the February 15, 2012 subcommittee meeting. In addition, Staff believes that the renovation is a major undertaking and will require significant financial and other resources, so prior to turning this property over to the Friends, it may be prudent for the Friends to be required to complete Phase I of the work. Because Staff differs with the approach desired by the Friends, two options are provided for City Council consideration:

Option 1

It is recommended that the City Council direct staff to structure and negotiate a Disposition and Development Agreement ("DDA") with the Friends. The terms and conditions of the DDA will include, at a minimum, the items recommended in this agenda report, and Staff recommends that the DDA also condition transition of ownership based on completion of the following three requirements:

1. Funding Capacity/Meeting Regulatory Requirements
 - a. Deposit of all escrow closing costs
 - b. Subdivision of Hard House/Lynn House (and a Variance if required as both are located on the same parcel)
 - c. Map signing costs
 - d. Deposit into escrow of an executed and notarized deed
 - e. Funds for all reasonably expected costs of plan checks, permitting and other City/County fees on deposit with a financial institution
2. Completion of the milestones outlined in Phase I of the renovation project

3. Friends' ability and willingness to meet the insurance requirements set forth by the City's Joint Risk Pool. At the February 15, 2012 subcommittee meeting, the subcommittee tasked Staff with researching a way by which the Friends might start Phase I duties without insurance as the Friends claim that no insurance is available to them unless they own the property, and in the research Staff completed, Staff determined the following:
- Insurance exists that covers the activities taking place at a location not owned by the party seeking insurance (which is the case with churches that rent space at Prewett Park that are required to provide proof of insurance prior to using these City facilities);
 - The concept of having the Friends provide a Work Waiver to the City that is signed by its volunteers is insufficient because of third-party liability issues. For example, even though Jane Doe signs a waiver agreeing that she won't sue the City of Antioch if injured while volunteering on the project, third parties seeking to recoup their costs (her health insurance company or Medical are prime examples) might still sue the City, as is the possibility of a family member suing the City on her behalf even if Jane Doe doesn't approve of the lawsuit; and
 - The concept of having the Friends indemnify the City to further insulate the City from potential litigation is also insufficient because it would require the Friends to have a large enough sum of money in reserves to cover the City's legal fees – even if the lawsuit was frivolous there would still be litigation costs – plus any damages that might be awarded as a result of a lawsuit in which the petitioner prevailed.

Option 2

Ownership can be transferred immediately to the Friends, and the Friends are fully aware that based on ongoing developments with Redevelopment in California, the State of California or the Oversight Board that is in the process of being appointed may rule that the transfer is not legally permissible, and that the Friends will not be compensated for any expenditures they've made in pursuit of the project. Also, if Option 2 is the option chosen by the City Council, the City may opt to maintain a First Right of Refusal or completely relinquish any rights to the property in the future, but either way the City will have no control over the restoration project other than approval of the required permits, and therefore should be released from any current or future liability on the property.

Insurance: If the City retains ownership for any period of time during the proposed project timeline (see timeline below), for the protection of the City of Antioch and the Friends' officers, volunteers and paid workers, it is prudent that a dedicated insurance policy be obtained for this project. Therefore, staff recommends the following insurance requirements:

- The Friends will obtain, at their sole expense, liability insurance at a minimum of \$5 million. This is the amount required by the City's Joint Risk Pool for construction projects.

- The Friends will release and indemnify the City of Antioch of any and all liability associated with the Hard House and the renovation project.
- Insurance coverage will extend to all volunteers and paid workers taking part in the restoration project.

Proposed Project Timeline: The Friends propose a seven-year restoration timeline consisting of the following: Phase I (up to 6 months) will address weed and debris clean up, safety, security and weather proofing aspects of the project; Phase II (up to year 3) will address the foundation, masonry and structural issues that will be identified in the structural renovation plan required above; Phase III (up to year 5) completes the outside exterior street portion of the house, including porches, balcony, walls and garden area; and Phase IV, estimated for completion in Year 7, will address the interior finish and access issues. The City concurs with this proposed timeline and execution of the renovation project. If the City retains ownership pending completion of Phase I, it is recommended that the Friends of Roswell Butler Hard House provide an estimated budget for all phases of the project outlined above.

FINANCIAL IMPACT:

The Friends have indicated that they will take on the full financial responsibility for this restoration project so there is no financial impact to the City. If the property is not transferred and remains in City ownership, the City has not identified any funding sources for its rehabilitation.

