

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY  
OF THE CITY OF SANTA BARBARA  
OVERSIGHT BOARD MINUTES  
Tuesday, January 26, 2016 – 9:00 a.m. to 10:30 a.m.  
City Hall, Room 15  
735 Anacapa, Santa Barbara CA 93101**

**MEMBERS:**

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|---|---|
| <u>  X  </u> <b>Meg Jetté, Chair</b> , Santa Barbara<br>County Education Office | <u>  X  </u> <b>Mark Manion</b> , Oversight Board<br>Counsel  |
| <u>  X  </u> <b>Carolle Van Sande, Vice Chair</b> ,<br>Member of Public         | <u>  X  </u> <b>Renee Bahl</b> , Santa Barbara County<br>Flood Control and Water<br>Conservation District |
| <u>  X  </u> <b>Tom Alvarez</b> , County of Santa<br>Barbara                    | <u>  X  </u> <b>Liz Limón</b> , Former Agency<br>Employee Representative, City of<br>Santa Barbara        |
| <u>  X  </u> <b>Joseph Sullivan</b> , California<br>Community Colleges          |   |
| <u>  X  </u> <b>Paul Casey</b> , City of Santa Barbara                          |   |
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**STAFF:**

- Sarah Knecht**, Assistant City Attorney, City of Santa Barbara  
**Brian J. Bosse**, Waterfront Business Manager, City of Santa Barbara  
**Sue Gray**, Community Development Business Manager, City of Santa Barbara
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**ORDER OF BUSINESS**

- I. CALL TO ORDER: 9:01 am**
- II. CHANGES TO THE AGENDA: Items VII and VIII Postponed**
- III. PUBLIC COMMENT:** Julie Hagen, County Auditor introduced herself.
- IV. APPROVAL OF MINUTES**
  - A. December 7, 2015 Oversight Board Meeting  
Motion to Approve: Casey, Alvarez seconds. Approved 7-0.
- V. CONSENT AGENDA: None**
- VI. ITEMS SCHEDULED FOR ACTION/DISCUSSION**
  - A. Update on Legislation (Mark Manion)  
None.

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- B. That the Oversight Board adopt a resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City Of Santa Barbara approving ROPS 16-17 for the period of July 1, 2016 through June 30, 2017.

Van Sande had asked Bosse via email when the Cabrillo Arts Pavilion was added to the ROPS.

Bosse answered for the Board that it was not on the original ROPS. The Cabrillo Arts Pavilion is a bond project approved at the September 11, 2013 OB meeting and placed on ROPS 13-14B, January 1 – June 30, 2014. It is included in the former Redevelopment Agency's Implementation Plan as a project.

Gray stated that the ROPS is now yearly, however, it is broken down into two periods. There are projects on this ROPS that are expected to be completed by the end of June, however, they may not be completed until July. For instance, the Ensemble Theater is on the current ROPS and the funds are expected to be expended by the end of June, however, it is dependent on escrow closing.

Knecht explained that the Ensemble Theater was in litigation for several years with the Department of Industrial Relations to resolve a prevailing wage issue. This delayed construction for the project. Currently, Ensemble is in the midst of dividing the theater from the rest of the building. ROPS funds cannot be expended until after the subdivision map records. Once the map records, the property can go through escrow.

Gray continued that the reconciliation PPA form was suspended by the DOF for this period only to allow for reporting of actual expenditures for a 12-month period. The assumption is that at the end of FY 16, the State will deduct the underspent amount for the full year. It is unclear whether the State will provide payments on a 6-month basis or yearly.

Alvarez asked if the actual expenditures are within this year's budget and if these line up with next year's proposed budget.

Sue replied that the administration expenses are a little high, however, they are within the fiscal year administration cap. These expenses are high due to the legal fees associated with the property discussions. These expenses are expected to decrease next year.

Motion to Approve: Van Sande, Alvarez seconds. Approved 7-0.

General Discussion:

Bahl commented that she would like strong legal advice regarding the upcoming Bath Street compensation agreement and whether the OB members represent the affective taxing entities.

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Knecht replied that regarding the compensation agreement there is a provision in the State Law stating if the value of the property cannot be agreed upon by the taxing entities, the value will be based on the value on the tax assessors roll in 2011. As public property is not on the tax rolls, an appraiser determines what the value would have been.

Van Sande asked for clarification regarding the minimum reserve process for the Calle Cesar Chavez property.

Bosse explained that an appraisal was conducted but it may not necessarily dictate the minimum reserve sale price. Staff will meet with the real estate consultant, Radius Group, to review the appraisal and determine the minimum reserve sales price. Radius Group, based on their experience, may price the minimum under the appraisal to generate more offers. If the property is priced too high or even at the appraised value, it may not generate the amount of offers anticipated. There is a great deal of interest in this property, thus the importance of pegging the minimum reserve sales price at the appropriate level to continue to generate interest. Staff intends to present the minimum price to the OB at the next meeting. If the OB approves the minimum price, the property will go to auction. If a bid meets the minimum reserve price, it will go through escrow. If it does not meet the minimum, staff will return to the OB to revise the minimum sales price.

**VII. CLOSED SESSION - POSTPONED**

Conference with Real Property Negotiators

Recommendation: That the Oversight Board hold a closed session pursuant to Government Code Section 54956.8 to consider the price and terms of payment for the sale of real property owned by the Community Redevelopment Property Trust Fund of the Successor Agency.

Real Property: 125 S. Calle Cesar Chavez, 145 S. Calle Cesar Chavez, 110 S. Quarantine Street, and 114 S. Quarantina Street (017-113-029, 017-113-030, 017-113-034, 017-113-035).

Oversight Board Negotiators: Mark Manion, Oversight Board Counsel; Sarah Knecht, Agency Assistant Counsel; Ariel Calonne, Agency Counsel; Brian Bosse, Waterfront Business Manager; and Bob Tuler, Radius Commercial Real Estate.

Negotiating Parties: To Be Determined Based Upon Bid.

Under Negotiation: Instructions to negotiators concerning the minimum price and terms of payment for the sale of the property.

Scheduling: Duration, 15 minutes

Report: None anticipated.

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**VIII. ITEMS SCHEDULED FOR ACTION/DISCUSSION - POSTPONED**

- A. That the Oversight Board adopt a resolution approving a minimum sale reserve price for the “Calle Cesar Chavez Properties” owned by the Community Redevelopment Property Trust Fund.

**IX. ADJOURNMENT 9:19 am.**

- A. Future Meeting(s):

The next meeting will be in several months.