

OVERSIGHT BOARD MEETING
OF THE FORMER REDEVELOPMENT AGENCY
OF THE CITY OF SANTA CLARITA

December 9, 2015
3:00 p.m.

City Hall – Century Conference Room
23920 Valencia Boulevard
Santa Clarita, CA 91355

AGENDA

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Economic Development Division at (661) 255-4347. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.102-35.104 ADA Title II)

- I. CALL TO ORDER**
- II. FLAG SALUTE**
- III. ROLL CALL**
- IV. APPROVAL OF AGENDA**
- V. APPROVAL OF MINUTES – Oversight Board Meeting of September 15, 2015**
- VI. NEW BUSINESS**

- 1. LONG RANGE PROPERTY MANAGEMENT PLAN AMENDMENT**

On September 22, 2015, Governor Brown signed SB 107, which provides the Successor Agency with the authority to amend the Long Range Property Management Plan so that parking facilities and lots dedicated to public parking can be considered governmental use and transferred to the City to continue to be used for public parking. Therefore, staff is seeking to amend the Long Range Property Management Plan to reflect the new law.

Recommended Action: Oversight Board adopt Resolution No. 15-08 approving an amendment to the Long Range Property Management Plan.

- VII. PUBLIC PARTICIPATION**

This time has been set aside for the public to address the Board on items that are NOT on the agenda. The Board will not act upon those items at this meeting, other than to review and return without action, or provide direction to staff. ALL speakers must

submit a speaker's slip to the Meeting Clerk PRIOR to this portion of the meeting, and prepare a presentation not to exceed three (3) minutes.

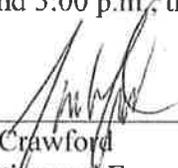
VIII. STAFF COMMENTS

IX. ADJOURNMENT

Complete packets are available for public inspection at City Hall. Any writings or documents distributed to a majority of the members of the Oversight Board regarding any open session item on this agenda will be made available for public inspection in City Hall, Suite 120 located at 23920 Valencia Boulevard, during normal business hours. These writings or documents will also be available for review at the meeting. Thank you for attending the Oversight Board meeting. If you have any questions or wish to know more about the Successor Agency or the Oversight Board, please call (661) 255-4347 Monday through Thursday, 7:30 a.m. to 5:30 p.m. and Fridays 8:00 a.m. to 5:00 p.m.

CERTIFICATION

I, Jason Crawford, do hereby certify that I am the duly appointed and qualified Marketing and Economic Development Manager for the Successor Agency of the former Redevelopment Agency of the City of Santa Clarita, and that on December 3, 2015 between the hours of 9:00 a.m. and 5:00 p.m. the foregoing agenda was posted at City Hall.



Jason Crawford
Marketing and Economic Development Manager
Santa Clarita, California

**MINUTES OF THE
MEETING OF THE OVERSIGHT BOARD
OF THE FORMER REDEVELOPMENT AGENCY
OF THE CITY OF SANTA CLARITA**

**Tuesday, September 15, 2015
2:00 p.m.**

CALL TO ORDER

The meeting of the Oversight Board of the Successor Agency for the former Redevelopment Agency of the City of Santa Clarita was called to order by Chair Striplin at 2:01 p.m. in the Orchard Conference Room, 23920 Valencia Boulevard, Santa Clarita, California.

FLAG SALUTE

Greg Murphy led the flag salute.

ROLL CALL

Chair Striplin, Vice Chair Coleal and Board Members Engbrecht, Hernandez, and Swartz were all present. Board Members Dortch and Koegle were absent.

APPROVAL OF AGENDA

A motion was made by Board Member Engbrecht and seconded by Board Member Swartz to approve the agenda. Said motion was approved by a vote of 5-0.

APPROVAL OF THE MINUTES

A motion was made by Board Member Hernandez and seconded by Board Member Dortch to approve the minutes of the Oversight Board Meetings of February 25, 2015, and of August 4, 2015. Said motion was approved by a vote 5-0.

NEW BUSINESS

ITEM 1 EXCESS BOND PROCEEDS EXPENDITURE AGREEMENT

Finance and Technology Manager, Carmen Magana, gave a power point presentation.