OPTIONS:

- Provide direction on the potential Agreement with the Friends of Roswell Butler Hard House for the restoration of the Hard House based on bulleted items above
- Decline to enter into an Agreement with the Friends of Roswell Butler Hard House
- Provide alternate direction

ATTACHMENTS:

- A. Antioch Historical Society letter to the City Manager dated September 25, 2009
- B. Roswell Butler Hard House Antioch Historical Society Committee Report and Recommendations
- C. Preliminary Plans for Funding the Restoration of the Roswell Butler Hard House
- D. Friends of Roswell Butler Hard House Proposed Restoration Time Line
- E. Letter to David Brink dated January 26, 2010
- F. Letter from David Brink dated May 26, 2011



Antioch Historical Society

1500 West 4th Street, Antioch, CA 94509

Non-Profit #94-2457532

(925) 757-1326 Museum * (925) 757-0308 Fax

ATTACHMENT A



Jim Jakel, City Manager
City of Antioch
P.O. Box 5007
Antioch, CA 94531-5007

September 25, 2009

Re: Recommendations for the Roswell Butler Hard House

Dear Mr. Jakel,

The members of the Antioch Historical Society have met several times for the review of various documents relating to the Roswell B. Hard House, a City owned historic property. We have worked with the City representative, Dave Sanderson, for the gathering of all related files and information on hand with the City and the committee has made an additional inspection of the exterior and interior of the building to gauge it's level of deterioration and general conditions.

During this period of time, it was decided by the committee, that the only way to generate funding for the restoration of the building was to form it's own non-profit that would allow for the application to State and Federal Historic Preservation Grants as well as offering tax deductions for corporate and individual donations towards the restoration and preservation of the property. To this end, the Antioch Historical Society contributed \$1,000.00 for the filing of the new non-profit that is a stand alone organization, completely separate from the Historical Society. The bylaws and articles of incorporation have all been reviewed and as of August 5, 2009 we have received full approval from the Internal Revenue Service to operate as a tax exempt, 501 (c)(3) non-profit corporation. Our new non-profit number is now 27-0454042, representing "Friends of Roswell Butler Hard House", a California non-profit corporation.

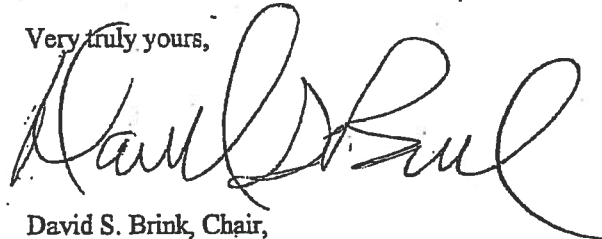
The "Friends" commitment to the Historical Society is only that should we ever disband, all monies and assets will be transferred to the Antioch Historical Society. The Society is providing a meeting place and a place to house the "Friends" records until such time that the Hard House is habitable. The following individuals represent the officers and directors of "Friends of Roswell Butler Hard House":

David Brink, President
Tom Costello, Vice President
Stanford E. Davis, Treasurer
Elizabeth A. Rimbault, Secretary
James Boccio, Sr., Director
Laura Jacques, Director
Dr. Chet Michaels, Director
Phyllis Heibert, Director
Bruce Heibert, Director
Barbara Herendeen, Director

With the fundraising mechanism now in place, we are ready to make our proposal to the City for the restoration and preservation of the Roswell Butler Hard House and enter into negotiations for a positive outcome for both the City, and the citizens of Antioch.

Attached is our report and recommendations for saving the Hard House. Please advise us as to your pleasure for a meeting with the staff and City Attorney to further the negotiations and proposal prior to addressing the City Council. We look forward to hearing from you on this historic property.

Very truly yours,



David S. Brink, Chair,
Antioch Historical Society Hard House Committee
President, Friends of Roswell Butler Hard House
hardhouse@comcast.net
(925) 437-8085 cell

Attached: Committee Report and Recommendations

CC: Dave Sanderson, City Recreation Department
Antioch Historical Society Board of Directors
All Board members of Friends of Roswell Butler Hard House

Roswell Butler Hard House

Antioch Historical Society Committee

Report and Recommendations



This report was prepared by The Hard House Committee of the Antioch Historical Society. It is based on a plan prepared for the City of Antioch in 1990 by the architectural firm Architectural Resources Group. Several sections of this report are direct quotes from the earlier report by Architectural Resources Group, in 1990.

Report and Recommendations For The Roswell Butler Hard House

Background:

Roswell Butler Hard was one of the most influential, and by some accounts, most powerful figures in Antioch's early history. He was a county supervisor, Sheriff and the first Mayor (chairman of the town council) of Antioch. In 1869 he built the two story brick home that stands at 815 First Street. At the time it was one of the most beautiful and costly homes in the county. It served as the meeting place for the first board of trustees in the newly incorporated City of Antioch, the first city to be incorporated in the County.

The home was constructed entirely of brick manufactured in Antioch. The home was the first property in Antioch to be listed on the State and Federal Registry of Historic Sites. Following the death of Roswell B. Hard, his widow sold the home and most of its contents and "removed herself" back to San Francisco.

Additions were made to the building in the early 1920's with bathrooms and interior kitchens added and in mid-century the building was converted to a tri-plex (3 units). In 1979 the property was purchased by the City Redevelopment Agency and the parcel is now listed as being combined with the original Lynn House property, APN# 066-091-015. The original reason for the city's purchase was for the restoration and preservation of the historic home.

Over the years, the Lynn House next door, was selected to be restored first and is currently the City art gallery. The Hard House has continued to deteriorate and the property has been boarded up to prevent further damage by vagrants. To local historians dismay, earlier City staff negotiated away the original "cook house" built at the rear of the property, for the Prospect School patio. Since its purchase, periodically the public and the historical society has called for its restoration, however, with various economies at play, a source of funding has not been located by the City to carry out such a project. The property has become both a physical and financial liability to the City of Antioch and the Redevelopment Agency. In the current economic recession, many downtown storefronts are vacant and the Hard House appears doomed to continue a downward spiral.

