

# **SEAL BEACH REDEVELOPMENT AGENCY**

## **ASSET TRANSFER REVIEW**

### Review Report

*January 1, 2011, through January 31, 2012*



**BETTY T. YEE**  
California State Controller

May 2015



**BETTY T. YEE**  
California State Controller

May 12, 2015

Victoria L. Beatley, Director of Finance/City Treasurer  
Seal Beach Redevelopment/Successor Agency  
211 8<sup>th</sup> Street  
Seal Beach, CA 90740

Dear Ms. Beatley:

Pursuant to Health and Safety Code section 34167.5, the State Controller's Office reviewed all asset transfers made by the Seal Beach Redevelopment Agency (RDA) to the City of Seal Beach (City) or any other public agency after January 1, 2011. This statutory provision states, "The Legislature hereby finds that a transfer of assets by a redevelopment agency during the period covered in this section is deemed not to be in furtherance of the Community Redevelopment Law and is thereby unauthorized." Therefore, our review included an assessment of whether each asset transfer was allowable and whether the asset should be turned over to the Successor Agency.

Our review applied to all assets including, but not limited to, real and personal property, cash funds, accounts receivable, deeds of trust and mortgages, contract rights, and rights to payment of any kind. We also reviewed and determined whether any unallowable transfers to the City or any other public agency have been reversed.

Our review found that the RDA transferred \$12,517,468 in assets after January 1, 2011, including unallowable transfers to the City totaling \$900,000, or 7.19% of transferred assets. These assets must be turned over to the Successor Agency.

If you have any questions, please contact Elizabeth González, Chief, Local Government Compliance Bureau, by telephone at (916) 324-0622 or by email at [egonzalez@sco.ca.gov](mailto:egonzalez@sco.ca.gov).

Sincerely,

*Original signed by*

JEFFREY V. BROWNFIELD, CPA  
Chief, Division of Audits

JVB/sk

cc: Gordon A. Shanks, Oversight Board Chairperson  
Seal Beach Redevelopment/Successor Agency  
Eric H. Woolery, CPA  
County of Orange  
David Botelho, Program Budget Manager  
California Department of Finance  
Richard J. Chivaro, Chief Legal Counsel  
State Controller's Office  
Elizabeth González, Bureau Chief  
Division of Audits, State Controller's Office  
Reginald Nidoy, Audit Manager  
Division of Audits, State Controller's Office  
Claudia Corona, Auditor-in-Charge  
Division of Audits, State Controller's Office

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# Asset Transfer Review Report

## Summary

The State Controller's Office (SCO) reviewed the asset transfers made by the Seal Beach Redevelopment Agency (RDA) after January 1, 2011. Our review included, but was not limited to, real and personal property, cash funds, accounts receivable, deeds of trust and mortgages, contract rights, and rights to payments of any kind from any source.

Our review found that the RDA transferred \$12,517,468 in assets after January 1, 2011, including unallowable transfers to the City of Seal Beach (City) totaling \$900,000, or 7.19% of transferred assets. These assets must be turned over to the Successor Agency.

## Background

In January of 2011, the Governor of the State of California proposed statewide elimination of redevelopment agencies (RDAs) beginning with the fiscal year (FY) 2011-12 State budget. The Governor's proposal was incorporated into Assembly Bill 26 (ABX1 26, Chapter 5, Statutes of 2011, First Extraordinary Session), which was passed by the Legislature, and signed into law by the Governor on June 28, 2011.

ABX1 26 prohibited RDAs from engaging in new business, established mechanisms and timelines for dissolution of the RDAs, and created RDA successor agencies and oversight boards to oversee dissolution of the RDAs and redistribution of RDA assets.

A California Supreme Court decision on December 28, 2011 (*California Redevelopment Association et al. v. Matosantos*), upheld ABX1 26 and the Legislature's constitutional authority to dissolve the RDAs.

ABX1 26 was codified in the Health and Safety (H&S) Code beginning with section 34161.