A motion was made by Board Member Engbrecht and seconded by Board Member Swartz to adopt Resolution No. 15-06 approving the Excess Bond Proceeds Expenditure Agreement (Agreement), approved by City Council and Successor Agency on September 8, 2015, approving transfer of \$6,104,268 in "excess bond proceeds" from the Successor Agency to the City and requiring the City to utilize the "excess bond proceeds" to reimburse other funds currently allocated to the long-completed Newhall Library, and direct Successor Agency staff to transmit the resolution to the Department of Finance. Said motion was approved by a vote 5-0.

ITEM 2 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 15-16 B)

Management Analyst, Alex Hernandez, gave a power point presentation.

A motion was made by Board Member Hernandez and seconded by Board Member Engbrecht to adopt Resolution No. 15-07 approving the ROPS for the period of January 1, 2016 – June 30,

Communication: September 15, 2015 Minutes (APPROVAL OF MINUTES)

2016; and direct Successor Agency staff to transmit the approved ROPS documents to the Los Angeles County Auditor-Controller (County A-C), the State Controller, and the State Department of Finance (DOF). Said motion was approved by a vote 5-0.

PUBLIC PARTICIPATION

There was no public participation.

STAFF COMMENTS

Jason Crawford provided an update about recently-passed legislation regarding the wind-down of Redevelopment.

ADJOURNMENT

The meeting was adjourned by Chair Striplin at 2:19p.m.

Kenneth W. Striplin, Chair
Oversight Board

Jason Crawford, Marketing & Economic Development Manager
Successor Agency Staff

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Communication: September 15, 2015 Minutes (APPROVAL OF MINUTES)

**OVERSIGHT BOARD
OF THE FORMER REDEVELOPMENT AGENCY
OF THE CITY OF SANTA CLARITA**

AGENDA REPORT

Approved By: 
Presented By: Denise Covert

DATE: December 9, 2015

SUBJECT: LONG RANGE PROPERTY MANAGEMENT PLAN AMENDMENT

Recommended Action:

Oversight Board adopt Resolution No. 15-08 approving an amendment to the Long Range Property Management Plan.

Background:

On December 17, 2013, the Oversight Board approved the Long Range Property Management Plan (LRPMP). This plan was a requirement of AB 1484 and the function of the plan is to govern how property formerly owned by the Redevelopment Agency was to be used or disposed of. The LRPMP was approved by the Department of Finance on June 27, 2014.

The LRPMP identified three properties:

- **Old Town Newhall Library:** located at 24500 Main Street, was approved to be a governmental use property and retained by the City of Santa Clarita.
- **Redevelopment Block:** vacant block of land bound by Lyons Avenue, 9th Street, Railroad Avenue, and Main Street, was approved to be listed for sale.
- **Parking Lot:** located at 24158 Newhall Avenue, was approved to be listed for sale.

Since the approval of the LRPMP, Successor Agency staff has been working diligently to implement the plan, including the release of an RFQ for the development of the Redevelopment Block, executed Exclusive Negotiation Agreements with the selected developers of the Redevelopment Block and obtained an appraisal of the Parking Lot property.

On September 22, 2015, Governor Brown signed SB 107, which provides the Successor Agency with the authority to amend the LRPMP so that parking facilities and lots dedicated to public parking can be considered governmental use and transferred to the City at no cost to continue to be used for public parking. A qualifying criterion in order to complete this amendment is that the properties do not generate revenue in excess of reasonable maintenance costs of the properties. This change in the regulations impacts both the Redevelopment Block and the Parking Lot

Communication: Long Range Property Management Plan Amendment (NEW BUSINESS)

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properties. Both of these properties are currently being used for parking, are envisioned to continue to be used for parking, and there is no revenue generation from either of these properties as a result of parking.