PRIOR STUDIES AND REPORTS:

Over the years various engineering studies have been commissioned by the City of Antioch with recommendations made to the Councils regarding the cost of restoration as a City owned facility. All of the engineering and architectural studies, plans and recommendations provided by the City have been reviewed by the Hard House Committee of the Antioch Historical Society and the Friends of Roswell Butler Hard House, a new non-profit California corporation. It is believed by the committee, that as long as the Hard House remains in the ownership of the City of Antioch, the costs and governmental restrictions will remain prohibitive to restoration.

PRESERVATION ISSUES:

Issues specific to the Hard House include questions of documentation and interpretation. Documentation of the building's historical appearance includes research into historical records such as photographs, drawings and maps, as well as investigation of physical evidence, both archaeological and in the building's materials themselves. Few documentary photographs appear to exist showing the original appearance of the Hard House, except for the exterior of the front. The rear is undocumented, except for Sanborn Fire Insurance maps. Likewise, any physical evidence of the house's rear was partly destroyed when the present addition was constructed in the 1920's. The interior of the house, however, is fairly

intact and relatively unchanged from its original conditions, except for water related damage. Documentation of the interior finishes must be conducted before commencing any remedial action. This documentation should include paint analysis of each surface, and investigation into other historic finishes, such as wallpaper. The results of this documentation will guide future restoration work, including color and material selection.

The scope and complexity of this type of research and documentation presents an enormous historical project for a City that does not retain sufficient staff to devote such time and energy to such a project.

BUILDING CODE ISSUES:

Building codes applicable to the renovation of the Hard House include the Uniform Building Code (UBC) as adopted by the City of Antioch, and the California State Historical Building Code (SHBC) Title 24, Part 8, of the California Administrative Code. The SHBC is available to the Hard House because, as a designated landmark, it is considered a qualified historical structure. Portions of the Codes are impacted by the ownership and the level of usage of a building. Governmental ownership demands a higher level of compliance, while ownership by a private non-profit with lower usage, has fewer restrictions and less costly compliance.

EXISTING CONDITIONS:

The following analysis is a brief description of existing conditions found on site at the Hard House.

Site/Building Footprint

Landscaping: The landscaping around the hard House is heavily overgrown, with many mature trees and shrubs. Some of the plant materials may be part of the original nineteenth century landscaping. However, the tree that now obscures the area of the original front porch, does not appear in photos of the 1890's Hard House. Further investigation must be done to evaluate the existing landscape materials and make recommendations for their maintenance. A circular cistern, which was probably once the source of water for the house, exists at the southeast corner of the addition. The cistern has been filled with dirt by the city for safety reasons, but could be revitalized to provide landscape watering.

Porch: The original wooden porch and balcony, which once extended across the front of the building, has been removed. Its configuration and profile are indicated by traces on the building walls; the pockets in the walls, which originally held the beams are visible, although now filled with brick rubble. No remaining superficial evidence of the porch's foundation remain. After the porch was removed, a concrete platform and steps were installed at the entry door, an aluminum awning was installed above, and small metal railings were installed over the bottoms of the second floor windows.

Additions: A one-story addition, constructed with brick exterior walls and hipped roof, extends across the rear of the building. That dates back to the 1920's, and was constructed when the house was converted into apartments. The addition is divided into two symmetrical halves. The center of the addition, originally open to the rear, is enclosed by a wood framed wall with a door and wood sash windows.

Exterior

The exterior surfaces of the Hard House show the results of years of lack of maintenance, such as unpainted wood surfaces and deteriorated flashings, gutters and downspouts. This lack of maintenance has caused many problems due to water infiltration, such as deteriorated masonry.

Roof/Rainwater Systems: The building's hipped roof is surfaced with large diamond-shaped cement shingles. These shingles appear to be similar to asbestos-cement shingles commonly used in during the first half of the 20th century. They appear to be in fair condition, although dirty, discolored, and in some locations, loose. The sheet metal flashings, gutters, downspouts, and rainwater leaders are rusted and loose. They are in very poor condition, and in some instances, are missing altogether.

Chimneys: Two brick chimneys are located on the roof. They have not been closely examined, but the flashings appear to be in deteriorated condition, although the masonry appears to be in fair condition.

Cornice: A bracketed wood cornice encircles the building. Like the buildings other wood exterior elements, the cornice has not been painted for years. The lack of protective covering has caused the grain of the wood to become raised in some locations; nails and supporting anchorage has rusted and come loose. One bracket is missing entirely.

Masonry: The exterior walls are constructed of brick, made from soft, locally quarried clays. The brick is laid with a soft lime mortar, which appears to have been partially repointed in the past. The building's masonry surfaces are dirty and discolored because of atmospheric dirt, and water runoff from the deteriorated gutters and downspouts. Moss is growing on the masonry wall surface at one corner of the building, and efflorescence is occurring in several locations on the building's walls. The mortar is abraded and washed away, especially at the corners of the building.

