

SPECIAL MEETING AGENDA

Special Meeting of the Oversight Board to the Santa Paula Designated Local Authority,
as Successor Agency to the Santa Paula Redevelopment Agency

Thursday, October 15, 2015 at 8:00 a.m.
Santa Paula City Council Chambers
970 Ventura Street, Santa Paula, CA 93060

The Agenda for special meetings is posted at least 24 hours prior to each meeting outside of the Santa Paula City Hall located at 970 Ventura Street, Santa Paula, CA 93060, and is available at each meeting. The Agenda and related reports are also available at the Santa Paula City Clerk's Office and are available on the Designated Local Authority's website at www.kosmont.com. Any writing distributed within 24 hours of the meeting will be made available to the public by placing it with the City Clerk at the time it is distributed to the Designated Local Authority.

Call to Order

Roll Call

Board Members: Bill Bartels, Chair
Vacant, Vice Chair
Elizabeth Paniagua, City of Santa Paula
Donna Rose, Santa Paula Unified School District
Matt Carroll, County of Ventura
David Keebler, Ventura College District
Janice Turner, Watershed Protection District

Public Comments:

Members of the public may comment on any item not appearing on the agenda and within the subject matter jurisdiction of the Boards. Comments will be limited to a maximum of 5 minutes per person, and each person may speak once during this time. Time cannot be yielded to another person. Under State Law, matters presented under this item cannot be discussed or acted upon at this time by the Boards. The public will be invited to make comments on agenda items when the item comes up for the Boards' consideration. Please state your name and address for the record.

Information Items:

- A. Update on Changes to Dissolution Law - Discussion only, no action will be taken.
- B. Update on Long Range Property Management Plan – Discussion only, no action will be taken.
- C. Update on Finding of Completion – Discussion only, no action will be taken.
- D. Selection of contractor responding to RFP for Remediation – Discussion only, no action will be taken.
- E. Update on Transfer of Assets from City to Successor Agency – Discussion only, no action will be taken.

Action Items:

- 1. Approval of Special Meeting Minutes of February 18, 2015

Recommendation: It is recommended that the Santa Paula Oversight Board to the Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency, approve the Special Meeting Minutes of February 18, 2015.

- 2. Approval of ROPS 15-16B for the Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency

Recommendation: It is recommended that the Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency, adopt Resolution No. 2015-03, a Resolution of the Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency, approving the Recognized Obligation Payment Schedule (ROPS 15-16B) for January 1, 2016 through June 30, 2016.

Other:

- Board member comments
- Staff and counsel comments

Adjournment:

Americans with Disabilities Act Notice: Any individual, who because of a disability need special assistance to attend or participate in this meeting may request assistance by contacting the DLA Staff 24 hours in advance of the meeting.

DLA Staff Contact: Chris Jicha, (951) 203-8730, cjicha@kosmont.com

Affidavit of Posting:

I, _____, City staff of the City of Santa Paula, do hereby affirm that a copy of the foregoing agenda was posted at City Hall at least 24 hours in advance of this meeting.

City of Santa Paula

INFORMATION ITEM A

Brief Analysis of SB 107

Below is a brief summary of SB 107, the redevelopment dissolution bill, compiled by the League's Attorneys, and reflects input from city attorneys representing agencies across the state.

Given that this 104 page bill is being placed into print on the last day of session, affected cities and legislators are being given little time to review and understand its full impact. The details and nuances of the language and how they will later be interpreted by DOF matter immensely.

Loan Repayment

1. Third-Party or "Reimbursement Agreements" The maximum amount of reimbursement under this type of loan is \$5,000,000 per agency for all loan agreements.

COMMENT: The \$5,000,000 limit applies per agency, even if there was more than one loan agreement. Many cities are owed much more than this. This is the issue that has been most hotly contested, and was the subject of the *Watsonville* case, where a city contracted with a third party.