H&S Code section 34167.5 states in part, ". . . the Controller shall review 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."

The SCO identified asset transfers that occurred after January 1, 2011, between the RDA, the City and/or any other public agency. By law, the SCO is required to order that such assets, except those that already had been committed to a third party prior to June 28, 2011, the effective date of ABX1 26, be turned over to the Successor Agency. In addition, the SCO may file a legal action to ensure compliance with this order.

## **Objective, Scope, and Methodology**

Our review objective was to determine whether asset transfers that occurred after January 1, 2011, and the date upon which the RDA ceased to operate, or January 31, 2012, whichever was earlier, between the city or county, or city and county that created an RDA or any other public agency, and the RDA, were appropriate.

We performed the following procedures:

- Interviewed Successor Agency personnel to gain an understanding of the Successor Agency's operations and procedures.
- Reviewed meeting minutes, resolutions, and ordinances of the City, the RDA, the Successor Agency, and the Oversight Board.
- Reviewed accounting records relating to the recording of assets.
- Verified the accuracy of the Asset Transfer Assessment Form. This form was sent to all former RDAs to provide a list of all assets transferred between January 1, 2011, and January 31, 2012.
- Reviewed applicable financial reports to verify assets (capital, cash, property, etc.).

## **Conclusion**

Our review found that the Seal Beach Redevelopment Agency transferred \$12,517,468 in assets after January 1, 2011, including unallowable transfers to the City of Seal Beach totaling \$900,000, or 7.19% of transferred assets. These assets must be turned over to the Successor Agency.

Details of our finding are described in the Finding and Order of the Controller section of this report.

## **Views of Responsible Officials**

We issued a draft review report on October 7, 2014. Victoria L. Beatley, Finance Officer, responded by letter dated November 3, 2014, disagreeing with the review results. The City's response is included in this final review report as an attachment.

## **Restricted Use**

This report is solely for the information and use of the City of Seal Beach, the Successor Agency, the Oversight Board, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record when issued final.

*Original signed by*

JEFFREY V. BROWNFIELD, CPA  
Chief, Division of Audits

May 12, 2015

# Finding and Order of the Controller

**FINDING—  
Unallowable asset  
transfers to the  
City of Seal Beach**

The Seal Beach Redevelopment Agency (RDA) made unallowable asset transfers of \$900,000 to the City of Seal Beach (City). The transfers occurred after January 1, 2011, and the assets were not contractually committed to a third party prior to June 28, 2011.

Under a Settlement Agreement dated March 16, 2011, the City paid \$900,000 to Bay City Partners, LLC. In exchange, Bay City Partners leased the Bike Trail Parcel and the Driveway Parcel to the City and conveyed an irrevocable easement for the Sewer Parcel. The City acquired the easement (bike trail, driveway, and sewer) through short-term borrowing from the City's sewer enterprises fund, with a prior understanding that the cost of acquiring the easement would be allocated to the RDA.

On July 21, 2011, the RDA made a \$900,000 cash transfer to reimburse the City for this purchase. The City retained the real property interests and is the legal title holder to such real property interests and the irrevocable easement.

Pursuant to Health and Safety (H&S) Code section 34167.5, the RDA may not transfer assets to a city, county, city and county, or any other public agency after January 1, 2011. The assets must be turned over to the Successor Agency for disposition in accordance with Health and Safety (H&S) Code section 34177(d) and (e).

## Order of the Controller

Pursuant to H&S Code section 34167.5, the City is ordered to reverse the transfers, totaling \$900,000, and turn over the assets to the Successor Agency.

## City's Response

The City disagreed with the Finding and stated that, under the Settlement Agreement dated March 16, 2011, Bay City Partners would lease the Bike Trail Parcel and the Driveway Parcel to the City and convey an irrevocable easement for the Sewer Parcel to the City. The RDA committed to pay the acquisition cost of the real property interests with respect to the parcels, with the understanding and agreement that the City would be the legal title holder to such real property interests.