Doors and Windows: The doors and windows are wood, with wood frames and trim. The headers and sills of the windows are solid wood pieces. The entry doors are glazed panel doors, which do not appear to be original. Like the cornice, the doors and windows have not been painted for considerable time, and have deteriorated as a result. The sills, because of their greater exposure to rainwater, are extensively dry-rotted; other wood elements show varying degrees of dry rot, cracking and splitting.

Interior

The historic interior surfaces of the hard House are generally intact. However, they suffer from the results of poor maintenance and fairly extensive water damage. The most damage is located in the two west rooms on the first floor, where significant amounts of plaster are missing along the north wall. Water infiltration has caused erosion of one portion of the brick, bearing wall west of the hall.

Plaster: The interior plaster surfaces of the building are typically flat and unornamented, except for the central hall and two eastern rooms of the first floor, which have run-in-place decorative plaster cornices and decorative cast-plaster ceiling medallions. The wall plaster was originally applied directly to the masonry walls, and on wood lath on frame partition walls. The plaster is cracked in many locations, and as described above, partially missing at locations of water damage.

Flooring: The flooring throughout the house is of wood planks. These appear to be in good condition. Some are covered with linoleum in the first floor hall, the addition, and the existing bathroom and kitchen areas.

Wood Trim: The original wood trim appears to be redwood, except for the stair, which appears to be oak. Wood trim consists of baseboards with moldings, and door and window trim. The door and window casings are heavy moldings, and simple panels are located below the side and rear windows. The front windows extend to the floor. Other areas of wood trim includes the staircase, which has an ornamental newel and simple turned balusters, and three fireplace mantels, which have round-topped openings. The

wood trim appears to be intact and good condition, except for many layers of paint. Two balusters and one newel post are missing from the stairs.

Systems

Mechanical: No environmental systems exist.

Electrical: The existing electrical system is de-energized and unusable.

Plumbing: The existing bathrooms and kitchens were probably added when the building was converted into apartments in the 1920's. The plumbing appears to be in poor condition.

OPTIONS CONSIDERED AND EVALUATED

As initially promised, the historical society committee considered several different options and approaches. Questions to answer were : 1) Can the house be saved or has the deterioration progressed to the point of no return? 2) If not what are the costs of removal to limit City liability of the vacant dwelling? 3) If to be saved, which method is least costly while achieving the desired goals; Demolition and Reconstruction OR Restoration ? 4) What is the best method of financing any of the options ?

Following the thorough inspection and review, the committee was surprised and relieved to see the level of deterioration was not as bad as earlier believed. The worst portion of deterioration is in the 1920 addition, which should be removed to restore the home to it's original footprint of 1869. The committee overwhelmingly agrees the home should be saved and that the least costly, and truer path to saving history is through "Restoration".

CONSIDERATIONS TO REHABILITATE THE BUILDING

The following are considerations which will be required to rehabilitate the Hard House. They are arranged according to priority, as described below:

Priority 1: Life Safety: The most urgent need is to correct those conditions which pose immediate or potential hazards to the occupants, legal or otherwise, of the building or to the general public. This life safety issue includes potential threat of fire and damage to the adjacent Lynn House Art Gallery and to the Prospects School to the rear of the property.

Priority 2: Water Protection: Water is the greatest enemy of building materials. It is critical that the protective integrity of the building envelope be maintained, and restored as required.

Priority 3: On-going Deterioration: Additional items which are contributing to the ongoing deterioration of historic materials and finishes must be attended to in a timely manner.

Priority 4: Functional Considerations: Some building defects are less serious, either because they are not causing further deterioration or because they involve less significant building systems or elements. Other work may be included in this category because it is not remedial in nature, but required for the specific use of the building. This category includes recommendations for work which can be accomplished on a gradual basis through on-going maintenance.

SUGGESTED PROJECT PHASING

We suggest that if the Hard House is rehabilitated in phases, no more than three phases should be considered. If the work is divided into too many discrete parts, the inefficiency and duplication inherent in the phasing process, as well as the inconvenience and disruption caused by on-going construction to an operating facility will become too burdensome.

The priorities described below will be used as general guidelines for deciding which work items to complete first. Unquestionably, the building first needs to be made safe and weather tight, so work described in priorities one and two should be accomplished in the first phase. Additionally, exterior work described in priorities three and four should be accomplished in the first phase, where it is necessary to provide access to the building, and if desired, an appearance of completeness. The interior of the building can be restored over time, as can the installation of a new mechanical system. This suggested phasing is summarized below:

Phase 1: Safety, Security and Weatherproofing

- Seal and secure windows, doors and vents
- Remove debris from interior and exterior
- Remove or trim trees and shrubs to prevent further damage
- Install temporary electrical system for construction
- Remove rear addition.

Phase 2: Exterior Restoration

- Repair and repoint masonry
- Replace roofing
- Repair windows and cornice.
- Reconstruct front porch with disabled access
- Construct new rear porch with disabled access.

