

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF SANTA BARBARA
OVERSIGHT BOARD MINUTES
Thursday, December 13, 2012 – 2:00 p.m. to 4:00 p.m.
David Gebhard Public Meeting Room
630 Garden Street**

MEMBERS:

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| <u> </u> A Brian Fahnestock, Chair , California
Community Colleges | <u> </u> X Renee Bahl , Santa Barbara County
Flood Control and Water
Conservation District |
| <u> </u> A Carolle Van Sande, Vice Chair ,
Member of Public | <u> </u> X Meg Jetté , Santa Barbara County
Education Office |
| <u> </u> X Chandra Wallar , County of Santa
Barbara | <u> </u> X Liz Limón , Former Agency
Employee Representative, City of
Santa Barbara |
| <u> </u> X Jim Armstrong , City of Santa
Barbara | |
| <u> </u> X Mark Manion , Oversight Board
Counsel | |

STAFF:

- X** **Sarah Knecht**, Assistant City Attorney, City of Santa Barbara
- X** **Bob Samario**, Finance Director, City of Santa Barbara
- X** **Brian Bosse**, Waterfront Business Manager, City of Santa Barbara
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ORDER OF BUSINESS

- I. CALL TO ORDER** 2:00 p.m.
- II. CHANGES TO THE AGENDA:** None.
- III. PUBLIC COMMENT** None.
- IV. APPROVAL OF MINUTES**
- A.** October 4, 2012 Oversight Board Meeting
- B.** October 11, 2012 Oversight Board Meeting
- Motion to approve: Armstrong, Limón. Approved: 5-0
- V. CONSENT CALENDAR** – No Items
- VI. ITEMS SCHEDULED FOR ACTION/DISCUSSION**
- A.** Update on Legislation (Mark Manion) No updates
- B.** Status of Successor Agency's Meet and Confer Request to DOF regarding Oversight Board Resolution No. 005
- Knecht spoke regarding State Department of Finance letter of November 6, 2012 approving part of the Oversight Board Resolution 005 which transferred land to the

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Successor Agency: Chase Palm Park and Ortega Water Treatment Parcel. But DOF wants OB to review Railroad Depot, Bath Street Properties and Parking Lots. Successor Agency Staff will be going up to Sacramento meet with DOF. Staff will meet with DOF to have a “Meet and Discuss” meeting. (Not a “Meet and Confer” which are only used for ROPS). Want the DOF will rescind their letter stating parking is not a governmental purpose.

Bahl stated that the City of Santa Maria also got a letter not stating that parking lots are not governmental purpose.

C. Public Hearing and Review of Independent Due Diligence Review of the former Redevelopment Agency

Samario deferred to Rich Kaguchi, from Lance, Soll and Lunghard, LLP. DDR of Other Funds. Procedures are identical to DDR on Low and Mod Housing Fund. AB1484 prescribes that a DDR be performed. Page 11 is different June 30, 2010 column is from State Controllers Report, June 30, 2011 column is from Audited Fin, January 31, 2011 column is from the end of the RDA and June 30, 2012 column is from the Successor Agency. Looking for any unencumbered cash due to the County. Page 19 is a cash balance of \$12.5 million available to be remitted to State.

Samario reminded that this is not an audit per se. The CAFR (Audited Financial Report) will be going before Council on December 18, 2012 and are consistent with this document. Funds will be put into a trust fund. Assets and Liabilities are an audited number.

Wallar stated that it is a challenge to make sense of DDR.

Public Testimony:

Geis, County Auditor Controller, spoke about the significant amount of activity with the RDA funds, specifically funds be transferred back and forth. Referred to page 11, where Housing funds are briefly included. Total transfers out \$58 million and transfers back are only \$56. Some mitigation fees may account for \$1,221,000 should have been a transfer, not a footnote on the report. Still off about \$28,000. Housing funds muddied the audit. Housing setaside is not clear.

Jetté asked about supporting schedules. Fletcher, from County stated that there are none until Auditor’s Report is concluded. Rich Kaguchi stated the CAFR will explain some of this.

Wallar still wants a conference/discuss with staff, Finance, Auditor and County Auditor.

Jetté agreed.

Bosse will meet with Geis and get information out to board members.

VII. ADJOURNED at 2:30 p.m.

A. Future Meeting(s):

- **January 10, 2012:** Proposed Approval of Due Diligence Review (Due to State by January 15, 2013).
Time Available: 4-5:30.

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