

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF SANTA BARBARA
OVERSIGHT BOARD MINUTES
Monday, September 19, 2016 – 3:30 p.m. to 5:00 p.m.
City Hall, Room 15
735 Anacapa, Santa Barbara CA 93101**

MEMBERS:

<u> A </u> Meg Jetté, Chair , Santa Barbara County Education Office	<u> X </u> Mark Manion , Oversight Board Counsel
<u> X </u> Carolle Van Sande, Vice Chair , Member of Public	<u> X </u> Renee Brooke , Former Agency Employee Representative, City of Santa Barbara
<u> X </u> Tom Alvarez , County of Santa Barbara	<u> X </u> Joseph Toney , Santa Barbara County Flood Control and Water Conservation District
<u> A </u> Joseph Sullivan , California Community Colleges	
<u> X </u> Paul Casey , City of Santa Barbara	

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

ORDER OF BUSINESS

- I. **CALL TO ORDER: 3:34 p.m.**
- II. **CHANGES TO THE AGENDA: Items VII and VIII postponed.**
- III. **PUBLIC COMMENT: None**
- IV. **APPROVAL OF MINUTES**
 - A. January 26, 2016 Oversight Board Meeting
Motion to Approve: Casey, Alvarez seconds. Approved 3-0
(Brooke/Toney abstained; Jetté/Sullivan absent).
- V. **CONSENT AGENDA: No Items**
- VI. **ITEMS SCHEDULED FOR ACTION/DISCUSSION**
 - A. Swearing in of Mr. Joseph Toney as new Santa Barbara County Flood Control and Water Conservation District representative on the Oversight Board and Ms. Renee Brooke as the new Former Agency Employee Representative, City of Santa Barbara;

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Mr. Joseph Toney and Ms. Renee Brooke were sworn in as the newest Oversight Board representatives.

B. Update on Legislation (Mark Manion)

Manion reported that there was no update on the legislation.

Van Sande asked about the winding down process of the OB.

Bosse answered that in terms of timing, July 2018 is when the OB combines with the County of SB. In terms of items, the Calle César Chávez property needs to be sold through an auction process. Once the particulars of the property are determined, including the appraisal, contamination levels, environmental mitigation, and development potential, the OB will meet in a closed session to discuss the minimum reserve sale price. Once a minimum reserve sale price is agreed upon, Radius will market the property and collect closed bids. Radius will present the bids to the OB and the OB will decide the winning bid. Litigation is pending with the Downtown Lighting project, and the Bath Street Pocket Park needs to be transferred to the City. Once those projects are finished, the Cabrillo Pavilion will be the only ongoing project and a final ROPS can be presented.

Knecht added that the Bath Street Pocket Park is ready to be transferred to the City. The State accepted that it is a governmental interest property and waived the requirement for the compensation agreement.

C. 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 an Amendment to ROPS 16-17 for the period of July 1, 2016 through June 30, 2017.

Bosse explained that this is the first year that the ROPS covers a full year period instead of six months. Because of this, the State is allowing one opportunity to amend the ROPS. There are two proposed amendments.

The first amendment is an increase of \$50,000 (added to line #20) for required testing/reports for the sale of the Calle Cesar Chavez property. These testing/reports are needed in order to present a comprehensive analyses of the property for marketing. In the interim, the City has loaned the SA the \$50,000. The reports will cost an estimated \$40,000 which leaves approximately \$10,000 for a buffer in case further studies are required. The buffer was included as the ROPS can only be amended once. This \$50,000 will not come out of the sale of the property, however, all marketing and closings costs will come out of the sales price.

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Gray explained that the second change is regarding the Cabrillo Pavilion renovation project. There are two parts to this amendment. The first is that the State only allowed \$900,000 of the original \$1.5 million budgeted on the 16-17 ROPS as they said it was not shown how the money would be spent over the year. The \$1.5 million was derived from an estimate from Parks & Recreation which was increased slightly to allow for uncertainties in the project schedule. This was done as only money approved on a ROPS can be spent on the project. If money is not approved in a ROPS for a project, it cannot be spent and the project would stagnate. The second part of this amendment is that Parks & Recreation are requesting an additional \$100,000 this year for electrical work. This brings the total amount on the 16-17 ROPS for the Cabrillo Pavilion to \$1 million.

Alvarez wanted to know what the \$900,000 will be spent on.

Bosse answered that the money is covering studies and building/structural assessments to determine the overall status of the building as well as final plans and specifications, construction drawings, building permits, and preconstruction items.

Alvarez asked if this would be the end of the commitment of these dollars. Gray answered no. The total remaining funding from the Bond proceeds for this project is \$8.5 million. To date, an estimated \$250,000 has been spent. This will be an ongoing project.

Casey stated that the construction estimate is greater than the \$8.5 million in Bond proceeds and the City will make up the difference. The project currently has planning approvals and is beginning with plan checks and permitting. Bosse added that the construction period is 18 months, however, construction will not begin for another year.

Gray raised a question regarding why the Wisteria Arbor project was still on the ROPS.

Knecht answered that it is still an obligation as it is in the Waterfront Hotel conditions of approvals.

Motion to approve: Casey, Alvarez seconds. Approved 5-0 (Jetté/Sullivan absent).

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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, Assistant Agency 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

VIII. ITEMS SCHEDULED FOR ACTION/DISCUSSION (continued) - POSTPONED

A. 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 a minimum sale reserve price for the "Calle Cesar Chavez Properties" owned by the Community Redevelopment Property Trust Fund.

IX. ADJOURNMENT – 4:16 p.m.

A. Future Meeting(s): TBD