

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF SANTA BARBARA
OVERSIGHT BOARD MINUTES**

**Wednesday, May 7, 2014 – 4:00 p.m. to 5 p.m.
Marine Center Building, Waterfront Classroom
125 Harbor Way, Santa Barbara CA 93109**

MEMBERS:

Brian Fahnestock, Chair, California
Community Colleges

Carolle Van Sande, Vice Chair, Member of
Public

Pending: Tom Alvarez, County of Santa
Barbara

Jim Armstrong, City of Santa Barbara

Mark Manion, Oversight Board Counsel

Renee Bahl, Santa Barbara County Flood
Control and Water Conservation District

Meg Jetté, Santa Barbara County
Education Office

Liz Limón, Former Agency Employee
Representative, City of Santa Barbara

STAFF:

 X **Ariel Calonne**, City Attorney, City of Santa Barbara

 A **Bob Samario**, Finance Director, City of Santa Barbara

 A **Sarah Knecht**, Assistant City Attorney, City of Santa Barbara

 X **Brian J. Bosse**, Waterfront Business Manager, City of Santa Barbara

ORDER OF BUSINESS

I. CALL TO ORDER: 4:03 p.m.

II. CHANGES TO THE AGENDA: Item VI. A postponed.

III. PUBLIC COMMENT: None.

IV. APPROVAL OF MINUTES

A. February 3, 2014 Oversight Board Meeting

Motion to Approve: Bahl, Armstrong seconds. Approved 5-0

V. CONSENT AGENDA

VI. ITEMS SCHEDULED FOR ACTION/DISCUSSION

A. Swearing in of Mr. Tom Alvarez as new County of Santa Barbara representative
on the Oversight Board.

Postponed.

B. Update on Legislation (Mark Manion).

Manion provided an update on Assembly Bill 471 which was adopted 2/18/14
and took effect immediately. Previously, if the SA knew a payment would be due
but did not have an invoice, the payment could not be included on the ROPS.
The new legislation clarifies that the SA can estimate the amount of the invoice

and once they receive it, make the payment, even though it is not on the ROPS. The SA must then submit approvals to the DOF and the auditor-controller.

Manion continued that the compensation agreement requirement from today's Agenda Item VI. D is in the original legislation and takes effect when a piece of property is disposed of. In this case, the Bath Street property is being transferred to the City, which will require a compensation agreement under the Statute.

Bahl asked for clarification on a bill with a Mardi Gras clause that would allow the former RDAs that signed contracts after the legislated RDA end date to keep that money. For instance, Goleta would fall into that category for 18 million dollars.

Casey answered that the former RDAs are working on legislation but it would not impact the City of Santa Barbara.

C. Update on Status of Long Range Property Management Plans submitted to State Department of Finance.

Bosse stated that the DOF started to review the LRPMP that was submitted in October 2013. They sent several questions and requests, one of which is Agenda Item VI. D, the Resolution with the intent to pursue a compensation agreement for the Bath Street properties. Another is regarding how the City plans to liquidate the Calle Cesar Chavez properties. Hopefully, once the Resolution and additional information is provided, the DOF will expedite the review.

Casey added that the DOF must approve the LRPMP by Dec. 31, 2014 otherwise all the properties will have to be liquidated. There is pending legislation to remove the deadline.

Jetté asked if the City is going to distribute cash to the taxing entities this year. Casey replied that last year was a onetime distribution of the cash on hand.

D. A Resolution Of The Oversight Board Of The Successor Agency To The Redevelopment Agency Of The City Of Santa Barbara Approving The Successor Agency's Intent to Obtain a Compensation Agreement Between The City Of Santa Barbara And The Taxing Entities Pursuant To California Health and Safety Code Section 34180 (f) (1) Upon Transfer Of The Property Located At 633 And 635 Bath Street, To The City Of Santa Barbara For The Development Of A Neighborhood Park.

Bosse explained that the Resolution effectively gives the OB the authority to negotiate the compensation agreement with the taxing entities. However, the Resolution is not the actual agreement; it is an intent to pursue a compensation agreement. The State requested a Resolution from the OB stating the OB's intent to pursue if the LRPMP is approved.

Casey continued that a compensation agreement is not needed for the other properties in the LRPMP as the Bath Street property is the only one not being transferred as a governmental purpose. The hope is that the compensation agreement is zero since the Bath Street property will be converted to a park.

Questions were raised as to why the State is choosing this order as they have not given official word regarding the LRPMP.

Armstrong asked if the SA will need to get approval of the compensation agreement from every taxing entity that would receive money.

Bosse replied that the contact at the DOF was uncertain but believes the approval from the OB, representing all the other taxing entities, will suffice. The legislation, under 34180(f)(1), states that the SA must reach a compensation agreement with the taxing entities to provide payment to them in proportion to their share.

Manion added that if no agreement is reached an appraisal must be conducted and that value is what would be distributed proportionate to the taxing entities' shares.

Motion to Approve: Armstrong, Limón seconds. Approved 5-0

VII. ADJOURNED at: 4:22 p.m.

A. Future Meeting(s): TBD