

## **CITY OF ESCONDIDO**

### **MINUTES OF THE REGULAR MEETING OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE ESCONDIDO REDEVELOPMENT AGENCY**

**February 21, 2013**

The regular meeting of the Oversight Board of the Successor Agency of the Escondido Redevelopment Agency was called to order at 10:00 a.m., by Chairman Phillips in Training Room 1 at City Hall, 201 North Broadway, Escondido, California.

**Board Members Present:** Chairman Phillips, Vice-chairman Rojas, Boardmember Yerxa, Boardmember Baker, Boardmember Baranowski, Boardmember Simonson, and Boardmember McNamara.

**Commissioners absent:** None.

**Staff present:** Jeffrey Epp, City Attorney; Joan Ryan, Finance Manager; Jodi Coco-Cleveland, City Accountant; Debra Lundy, Real Property Manager; and Ty Paulson, Minutes Clerk.

#### **MINUTES**

Moved by Boardmember McNamara, seconded by Boardmember Baker, to approve the minutes of the January 8, 2013, meeting. Motion carried unanimously.

#### **2. Approval of Recognized Obligation Payment Schedule (ROPS) for July 2013 thru December 2013 (Resolution No. OB 2013-03)**

Ms. Ryan referenced the staff report and noted that staff recommended the Board approve the Recognized Obligation Payment Schedule (ROPS) for July 2013 thru December 2013, (Resolution No. OB 2013-03).

Discussion ensued regarding a clarification of the dispute from the County for Items 11-23 in the staff report as well as a clarification of recently added items. Additional discussions ensued regarding a clarification of the litigation with Item 7 in the staff report.

Chairman Phillips noted that the Department of Finance agreed that the outstanding payment needed to be paid, noting that the timing was being worked out.

**ACTION:**

Moved by Boardmember Baranowski, seconded by Boardmember McNamara, to approve staff's recommendation. Motion carried unanimously.

**3. Approval of Loan Agreement between the City of Escondido and Redevelopment Successor Agency (Resolution No. OB 2013-04)**

Ms. Ryan referenced the staff report and noted that staff recommended that the Board approve the loan agreement between the City of Escondido and the Redevelopment Successor Agency (Resolution No. OB 2013-04).

Chairman Phillips noted that the City Council had already approved this loan agreement, noting it was before the Board to formalize the action.

Boardmember Baranowski and Boardmember Rojas discussed the method and timing regarding for the City being paid back.

Boardmember Simonson asked if the Department of Finance had accepted loans created in the last two years by successor agencies or the RDA to go on ROPS. Boardmember Rojas noted that the advances were made within the last two years window. He also stated that the drawdowns were not approved yet.

**ACTION:**

Moved by Boardmember McNamara, seconded by Boardmember Baker, to approve staff's recommendation. Motion carried unanimously.

**4. Repayment Schedule of the Educational Revenue Augmentation Fund Loans to the Housing Successor Agency**

Ms. Ryan provided the staff report and requested the Board approve the repayment schedule of the Educational Revenue Augmentation Fund Loans to the Housing Successor Agency (Resolution No. OB 2013-05).

Boardmember McNamara asked if any interest was owed on the repayments. Ms. Ryan replied in the negative.

**ACTION:**

Moved by Boardmember Rojas, seconded by Boardmember McNamara, to approve staff's recommendation. Motion carried unanimously.

## **5. Update regarding the appeals with the State**

Mr. Epp provided the update and noted that the meet and confer had occurred regarding the housing assets transfer. The three items contested included the following: 1) the purchase of one property; 2) service related contracts for mobile home spaces the City owned; and 3) a series of first time homebuyer programs. He noted that the City won Item 1. Item 2 the State felt was not appropriate housing assets. He stated that regarding Item 3, the State felt the housing successor agency should not have entered into those loans after a certain date, noting the City elected not to litigate.

Mr. Epp noted that the City was being sued as a successor agency by Palomar College. He stated that the lawsuit basically challenged the way the City administered the tax sharing agreement during the years of the redevelopment agency.

Boardmember Baker asked if anything had occurred regarding San Marcos feeling some funds were due to them. Mr. Epp noted that they had not heard anything further from San Marcos, noting this situation was similar to Palomar.

### **ORAL COMMUNICATIONS:**

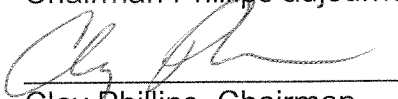
**Michael Taylor, Escondido Union School District**, noted that he was replacing Ms. Manusov and asked if any discussion had occurred regarding a conflict of interest with legal representation. Mr. Epp noted that alternate counsel had been lined up for the Oversight Board.

Mr. Taylor asked if the cash flow projections were available for the current year and following years. Boardmember Rojas replied in the affirmative, noting that the projection was that there would be enough funds to take care of the obligations.

Boardmember Rojas noted that one of the concerns for hiring outside counsel was the high cost factors.

### **ADJOURNMENT:**

Chairman Phillips adjourned the meeting at 10:21 am.

  
Clay Phillips, Chairman

  
Ty Paulson, Minutes Clerk