



State of California • Arnold Schwarzenegger, Governor
State and Consumer Services Agency

DEPARTMENT OF GENERAL SERVICES

Executive Office

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October 23, 2009

The Honorable Allan Mansoor, Mayor
City of Costa Mesa
777 Fair Drive
Costa Mesa, CA 92626

Dear Mayor Mansoor and Costa Mesa City Council Members:

I understand the Costa Mesa City Council recently heard its staff recommendation on the "Consideration of the preparation of a Specific Plan" for the Orange County Fairgrounds. I also understand the City Council directed staff to prepare a Specific Plan for the Fairgrounds that designates the property solely for "fairground" use. Adopting this Specific Plan will severely restrict the future land uses available to potential buyers, and I'm writing to share some of my concerns about the City's action.

As you know, the Legislature has added sections 3884.1 and 3884.2 to the Food and Agriculture Code, which authorize the Department of General Services (DGS) to sell the Fairgrounds. DGS is now actively seeking proposals to obtain the highest return on the property, as the Legislature directed us to do.

We are concerned that the Fairgrounds' commercial value will be negatively affected by preparing and adopting the Specific Plan. While we are, of course, sensitive to local matters, we also need to be sensitive to the economic consequences that could result from this action. We also need to carry out the Legislature's direction to "obtain the highest, most certain return" from the sale of the Fairgrounds.

Under these circumstances we request that the City thoroughly consider the State and local economic ramifications that could result from preparing and adopting the Specific Plan, and refrain from taking any further action that could reduce or otherwise negatively impact the Fairgrounds' value. But if the City moves forward with the Specific Plan and the Fairgrounds' value is diminished, the State will consider whatever options may be available to preserve the Fairgrounds' value. We believe this shouldn't be needed, and that the State and City can work cooperatively to achieve the Legislature's goal in a way that furthers the City's interests as well.

Please feel free to contact me if you would like to discuss this matter further. I can be reached at 916.375.4051 or via email at Teresa.Bierer@dgs.ca.gov.

Sincerely,

A handwritten signature in black ink that reads "Teresa Bierer". The signature is written in a cursive, flowing style.

Teresa Bierer, Acting Deputy Director
Real Estate Services Division

cc: Allan Roeder