In addition, the City stated that the \$900,000 acquisition cost and the vesting of the related property interests in the City were recorded as certain adjustments to the capital asset entries in the former RDA's and the City's financial statements. However, the adjustments were for accounting presentation only, and did not change the fact that the City was the legal lessee and easement grantee of the real property interests with respect to the subject properties.

See Attachment for the City's complete response.

SCO's Comment

Based on our review of additional information provided by the City, the SCO acknowledges that the City retained the real property interests and is the legal title holder to such real property interests and the irrevocable easement. The finding has been updated to include pertinent information.

However, even in light of the new information, the \$900,000 cash transfer made by the RDA on July 21, 2011, to reimburse the City for this purchase, is unallowable. The SCO acknowledged that the RDA was named a party to the Settlement Agreement; however, the City was responsible for the payment of \$900,000 to Bay City Partners. The SCO also acknowledged the receipt of the City Council Resolution Number 6151 and RDA Resolution Number 11-10, dated June 27, 2011. This resolution approved the acquisition and litigation cost payments by the agency for the value of the sewer easement and fee title to certain property for open space; however, the RDA was not authorized to transfer any assets to the City after January 1, 2011.

Further, the SCO's authority under H&S Code section 34167.5 extends to all assets transferred after January 1, 2011, by the RDA to the city or county, or city and county that created the RDA, or any other public agency. This responsibility is not limited by the other provisions of the RDA dissolution legislation. Therefore, the unallowable asset transfer in the amount of \$900,000 must be turned over to the Successor Agency.

On July 16, 2013, the Successor Agency received a Department of Finance Finding of Completion. The Successor Agency may place loan agreements between the RDA and the City on the Recognized Obligation Payment Schedule, as an enforceable obligation, provided that the Oversight Board finds that the loan was for legitimate redevelopment purposes.

The Finding has been modified; however, the Order of the Controller remains as stated.



**Attachment—  
City's Response to  
Draft Review Report**

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November 3, 2014

Elizabeth González  
Chief Local Government Compliance Bureau  
State Controller Office – Division of Audits  
P.O. Box 942850  
CA 94250-5874

**Subject:** Draft Seal Beach Redevelopment Agency Asset Transfer Review Report (the “Draft Report”)

Dear Ms. Gonzalez:

The Successor Agency to the Seal Beach Redevelopment Agency (the “Successor Agency”) received the above-referenced Draft Report and the accompanying letter dated October 7, 2014 from Mr. Jeffrey Brownfield, CPA. In the letter, Mr. Brownfield indicated that the Successor Agency may provide comments concerning the Draft Report. We appreciate the opportunity and your agreement to extend our response deadline to November 6, 2014.

We believe that the finding stated in the Draft Report – of an unallowable asset transfer of certain land easements, at the value of \$900,000, to the City of Seal Beach (the “City”) – is in error, based on the facts which we will clarify below. We respectfully request that the Draft Report be corrected before it is finalized.

#### **SCO Finding, as stated in Draft Report**

The Draft Report identified the following allegedly unallowable asset transfer: post-January 2011 transfer by the former Seal Beach Redevelopment Agency (the “Former RDA”) to the City of land easements to several parcels (driveway, sewer and bike trail) which the Former RDA had acquired for a lump sum of \$900,000.

#### **Factual Background**

In 2009 and 2010, the City and Bay City Partners LLC (“Bay City”) were engaged in negotiations and lawsuits. As relevant here, the City was seeking to acquire: (i) a parcel in

connection with a public bike trail project (the "Bike Trail Parcel"), (ii) a parcel for public access to a public beach (the "Driveway Parcel"), and (iii) a parcel for a sewer maintenance area to maintain an existing City sewer line (the "Sewer Parcel"). A settlement agreement (the "Settlement Agreement") was reached and executed on March 16, 2011. The parties to the Settlement Agreement were Bay City, the City, the City's Planning Commission and the Former RDA. Under the Settlement Agreement, upon Bay City's receipt of \$900,000, Bay City would lease the Bike Trail Parcel and the Driveway Parcel to the City and also convey an irrevocable easement for the Sewer Parcel to the City.