Phase 3: First Floor Restoration

- Install permanent electrical system
- Document interior finishes
- Remove all kitchen and toilet fixtures and equipment
- Restore flooring on first floor
- Restore staircase
- Repair plaster and wood surfaces

Phase 4: Second Floor Restoration/Functional Requirements

- Repair and repoint masonry
- Restore flooring on second floor
- Repair wallpaper, plaster and wood surfaces
- Install new mechanical system

FINANCIAL CONSIDERATIONS FOR RESTORATION OF THE HARD HOUSE

Given the current economy it is unlikely that the City of Antioch will be financially able to undertake such a renovation of the Hard House in the near future. With a decreased number of employees,

it is also unlikely that the City will have the manpower in the near future to devote to the writing of grants for the preservation of historic buildings. Fund drives are currently being run at the behest of the City to promote a South East city recreation facility and library. Should the City encourage such a fund drive for the purpose of restoring the Hard House, it would weaken the call to support the library efforts and citizens have not been known in the past to outright contribute financially to a City project without receiving major tax relief. (Exception: 10th Street City Park Project run by Citizens).

On the other hand, tax exempt non-profits are known for their ability to raise large amounts of money for community projects as exemplified by the El Campanile Theater, The Antioch Historical Society Museum with the Sports Legends Hall, the two downtown mural projects and the County library mural on east 18th Street, to name a few obvious privately funded projects. Non-profits are known for receiving bequests from estates, tax deductible donations from business, industry and private individuals, holding successful fundraisers and by writing and receiving grants from both the private and governmental sectors. Federal monies are available as grants for historic restorations and in connection with the arts and culture of a community. Federal monies are also available to non-profits via CDBG funds and in Redevelopment Districts. It is believed by the committee that a private non-profit will be more likely and more capable of raising the necessary funds to restore the Hard House due to volunteer efforts, man hours, and sheer desire to see the Hard House restored.

In addition to a non-profits ability to raise funds, typically the money necessary for a project such as this, are less. A governmental project usually demands total or all inclusive bids from general contractors that address all phases of the restoration and are usually known to be higher to address the difficulties of working with governmental bodies. Non-Profit 501 (c) (3) organizations are "charities" that may have a project manager, several volunteer workers, both skilled and unskilled, donated goods and materials and for some technical portions of the project, paid licensed contractors. Non-Profits do not usually experience the delays required for obtaining council approval for additional funding or moving into the next phase of the project.

A prime example of the lesser cost for a non-profit is the Antioch Historical Society Museum at 1500 W. 4th Street. When estimates were gathered by the Riverview Fire District for upgrading and refurbishing the building for continued governmental use, the cost was in excess of 2 million dollars (\$2,000,000.00). Since being in the ownership of the historical society, all of the massive upgrades and restorations made to date to the building are more in the range of 4 to 5 hundred thousand (\$400,000.00 - \$500,000.00) and the money has been raised through private and public grants, donations, bequests and large fundraisers.

Since it's purchase in 1979 by the City or Redevelopment Agency, the Hard House has presented a policing problem, liabilities due to individual's illegal and unauthorized entry onto and into the property and potential fire danger to other surrounding properties. Further, there has clearly been no efforts made to commence the restoration of the property in the last 30 years. So due to the weight of "desire, potential success, and probable financial ability", the committee believes the road to restoration lies with a private non-profit corporation organized for the sole purpose of restoring the Hard House to it's once grand stature.

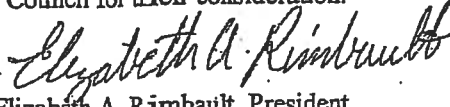
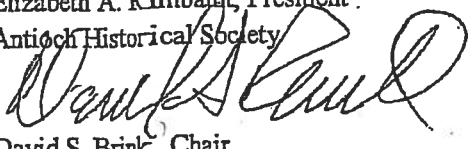
RECOMMENDATIONS FOR THE ROSWELL BUTLER HARD HOUSE

Based on the inspection of the property and all prior studies and reports issued on the house, and further based on the facts and discussions put forth in this report from the Antioch Historical Society Committee, the recommendations of the committee are as follows:

- 1.) The Roswell Butler Hard House should be rehabilitated and restored.
- 2.) That the least invasive, least costly, and highest potential of achieving the goals of a functioning Museum Home, is through "Restoration", not reconstruction.
- 3.) That the house should be restored to it's original footprint and architecture of 1869, thereby removing the 1920 addition.
- 4.) The highest potential of restoring the property will be in the ownership of a private non-profit, 501 (c)(3).
- 5.) That the City of Antioch enter into negotiations with the newly formed private non-profit 501 (c)(3) California Corporation of "FRIENDS OF ROSWELL BUTLER HARD HOUSE", Non-profit number 27-0454042; Tax exempt date: August 5, 2009, for the successful transfer of title of the Hard House and it's original land parcel to the non-profit.
 - A. All negotiations and contracts shall guarantee the property shall be used for the public benefit and that should the non-profit corporation dissolve anytime in the future, the first choice will be the transfer of the real property back to the City of Antioch; or if declined by the City, to the Antioch Historical Society for future protection.