The language also requires that the city's agreement with a third party was made "on behalf of the RDA." This language will give DOF an opportunity to limit these types of loans to agreements that explicitly provide that they are made "on behalf of" the RDA. Many agreements do not include this language.

Some city attorneys have commented that the obligation to reimburse was documented with a resolution rather than "an agreement" and that DOF may adopt a narrow definition of "agreement" and limit repaying loans on that basis.

2. Transfers of Real property: City transfers real property to CRA for use by CRA and CRA is required to pay city for real property interest.

COMMENT: It is unclear how widely applicable this provision is. City attorneys reviewing the bill this morning identified Santa Monica, Daly City and Hayward as potentially benefitting. The bill requires that there was a transfer of an interest in real property to the redevelopment agency. This type of loan does not include agreements between a city and its redevelopment agency in which the interest in real property remained with the city.

3. Cash: This is DOF's original proposal in AB 113. While cash loans will supposedly be recognized the interpretation of "required repayment schedule" (page 80, line 3) by DOF will make the difference in whether such loans are recognized or must be further litigated.

COMMENT: DOF will have the opportunity to interpret the phrase "repayment schedule." Loans of cash do not include a "repayment schedule" as that phrase is ultimately interpreted by DOF will not qualify for repayment.

4. Interest rate on these loans: Recalculated from origination at 3% simple interest.

COMMENT: This interest rate would be less than what local agencies could otherwise recover based on existing law and the *Glendale* decision.

INFORMATION ITEM A

Due Process & Legal costs: DOF is exempted from the Administrative Procedures Act. Local agencies are restricted to the administrative cost allowance as the sole funding source for legal costs. City may loan funds to successor agency but may only recoup funds if litigation is successful.

New types of enforceable obligations

Two new types of enforceable obligations are created by the bill:

1. "State highway infrastructure improvements" (funded pursuant to Health & Safety Code 33445).
2. Loan from city to CRA of federal grant/loan funds (e.g. CDBG/Section 108 funding)

Changes affecting housing successor

1. Increases from 2% of value of property to 5% of value of property amount that can be spent by housing successor on administrative costs.
2. Allows use of 100% of housing bonds.

Countywide Oversight Boards do not begin until 2018 (instead of July 2016)

Other provisions of the legislation: As previously provided in AB 113

1. Interest rate on loans from cities to successor agencies calculated from date of OB approval at LAIF rate in effect for the previous fiscal quarter.
2. Use of 2010 bond proceeds require Oversight Board approval only.
3. 2011 bonds may be used as previously provided in AB 113.
4. DOF may require compensation agreements for transfer of property from successor agency to city for future development.
5. A public parking facility that produces revenue in excess of "maintenance costs" is not considered a public parking facility.
6. Validation of re-entered agreements prior to AB 1484.
7. May create limited enforceable obligations for "winding down" activities as defined (no maintenance of property included).

INFORMATION ITEM A

PREPARED BY
Alliant Insurance Services, Inc.
 1301 Dove Street
 Suite 200
 Newport Beach, CA 92660 (949) 756-0271

**CJPIA PROPERTY SCHEDULE
 CITY OF SANTA PAULA (CJPIA-PROP)**

Includes B & M

Filter: Total Values Greater Than 0
 Real Property Trend Factor: 3.07%
 Personal Property Trend Factor: 0.46%