The Bike Trail Parcel, the Driveway Parcel and Sewer Parcel were located within the Former RDA's Riverfront Redevelopment Project Area (the "Project Area"). The Bike Trail Parcel access was necessary to complete a public bike trail that serves residents in the Project Area. The Driveway Parcel access was necessary to provide access to the public beach. The Sewer Parcel easement was necessary for the City to properly maintain the sewer line that connect to the property within the Project Area. In sum, real property interests obtained pursuant to the Settlement Agreement with respect the Bike Trail Parcel, Driveway Parcel and Sewer Parcel were all beneficial to the Project Area.

The Former RDA committed to pay the acquisition cost of the real property interests with respect to the Bike Trail Parcel, the Driveway Parcel and Sewer Parcel pursuant to the Community Redevelopment Law, set forth in Section 33000 et seq. of the Health and Safety Code ("HSC"), with the understanding and agreement that the City would be legal title holder to such real property interests. Attached as Exhibit A is a copy of the Grant of Easement for Sewer Access, Construction and Maintenance Purposes, dated March 17, 2011 (the "Sewer Easement"), executed by Bay City. As shown in Exhibit A, the grantee of the Sewer Easement is the City (and not the Former RDA).

#### **Discussion**

Under the Community Redevelopment Law, the Former RDA could pay for the value of land or the cost of an improvement that was publicly owned, if such acquisition (or construction or installation) was beneficial to the Project Area. See, for example, HSC Section 33445. The Community Redevelopment Law did not require the Former RDA to hold legal title to such land or improvement. With respect to the acquisition of, for example, sewer system-related improvements, it does not make sense for the Former RDA to hold title. The Former RDA did not, and could not, operate the sewer system. The Sewer Easement relates to a sewer line that was installed and has been owned by the City since the early 1920s, long before the Former RDA was formed. All public sewer lines in the City are owned by the City. It would serve no public purpose for the Former RDA to own a portion of the City sewer system,

or a maintenance easement thereto to allow City employees to access to maintain and clean the sewer line.

The acquisitions under the Settlement Agreement with respect to the Bike Trail Parcel, the Driveway Parcel and Sewer Parcel were for public access and sewer maintenance easements. It was never intended that the Former RDA would hold legal title to such real property interests. The Former RDA committed to the payment of \$900,000 to Bay City. However, the City was always to be the legal title holder to such real property interests, and the chain of title went directly from the private landowner Bay City to the City.

As the Draft Report noted, the Former RDA's commitment for the \$900,000 acquisition cost and the vesting of the related property interests in the City were recorded as certain adjustments to the capital asset entries in the Former RDA's and the City's financial statements. However, the adjustments were for accounting presentation only, and did not affect the fact that the City was the legal lessee and easement grantee of the real property interests with respect to Bike Trail Parcel, the Driveway Parcel and Sewer Parcel. There was no asset transfer by the Former RDA to the City with the meaning of HSC Section 34167.5.

**Concluding Remarks**

Based on the foregoing, the Successor Agency believes that the finding of "unallowable asset transfer" in the Draft Report is erroneous. We respectfully request that the Draft Report be revised accordingly, so to remove the asset return order.

Please do not hesitate to contact the undersigned, if you need any additional information or have any other questions regarding the above.