The recommendations stated above have been approved by the Hard House Committee of the Antioch Historical Society, The Board of Directors of the Antioch Historical Society and the Board of Directors of the newly formed none-profit, Friends of Roswell Butler Hard House. Said recommendations are hereby respectfully submitted to the City of Antioch and the Antioch City Council for their consideration.

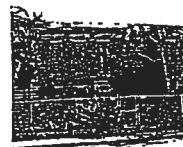
September 25, 2009


Elizabeth A. Rimbault, President
Antioch Historical Society

David S. Brink, Chair
Hard House Committee of AHS



Friends of Roswell Butler Hard House

1500 West 4th Street, Antioch, CA 94509
 Dave Brink Fax
 (925) 437-8085 (925) 757-8953
 E-Mail: hardhouse@comcast.net Non-Profit # 27-0454042



PRELIMINARY PLANS FOR FUNDING THE RESTORATION OF THE ROSWELL BUTLER HARD HOUSE

The Friends of the Roswell Butler Hard House are a nonprofit 501 (c)(3) tax exempt organization dedicated to the restoration of the Hard House in the City of Antioch. The corporation has a minimum of 9 and a maximum of 11 officers and directors but does not have members. The board of directors are responsible for the entire project. Many nonprofits have learned that maintaining a membership or increasing memberships can be time consuming, costly and frequently are not a significant source of funds. Members of the public can become a "Friend" by making a donation and general donations of any size will be solicited, and not limited by a membership fee amount.

The following are proposed sources of funding the restoration project:

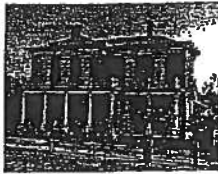
- 1.) A letter Grant request has been submitted to Mirant for \$150,000.00.
 A letter from the City of Antioch acknowledging the intent to transfer ownership of the property to the Friends, would greatly assist in moving this request along. However, No grants will be given prior to transfer of ownership.
- 2.) Solicitation of donations from the general public and individuals interested in seeing the restoration of the Hard House. Donation, gifts and bequests may be in any amount and will earn the giver of funds, the title of "Friend" of the Roswell Butler Hard House.
- 3.) Grant applications may be submitted following receipt of ownership to AASLH (American Association of State and Local History), for "Museum Home" restoration projects.
- 4.) Grant applications will be submitted to all applicable State, Federal, and local Grant programs, including the Keller Canyon Mitigation Fund.
- 5.) Application will be made to the City of Antioch CDBG funds for 2010, most likely addressing HVAC and Handicap Restrooms, and Handicap Access to the lower level of the building.
- 6.) Grants will be written for the reconstruction of the Cistern system to conserve water for the landscaping and public restroom. We would also request waiver of water fees from the City of Antioch for the balance of water needed in the dry season.
- 7.) We may seek sponsorships for various rooms, displays or the gardens from local businesses, individuals and industry.
- 8.) Through various business associations and friendships the board members will seek donations of building materials and in-kind services. This may include debris boxes and porta potties from Allied Waste; building materials from contractors; plumbing and electrical services

from retired contractors ; Gardening services from the local Garden club; historical research from the Historical Society; Temporary electrical service from the City's Lynn House; Temporary security alarm installation and permanent services upon completion from Lenhart Alarm; Masonry Contractors Union training of Apprentices; Telephones installed by retired phone installers and antique telephones restored; and others.

- 9.) Pic-nic Barbeque Fundraiser, requiring partial street closure in front of the Hard House, during good weather. Other Private Fundraisers held at individual members homes. Raffles and other fundraisers held in various locations including at the Antioch Historical Society.
- 10.) We may seek limited partnering on special projects with the Antioch Unified School District and Prospects School, which may provide a level of training for students.
- 11.) Through newspaper stories, publicity and outright begging, we WILL receive donations of money, materials and most important in restoration projects, Free labor.

All of the above listed methods of seeking funding for restoration projects have proven successful in several other existing projects in town.

11/19/2009



Friends of Roswell Butler Hard House

1500 West 4th Street, Antioch, CA 94509

Dave Brink

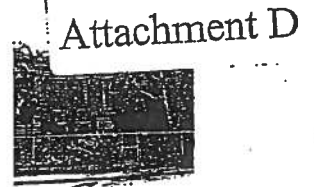
Fax

(925) 437-8085

(925) 757-8953

E-Mail: hardhouse@comcast.net

Non-Profit # 27-0454042



Attachment D

FRIENDS OF ROSWELL BUTLER HARD HOUSE PROPOSED RESTORATION TIME LINE

It is the goal of the Friends to have the restoration project substantially completed within the next 5 (five) years. To that end the following represents our timeline structure proposed:

Phase I. to complete within the first 6 months (with consideration for weather):

Secure the building
Install and monitor alarm system
Remove all debris and dangers
Clean Yard completely
Demolish rear structure
Clean interior

(SAFETY, SECURITY AND
WEATHER PROOFING)

Phase II. Over a period of 2 Years:

Repair Masonry and Address Structural Issues.
Foundation issues first, followed by brick and roof issues.

