

CITY OF ESCONDIDO

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

August 14, 2012

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 the Mitchell Room at City Hall, 201 North Broadway, Escondido, California.

Board Members Present: Boardmember Baker, Chairman Phillips, Vice-chairman Rojas, Boardmember Yerxa, Boardmember McNamara, Boardmember Masson, and Boardmember Manusov.

Commissioners absent: None.

Staff present: Jeffrey Epp, City Attorney; Christina Holmes, Finance; Jodi Coco-Cleveland, City Accountant; and Ty Paulson, Minutes Clerk.

John Masson introduced himself to the Board.

MINUTES (April 11, 2012):

Moved by Boardmember Masson, seconded by Boardmember Baker, to approve the minutes of the April 11, 2012 meeting. Motion carried. Ayes: McNamara, Phillips, Rojas, Baker, and Manusov. Noes: None. Abstained: Masson and Yerxa. (5-2)

April 16, 2012

Moved by Boardmember Masson, seconded by Boardmember Baker, to approve the minutes of the April 16, 2012 meeting. Motion carried. Ayes: McNamara, Phillips, Rojas, Baker, and Manusov. Noes: None. Abstained: Masson and Yerxa. (5-2)

May 1, 2012

Moved by Boardmember Masson, seconded by Boardmember Baker, to approve the minutes of the May 1, 2012 meeting. Motion carried. Ayes: McNamara, Phillips, Rojas, Baker, and Manusov. Noes: None. Abstained: Masson and Yerxa. (5-2)

2. Update on Dissolution of Redevelopment Agency

Ms. Holmes provided the update on AB1484 and the requirements for compliance and the deadline date as well as the previous actions of the Oversight Board.

Boardmember Baker questioned whether the 20% that went back into housing was principal and interest. Ms. Holmes replied in the affirmative.

Boardmember Rojas explained that the City's contingent was that its loan qualified to be reinstated because it was instituted within the first two years of the existence of the redevelopment agency. He stated that the new legislation would allow for a ruling from the Department of Finance. He noted that if the ruling wasn't favorable then staff would come back to this board and discuss compliance with AB1484, which would allow a reinstatement of the loan at a lesser amount.

Discussion ensued regarding a clarification of the repayment schedule for 2013/2014.

Boardmember Baker questioned whether the Department of Finance made the determination of whether repayment was enforceable. Mr. Epp replied in the affirmative.

Discussion ensued regarding a clarification of the \$12.5 million requested distribution from the County.

Boardmember Rojas noted that one of the main issues was that the State moved the dissolution date from February 1st to July 1st, noting that the County then demanded \$10 million back, which was paid back.

Boardmember Baker asked if the dissolution date was determined by the State. Mr. Epp replied in the affirmative.

3. Adoption of Resolution OB 2012-01 Approving a Recognized Obligation Payment Schedule for January 2013 Through June 2013

Ms. Coco-Cleveland and Boardmember Rojas provided the 3rd ROPS Summary and noted that the recommendation was to approve the following Recognized Obligation Payment Schedule for January 2013 through June 2013: 1) 2007 A/B Lease Revenue Board DS payments - \$915,973; 2) Payments - \$2,800; 3) Bond Expense - \$2,000,000; 4) Bond Debt Obligation Reserve - \$600,000; 5) Loan Repayment to the City - \$250,000; and 6) an Administrative Allowance - \$4,327,021.

Boardmember Rojas and Boardmember Manusov discussed the tax sharing arrangements with the County.

Boardmember Manusov questioned whether the loan repayment termination date of 2035 was a stable date as far as the loan repayment. Boardmember Rojas noted this was subject to discussion. He also stated that the end of the loan period was chosen to provide flexibility for repayment, however, repayment could occur ahead of schedule.

Boardmember Manusov noted that the School District was that once the enforcement obligation of the successor agency was completed then there was no obligation to honor pas-through agreements. If the City's loan repayment was approved and became an enforceable obligation, having a loan repayment which goes beyond 1819 would secure the pass-through payment funding for the School District. She stated that the School District supported the 2035 date, noting they would be concerned for an accelerated repayment. She also expressed concern that there were so many elements and ways for the State to take back funds.

Boardmember Rojas provided a clarification of the Traffic Improvement Fund to Boardmember Manusov.

Boardmember Manusov questioned whether the County had reformatted the ROPs. Boardmember Rojas noted that the State changed the format.

Boardmember Manusov and Boardmember Rojas discussed the relationship between AB1484 and how property was returned to the successor agency.

Discussion ensued regarding a clarification of the long-range real property management plan. Additional discussions ensued regarding a clarification of the dates for the tax sharing payments.

ACTION:

Moved by Boardmember Rojas, seconded by Boardmember Masson, to approve the adoption of Resolution OB 2012-01, approving the Recognized Obligation Payment Schedule for January 2013 through June 2013. Motion carried unanimously.

ORAL COMMUNICATIONS:

ADJOURNMENT:

Chairman Phillips adjourned the meeting at 10:56 am.



Clay Phillips, Chairman



Ty Paulson, Minutes Clerk