Yours truly,

Successor Agency to the Seal Beach Redevelopment Agency, by



Victoria L. Beatley  
Finance Officer

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

City of Seal Beach  
211 8<sup>th</sup> Street  
Seal Beach, CA 90740  
Attn: City Clerk

Recorded in Official Records, Orange County  
Tom Daly, Clerk-Recorder

NO FEE

2011000153854 3:32 pm 03/24/11  
47 415 E01 7  
0.00 0.00 0.00 0.00 18.00 0.00 0.00 0.00

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)  
Exempt from payment of recording fee -  
California Government Code §§ 6103 and 27383

**GRANT OF EASEMENT FOR SEWER ACCESS, CONFORMED COPY  
CONSTRUCTION AND MAINTENANCE PURPOSES**

Bay City Partners LLC, a California limited liability company, owners of certain real property situated in the City of Seal Beach, County of Orange, State of California ("Grantor"), hereby grant to the CITY OF SEAL BEACH, a municipal corporation ("Grantee"), an irrevocable easement for sewer access, construction and maintenance purposes, in, over, across and along said certain real property described in Exhibit "A" and delineated on Exhibit "B" attached hereto and made a part hereof by this reference.

SUBJECT TO easements and rights of way of record or apparent.

RESERVING UNTO GRANTOR, its successors and assigns, the right to use said land for any purpose, that will not in any way interfere with the use by Grantee of this easement.

Dated: March 17, 2011

BAY CITY PARTNERS LLC, a California  
limited liability company

By: Bob A. Griffith  
Bob A. Griffith, Member

By: Brian Kyle  
Brian Kyle, Member

By: James Parkhurst  
James Parkhurst, Member

By: Cindy Atkinson  
Cindy Atkinson, Member

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Los Angeles

On March 23, 2011 before me, Debbie L. Foster, Notary Public

personally appeared Cindy Atkinson

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Debbie L. Foster  
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Grant for Easement for Sewer Access  
Document Date: March 17, 2011 Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

Capacity(ies) Claimed by Signer(s)

Signer's Name: Cindy Atkinson

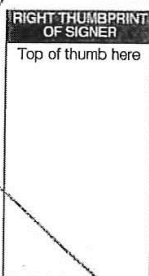
- Corporate Officer — Title(s): \_\_\_\_\_
- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: herself

Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

STATE OF CALIFORNIA )  
 ) ss  
COUNTY OF ORANGE )

On 3/21/2011, before me, Maureen Hewitt, a Notary Public, personally appeared James Parkhurst, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



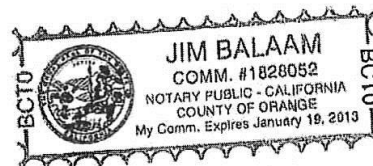
Maureen Hewitt  
Notary Public

STATE OF CALIFORNIA )  
 ) ss  
COUNTY OF ORANGE )

On March 21, 2011, before me, Jim Balaam, a Notary Public, personally appeared DOB A. Guffart, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Jim Balaam  
Notary Public



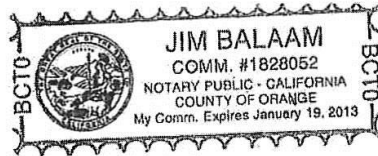
STATE OF CALIFORNIA )  
 ) ss  
COUNTY OF ORANGE )

On MARCH 21, 2011, before me, Jim Balaam, Notary Public, a Notary Public, personally appeared GRIMM KYLE, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

  
\_\_\_\_\_  
Notary Public



STATE OF CALIFORNIA )  
 ) ss  
COUNTY OF ORANGE )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public