(STRUCTURAL)

Phase III. Total Exterior Restoration- 3 Years:

Porches, balcony, walls and Gardens restored.

(EXTERIOR STREET VIEW)

Phase IV. Interior Restoration Year 5:

All interior walls and finishes.
Restored wooden floors.
Heating and Air Conditioning.
Lighting, Electrical and finished plumbing.

(INTERIOR FINISH)

The above proposed timeline does not represent any acquisition of furnishings or guarantee a readiness to open to the public by the end of the 5th year. Predictions based on hoped for funding cannot be absolute.



January 26, 2010

David Brink
Friends of Roswell Butler Hard House
922 Orchid Lane
Antioch, CA 94509

Dear David:

It has been a pleasure talking with you and other members of the Friends of Roswell Butler Hard House Non Profit Organization. It is exciting to think that the Hard House may one day become a treasure of downtown Antioch. To that end, and in an effort to develop criteria which may be used in a future agreement with Friends of Roswell Butler Hard House, staff has the following recommendations.

Structural Integrity: The Hard House is recognized on the National Registry of Historic Buildings, which may subject the renovation of the building to different standards than would otherwise apply. The Hard House has not been occupied nor maintained for many years adding significantly to the renovation work that will be required. To help us all understand the work that will be involved in this project, the City will require that the Friends of Roswell Butler Hard House provide the following information:

- A structural renovation plan, developed by a certified engineer that complies with California historic building code;
- A site work safety plan including rules and requirements for those working in or around the Hard House site; and
- A plan for the removal and disposal of all hazardous material.

Insurance: For the protection of the City of Antioch and the Friends of Roswell Butler Hard House organization, volunteers and paid workers, it is imperative that a dedicated insurance policy be obtained for this project. Therefore, the City will have the following insurance requirements:

- The Friends of Roswell Butler Hard House will obtain, at their sole expense, liability insurance at a minimum of \$5 million;
- The Friends of Roswell Butler Hard House Non Profit will release and indemnify the City of Antioch of any and all liability associated with the Hard House and the renovation project; and
- Insurance coverage will extend to all volunteers and paid workers taking part in the restoration project.

Proposed Time Line: The Friends of Roswell Butler Hard House proposed a five year restoration time line consisting of the following. Phase I (6 months) will address safety, security and weather proofing aspects of the project; a very important first step. Phase II (2 years) will address the foundation, masonry and structural issues that will be identified in the structural renovation plan required above. Phase III (3 years) completes the outside exterior street portion of the house including porches, balcony, walls and garden area. Phase IV estimated for completion in year five will address the interior finish and access issues. The City concurs with this proposed timeline and execution of the renovation project. What is needed from the Friends of Roswell Butler Hard House is an estimated budget for all phases of the project outlined above.

Structure of Agreement and Next Steps: After receiving from the Friends of Roswell Butler Hard House a written concurrence with the information requested in this letter, staff will prepare an agenda item for City Council review. This item will seek Council approval to structure and negotiate a Disposition and Development Agreement. The terms and conditions of the development agreement will include, at a minimum, the items outlined in this letter. We understand that the Friends of Roswell Butler Hard House desire to own the property on which the renovation will take place. It will be staff's recommendation to condition transition of ownership upon completion of certain milestones to be outlined in Phases I & II of the renovation project. Those details can be worked on after City Council approval to move forward with the renovation project.

Again I would like to reiterate that staff is excited about the possible renovation of the Roswell Butler Hard House. It is our goal to work with your organization to help make this project a reality. In doing so, we want to ensure that the project is done in a safe manner and the renovation is completed within City building codes.

I look forward to hearing from you in the near future.

Sincerely,



ARLENE MORNICK
Assistant City Manager

Cc: Mayor and City Council
Jim Jakel, City Manager
Lynn Tracy Nerland, City Attorney

David Brink, President
Friends of the Roswell Butler Hard House
c/o 1500 West 4th Street
Antioch, CA 94509

Mayor James Davis and Members Of the Council
City of Antioch
P.O. Box 5007
Antioch, CA 94531-5007

May 26, 2011



Re: Acquisition of the Hard House by the Friends

Dear Mr. Mayor and Members of the Council,

We have been attempting to return to the Council Chambers, on the agenda for the last few months and feel our efforts are being diverted. This discussion with the Council needs to be continued and resolved.

In the past the Council has seemed concerned with potential uses of the Hard House. We have stated the best and most likely use is that of a Museum Home, which would qualify for various grants from State and National organizations as well as the Federal government. However, within that category a continued use by the City would be expected as a presentation or ceremonial office of the Mayor and Council. In addition there would be nothing precluding it from being used for "Ticket Sales" should the Antioch Ferry become a reality. In fact the potential of rental income from a transportation company would guarantee funds for continued maintenance of the building after the restoration.

In addition we have discussed the potential of letting space upstairs to the Antioch Schools Foundation or partnering with Prospect school to further the connection between the schools and city interests. This building is not seen as a huge potential retail or business concern, but as an interesting historic attraction for downtown.

This last year the City of San Ramon opened the "Glass House" which is located on the South side of Highway 680 in San Ramon. The Glass House is a reverse floor plan of the Hard House and an excellent example of the fully restored structure from the same period. If you have the opportunity to tour the Glass House, some of your concerns might be answered.