June 18, 2014

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals
Alarms changed to "Local"																
Alarms: Local																
5	2	CULTURAL ARTS BLDG. (REAR) 530 W. MAIN STREET SANTA PAULA CA 93060-3239	3,000 SQ. FT. CULTURAL ARTS BLDG.	Class: C MASONRY CONST/WOOD ROOF	No	1963	2008	EQ: C Flood: AO	No	No	No	2013	\$313,253	\$0	\$7,954	\$321,207
				Notes: Alarms:				Rent Notes:				2014	\$322,870	\$0	\$7,954	\$330,824
Lat: 34.347008		Lng. -119.081346														
7	1	Fire Station 82 536 W. Main St.	2,424 SQ. FT. FIRE STATION 82	Class: D ALL COMB (WOOD FRAME)	No	1988	2008	EQ: Flood: AO	No	No	No	2013	\$391,589	\$16,329	\$0	\$407,918
				Notes: Alarms:				Rent Notes:				2014	\$403,611	\$16,404	\$0	\$420,015
Lat:		Lng.	Geocode Notes: Incomplete address													
8		OIL MUSEUM & ANNEX 1001 E. MAIN ST. SANTA PAULA CA 93060-2809	25,000 SQ. FT. OIL MUSEUM & ANNEX	Class: D ALL COMB (WOOD FRAME)	Yes	1890	2008	EQ: C Flood: B	No	No	No	2013	\$4,157,563	\$284,527	\$41,830	\$4,483,920
				Notes: Per 11/20/2008 appraisal, occupancy is listed as "Oil Museum". Per 11/20/08 appraisal, year built is listed as "1890+1980s (est.) addition" Year last appraised changed to 2008 # of stories changed to 1&2B %Sprinklered changed to 100 Alarms changed to "Local/Central Station" INSURABLE AMOUNT INCLUDES MUSEUM ANNEX Alarms: Local/Central Station				Rent Notes:				2014	\$4,285,200	\$285,836	\$41,830	\$4,612,866
Lat: 34.353946		Lng. -119.059930														
9		TOWER THEATE (VACANT) 980 E. Main St SANTA PAULA CA 93060	3,100 SQ. FT. TOWER THEATE (VACANT)	Class: D ALL COMB (WOOD FRAME)	No	1912	2008	EQ: C Flood: B	No	No	No	2013	\$332,497	\$10,874	\$0	\$343,371
				Notes: Alarms:				Rent Notes:				2014	\$342,705	\$10,924	\$0	\$353,629
Lat:		Lng.	Geocode Notes: Cannot map due to missing address information													



INFORMATION ITEM B

PREPARED BY
Alliant Insurance Services, Inc.
 1301 Dove Street
 Suite 200
 Newport Beach, CA 92660 (949) 756-0271

**CJPIA PROPERTY SCHEDULE
 CITY OF SANTA PAULA (CJPIA-PROP)**

Includes B & M

Filter: Total Values Greater Than 0
 Real Property Trend Factor: 3.07%
 Personal Property Trend Factor: 0.46%