EXHIBIT A  
SEWER EASEMENT LEGAL DESCRIPTION

THAT PORTION OF BLOCK B OF BAY CITY, IN THE CITY OF SEAL BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, PER MAP RECORDED IN BOOK 3, PAGE 19 OF MISCELLANEOUS MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE EXTENSION OF THE SOUTHEASTERLY LINE OF FIRST STREET AND THE SOUTHWESTERLY LINE OF OCEAN AVENUE AS SAID STREETS ARE SHOWN ON THE MAP OF SAID BAY CITY; THENCE, NORTH 54°44'12" WEST, 13.95 FEET ALONG THE SOUTHWESTERLY LINE OF OCEAN AVENUE, AS SHOWN ON RECORD OF SURVEY NO. 2002-1090, FILED AS INSTRUMENT NO. 2003000516244 IN BOOK 193, PAGE 47 OF RECORDS OF SURVEY IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE COUNTY, STATE OF CALIFORNIA, TO A POINT ALSO BEING THE INTERSECTION OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 500.00 FEET WITH A RADIAL TO SAID CURVE AT SAID POINT BEARING NORTH 58°15'19" WEST; THENCE, SOUTHWESTERLY, 106.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°09'49" TO A POINT OF COMPOUND CURVE WITH A CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 200.00 FEET, A RADIAL THROUGH SAID POINT OF COMPOUND CURVE BEARING NORTH 46°05'30" WEST; THENCE, SOUTHWESTERLY, 22.35 FEET ALONG SAID 200.00-FOOT RADIUS CURVE THROUGH A CENTRAL ANGLE OF 6°24'07" TO A POINT OF TANGENCY WITH A LINE BEARING SOUTH 50°18'37" WEST; THENCE, SOUTH 50°18'37" WEST ALONG SAID TANGENT LINE 42.77 FEET TO A POINT OF TANGENCY WITH A CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 90.00 FEET; THENCE, SOUTHWESTERLY, 17.98 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°26'52" TO A POINT OF REVERSE CURVE WITH A CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 400.00 FEET, A RADIAL THROUGH SAID POINT OF REVERSE CURVE BEARING SOUTH 28°14'31" EAST; THENCE, SOUTHWESTERLY, 78.24 FEET ALONG SAID 400.00-FOOT RADIUS CURVE THROUGH A CENTRAL ANGLE OF 11°12'25" TO THE SOUTHWESTERLY LINE OF SAID RECORD OF SURVEY NO. 2002-1090; THENCE, ALONG THE SOUTHWESTERLY AND SOUTHEASTERLY LINES OF SAID RECORD OF SURVEY THE FOLLOWING COURSES AND DISTANCES:

1. SOUTH 21°50'35" EAST, 32.84 FEET;
2. SOUTH 57°53'35" EAST, 55.32 FEET;
3. NORTH 32°17'25" EAST, 273.93 FEET TO THE POINT OF BEGINNING.

CONTAINING 10,768 SQUARE FEET, MORE OR LESS.

ALL AS MORE PARTICULARLY SHOWN ON EXHIBIT B ATTACHED HERETO AND MADE A PART HEREOF.