Some of you voiced a concern for the size of our bank account. We still have less than \$2,000.00 in the bank, however, our taxes are filed and all the cost of incorporation and qualifying for our non-profit have been paid and we continue to operate with 100% volunteer effort and no debts.

By specific intent, we have not held fundraisers or ask for community donations as yet because history has showed us too many projects in Antioch that sold bricks or held street fairs and never got started. The members of our board all have long histories of past restoration and preservation projects that include The Carnegie Library, The Woman's Club of Antioch, The El Campanile Theater, The Riverview Union High School (Antioch Historical Museum) and the McCoy Cook House. We are all still here in town, know and understand how to keep the trust of the citizens of Antioch, and we know how to raise the funds and volunteer help to complete historic projects.

Further with two of our board members we have significant understanding of the Redevelopment Laws. Elizabeth Rimbault, our secretary, served 6 ½ years on the Council and as the Redevelopment district sub-committee under Mayor Joel Keller. Much of her work was concentrated in this very block and included the land transfer to the school district and the design and construction of Prospect school as well as the completion of restoration of the Lynn house and it's opening. Stanford Davis, our treasurer, served as City Engineer from the 1960's until his retirement and has vast experience with dealing in Redevelopment Law in the City of Antioch.

With this knowledge we proposed a transfer through the Redevelopment Agency that would guarantee a timeline for meeting goals and allowed for consequences if goals were not met. It further guaranteed the property would always be used as a community asset and attraction to the downtown. Our entire mission is the preservation and restoration of the first property in Antioch placed on the State and National Roster of Historic Sites. There is no allowance in our proposal for individual benefit or windfall profits or resale of the site. Under Redevelopment Law the City may make this transfer to the Friends and be relieved of all liability of this currently neglected property and will not be responsible for any of our actions as well. We can guarantee that within the first 18 months of transfer we will meet all of our stage one goals.

However, we cannot even begin with the City now in title. Our best advice received tells us this one parcel can be transferred back to the Redevelopment Agency and then transferred to the Friends and all Redevelopment Law will continue to be in force. We have now been working with the staff and council for 2 years. We have patiently waited for budget sessions to be concluded, only to be set aside for the next item of city urgency and nothing in the City's financial strength or in the stability of the Hard House has changed. We Need to save this wonderful historic asset of downtown Antioch and we cannot do that with the City in ownership of the property.

THE PLUSES: With the Friends in ownership, we can qualify for a number of private grants, fundraisers and community donations. Many citizens are joining our number for volunteer labor to save this property. The City will be relieved of the burden of finance and liability for this property. The City will retain an open agreement for use of the building as a presentation or ceremonial office of the Mayor. The property will go back on the tax roll. Blight will be removed from the neighborhood and the property will be restored and usable. The citizens will gain access to the property and be able to enjoy this historic site.

THE CONS: If we Fail the property remains the same as it is today, unusable blight on the block, just as it has been since the 1970's when the Agency acquired it. No money, no plans and no incentive to improve.

You can take a chance and move forward into bright potential or stay the same and remain paralyzed in finance and politics. What's to loose?

None of us will be here forever and as taxpaying citizens and strong volunteers we believe we are owed a timely good faith response from our cities representatives. We await your response.

Very truly yours,

David Brink, President
Friends of Roswell Butler Hard House

ATTACHMENT "2"



JOHN CHIANG
California State Controller

April 20, 2012

Successor Agency/City
County Auditor-Controller
All Other Public Agencies in California (including Economic Development Corporations and
Joint Powers Authorities)

Re: Order to Reverse RDA Asset Transfer Pursuant to Health and Safety Code Section 34167.5

Dear City, County, or Public Agency:

Pursuant to Health and Safety Code section 34167.5, the Controller is reviewing the activities of redevelopment agencies in the state to determine whether an asset transfer has occurred after January 1, 2011, between the city or county, or city and county that created a redevelopment agency or any other public agency, and the redevelopment agency.

If your city, county or agency, directly or indirectly, received any assets from a redevelopment agency after January 1, 2011, your city, county, or agency hereby is ordered to immediately reverse the transfer and return the applicable assets to the successor agency of the relevant redevelopment agency.

This order applies to all assets, including, but not limited to, real and personal property, cash funds, accounts receivable, deeds of trust and mortgages, contract rights and any rights to payment of any kind. Under Health and Safety Code section 34167.5, this order applies in all situations except if your city, county, or agency has, prior to June 28, 2011, contractually committed to a third party for an expenditure or encumbrance of a specific asset. This order directly applies to economic development corporations, joint powers authorities, or other public agencies that received assets, directly or indirectly, from a redevelopment agency after January 1, 2011.

In the coming weeks, the Controller will specifically review and audit cities, counties, and public agencies to ensure that all applicable asset transfers have been reversed. If you have any question as to whether a particular asset must be returned, you should place such assets into a reserve pending our review.

Thank you for your cooperation.

Sincerely,
Original signed by:

JOHN CHIANG
California State Controller