June 18, 2014

Loc #	2nd Id	Address, City, Zip	Occupancy	Construction	Auto Spklr	Year Built	Year Apprs	Zone	Real Prop	Pers Prop	BI / Rents	Year	Real Property	Personal Property	BI / Rents	Totals
10		Old Fire Station 735 E. SANTA BARBARA ST. SANTA PAULA CA 93060-2718	2,775 SQ. FT. OLD FIRE STATION (STORAGE)	Class: C MASONRY CONST/WOOD ROOF Notes: Alarms:	No	1934	2008	EQ: C Flood: B Rent Notes:	No	No	No	2013	\$315,478	\$10,901	\$0	\$326,379
												2014	\$325,163	\$10,951	\$0	\$336,114
Lat: 34.354049		Lng. -119.065767														
11		Paseo Bldg 926 E. MAIN ST. SANTA PAULA CA 93060-2714	3,240 SQ. FT. PASEO BUILDING	Class: C MASONRY CONST/WOOD ROOF Notes: Numerous improvements made this year, need to have appraised. Spent \$412,800 on improvements. Alarms:	No	1915	2008	EQ: C Flood: B Rent Notes:	No	No	No	2013	\$652,825	\$33,219	\$25,000	\$711,044
												2014	\$672,867	\$33,372	\$25,000	\$731,239
Lat: 34.353349		Lng. -119.061803														
12		MAIN RESERVOIR 700 N. 10th St.	0 SQ. FT. MAIN RESERVOIR	Class: B ALL REINFORCED CONCRETE Notes: Alarms:	No	1908	2008	EQ: Flood: C Rent Notes:	No	No	No	2013	\$8,233,649	\$0	\$0	\$8,233,649
												2014	\$8,486,422	\$0	\$0	\$8,486,422
Lat:		Lng.	Geocode Notes: Incomplete address													
12 1		STECKEL WATER FACILITY 532 W. Main St. Santa Paula CA 93060	4,500 SQ. FT. STECKEL WATER FACILITY	Class: D ALL COMB (WOOD FRAME) Notes: Alarms:	No	1999	2008	EQ: C Flood: C Rent Notes:	No	No	No	2013	\$262,665	\$3,160,029	\$0	\$3,422,694
												2014	\$270,729	\$3,174,565	\$0	\$3,445,294
Lat: 34.346982		Lng. -119.081395														
12 2		OLD CHLORINATION BLDG 700 N. 10th St.	132 SQ. FT. OLD CHLORINATION BLDG	Class: C MASONRY CONST/WOOD ROOF Notes: Alarms:	No	1985	2008	EQ: Flood: C Rent Notes:	No	No	No	2013	\$19,462	\$0	\$0	\$19,462
												2014	\$20,059	\$0	\$0	\$20,059
Lat:		Lng.	Geocode Notes: Incomplete address													
12 3		TERRACINA BOOSTER STN Terracina Booster Station 690 N. 10th St. Santa Paula CA 93060	336 SQ. FT. TERRACINA BOOSTER STN	Class: E EQUIP (CONTRACT OR MOBILE) Notes: Alarms:	No	1985	2008	EQ: C Flood: C Rent Notes:	No	No	No	2013	\$49,538	\$4,513	\$0	\$54,051
												2014	\$51,059	\$4,534	\$0	\$55,593

The above location is continued on the next page.



August 27, 2015

Mr. Chris Jicha, Secretary & Staff to Designated Local Authority
City of Santa Paula Designated Local Authority
865 South Figueroa Street, 35th Floor
Los Angeles, CA 90017

Dear Mr. Jicha:

Subject: Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Santa Paula Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

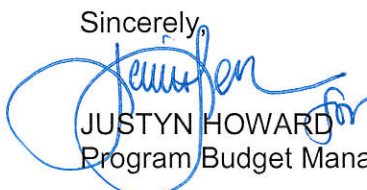
This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Derk Symons, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,


JUSTYN HOWARD
Program Budget Manager

cc: Ms. Sandy Easley, Treasurer, Designated Local Authority, City of Santa Paula
Designated Local Authority
Ms. Rhoda Farrell, Property Tax Fiscal Manager, Ventura County

SPECIAL MEETING MINUTES

Special Meeting of the Oversight Board to the Santa Paula Designated Local Authority,
as Successor Agency to the Santa Paula Redevelopment Agency

Tuesday, February 18, 2015 at 8:00 a.m.
Santa Paula City Council Chambers
970 Ventura Street, Santa Paula, CA 93060

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1. **Call to Order** – At 8:15AM the Special Meeting of the Oversight Board to the Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency was called to order.

2. Roll Call

Present: Bill Bartels, Chair
Paul Skeels, Vice Chair
Elisabeth Paniagua, City of Santa Paula
David Keebler, Ventura College District

Absent: Donna Rose, Santa Paula Unified School District
Matt Carroll, County of Ventura
Janice Turner, Watershed Protection District

Staff Present: Joy Otsuki, DLA Counsel
Sandy Easley, Treasurer

3. Public Comments: None

4. Approval of Special Meeting Minutes of November 12, 2014.

Motion by Skeels to approve Special Meeting Minutes of November 12, 2014, second by Keebler. Motion carried 4-0.