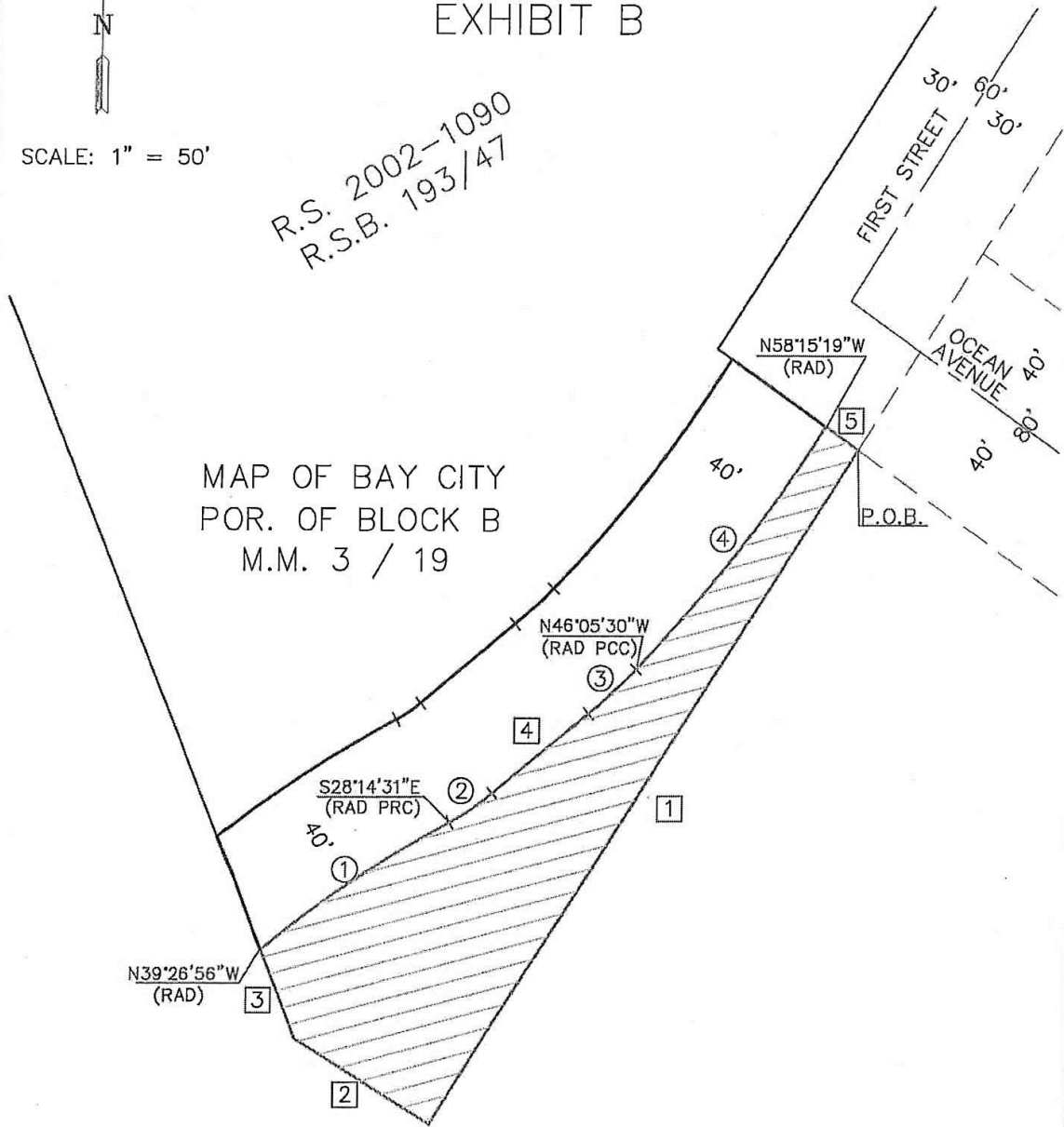
# SEWER EASEMENT EXHIBIT B



SCALE: 1" = 50'

R.S. 2002-1090  
R.S.B. 193/47

MAP OF BAY CITY  
POR. OF BLOCK B  
M.M. 3 / 19



○ DELTA	RADIUS	LENGTH	□ BEARING	DISTANCE
1 11° 12' 25"	400.00'	78.24'	1 S32° 17' 25" W	273.93'
2 11° 26' 52"	90.00'	17.98'	2 N57° 53' 35" W	55.32'
3 6° 24' 07"	200.00'	22.35'	3 N21° 50' 35" W	32.84'
4 12° 09' 49"	500.00'	106.15'	4 N50° 18' 37" E	42.77'
			5 S54° 44' 12" E	13.95'

CERTIFICATE OF ACCEPTANCE

This is to certify that the easement conveyed by grant dated March 17, 2011 from Bay City Partners LLC to the City of Seal Beach, a Municipal Corporation, is hereby accepted by the undersigned officer on behalf of the Seal Beach City Council pursuant to authority conferred by Seal Beach City Council Resolution No. 2271 adopted on November 26, 1973, and the grantee consents to the recordation thereof by its duly authorized officer.

Dated 03/24/2011

City of Seal Beach

By S. Anita Chapman for  
City Clerk

**State Controller's Office  
Division of Audits  
Post Office Box 942850  
Sacramento, CA 94250-5874**

**<http://www.sco.ca.gov>**