5. Approval of ROPS 15-16A for the Santa Paula Designated Local Authority.

Motion by Skeels to adopt Resolution No. 2015-01 approving the Recognized Obligation Payment Schedule (ROPS 15-16A) for the period July 1, 2015 through December 31, 2015, second by Paniagua. Motion carried 4-0.

6. Approval of Amended and Restated Bylaws

Motion by Keebler to adopt Resolution No. 2015-02 approving the Amended and Restated Bylaws, second by Skeels. Motion carried 4-0.

7. Election of Chair and Appointments

Motion by Skeels to nominate Bill Bartels as Chair, second by Keebler; motion by Bartels to nominate Elisabeth Paniagua as Vice Chair, second by Keebler; and motion by Bartels to nominate Chris Jicha as Secretary, second by Keebler. Motions carried 4-0.

8. Adjournment of the Santa Paula Oversight Board Meeting – 8:34 am

Submitted:

Secretary, Christopher J. Jicha
Kosmont Companies, Staff to the Oversight Board

Approved:

Chair, Bill Bartels
Oversight Board to the Santa Paula
Designated Local Authority

RESOLUTION NO. 2015-03

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SANTA PAULA DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR AGENCY OF THE SANTA PAULA REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 15-16B) FOR JANUARY 1, 2016 THROUGH JUNE 30, 2016

WHEREAS, the Oversight Board to the Santa Paula Designated Local Authority, as Successor Agency of the Santa Paula Redevelopment Agency (the "Successor Agency") is charged with overseeing and implementation of recognized enforceable obligations and winding down of the affairs of the former Redevelopment Agency of the City of Santa Paula (the "Agency") in accordance with the California Health and Safety Code; and

WHEREAS, Health and Safety Code Section 34169 requires the Successor Agency to prepare and adopt a "Recognized Obligation Payment Schedule" that lists all obligations of the former redevelopment agency that are enforceable within the meaning of subdivision (d) of Section 34167 for six month periods, including January 1, 2016 through June 30, 2016; and

WHEREAS, AB 1484 requires that the ROPS 15-16B for the period January 1, 2016 through June 30, 2016 must be submitted to the Department of Finance and the State Controller's office, after approval by the Oversight Board, no later than October 5, 2015 or be subject to penalties; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE OVERSIGHT BOARD TO THE SANTA PAULA DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR AGENCY OF THE SANTA PAULA REDEVELOPMENT AGENCY, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference.

SECTION 2. The Oversight Board to the Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency, hereby approves the Schedule attached hereto as Exhibit A as the Recognized Obligation Payment Schedule 15-16B for January 1, 2016 through June 30, 2016. The Oversight Board further approves the administrative budget included herein. Pursuant to Health & Safety Code Section 34173, the Successor Agency's liability, including, but not limited to, its liability for the obligations on the attached schedule, is limited to the total sum of property tax revenues it receives pursuant to Part 1.85 of AB X1 26.

SECTION 3. Christopher Jicha, or his designee, or another employee of Kosmont Companies designated by Larry Kosmont, is hereby authorized to submit the ROPS to such parties as may be required in accordance with the Health & Safety Code, and to take such other actions on behalf of the Successor Agency with respect to the ROPS as may be necessary in accordance with applicable law.

SECTION 4. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 5. This Resolution shall take effect from and after the date of its passage and adoption in accordance with, and subject to, all applicable requirements of the Health & Safety Code.

PASSED, APPROVED AND ADOPTED at a special meeting of the Oversight Board to the Santa Paula Designated Local Authority, as Successor Agency of the Santa Paula Redevelopment Agency, held this 15th day of October, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Chairperson, Oversight Board to the Santa
Paula Designated Local Authority, as
Successor Agency to the Santa Paula
Redevelopment Agency

Secretary

Attachment: ROPS 15-16B

AGENDA ITEM 2

RECOGNIZED OBLIGATION PAYMENT SCHEDULE 15-16B