Redevelopment Block

This property was purchased with the intent that public parking would be provided when it was ultimately developed. Since purchasing the property, the Redevelopment Agency invested in clearing the site and preparing the property for a development that is consistent with the Old Town Newhall Specific Plan (OTNSP), the guiding land use policy and vision for the development in the area. The OTNSP identified a “park once” strategy for Old Town Newhall that included two parking structures facilities, one to the North of Main Street and one to the South of Main Street. As buildings were demolished on the property, the property was made available as free public parking as an interim solution until the ultimate development of the site. Currently, surface level parking represents approximately 50% of the total land area.

As part of implementing the LRPMP, staff released a Request for Qualifications that requested interested development teams to submit a proposal that included public parking, a theatre component and a mixed use component as envisioned in the OTNSP. As a result of this effort, Exclusive Negotiation Agreements have been executed with a team of developers, the Successor Agency and the City. As part of these negotiations, the City is evaluating a proposal to provide 350-400 public parking spaces contained within a multi-level structure.

The most recent appraisal of this property was completed in August 2013. The entire block, consisting of nine parcels, was valued at \$2.2 million. As currently being contemplated, the nine existing parcels will be adjusted to three parcels, with one parcel specific to the parking structure. The proposed parking structure is estimated to be approximately 32% of the total land area. Therefore, the estimated value of the proposed parking structure portion of the property is \$704,000. The actual dimensions and value of the property will be determined once the Purchase and Sale Agreements are finalized for the projects proposed for the Redevelopment Block and an updated appraisal has been completed.

Parking Lot

This property was purchased in 2005 with the intent to eliminate blighting conditions in the area and create a public parking lot. Currently, the property is used for public parking, with striping and signage to that effect. It is open to the public at no cost and maintained by the City. As part of implementing the LRPMP, staff solicited an appraisal of this property in March 2015. At that time, the property was valued at \$186,000.

Fiscal Impact:

The total estimated land value of this action is \$890,000, of which \$509,840 would have been distributed to taxing entities as a result of the sale of the Redevelopment Block and Parking Lot properties. However, maintaining parking availability in the Old Town Newhall area will have a positive economic impact on the taxing entities in the long term. The one-time loss of revenues will be made up by the increased property taxes generated by the development of the theatre and mixed use components of the proposed Redevelopment Block project and also by the gradual

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increase in property taxes generated as a result of redevelopment in the area that is facilitated by the availability of additional parking.

Attachments:

Oversight Board Resolution 15-08

OVERSIGHT BOARD RESOLUTION NO. 15-08

**A RESOLUTION OF THE OVERSIGHT BOARD TO THE
SUCCESSOR AGENCY OF THE SANTA CLARITA
REDEVELOPMENT AGENCY APPROVING THE FIRST
AMENDMENT TO THE LONG RANGE PROPERTY
MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY
CODE SECTION 34191.3**

WHEREAS, the Oversight Board to the Successor Agency of the Santa Clarita Redevelopment Agency (“Oversight Board”) was established to direct the Successor Agency to the former Santa Clarita Redevelopment Agency (“Successor Agency”) pursuant to Assembly Bill x1 26, chaptered and effective on June 27, 2011, and Assembly Bill 1484 chaptered and effective on June 27, 2012 (together, the “Dissolution Act”);

WHEREAS, among the duties of successor agencies under the Dissolution Act is the preparation of a long-range property management plan that addresses the disposition and use of the real properties of the former redevelopment agency for consideration by a local oversight board and California Department of Finance (“DOF”) for purposes of administering the wind-down of financial obligations of the former Redevelopment Agency;

WHEREAS, Health and Safety Code (“HSC”) Sections 34191.4 and 34191.5 provide that within six (6) months of the Successor Agency receiving a Finding of Completion from the DOF pursuant to Section 34179.7, the Oversight Board is to review and approve the Successor Agency’s Long Range Property Management Plan (“LRPMP”) that addresses the disposition and use of the former redevelopment agency’s real property, which LRPMP then is submitted to the DOF for review and approval;

WHEREAS, the Successor Agency received its Finding of Completion from the DOF on June 20, 2013;

WHEREAS, the Successor Agency prepared an LRPMP consistent with the provisions of the Dissolution Act, HSC Section 34191.5, and the guidelines made available by DOF;

WHEREAS, the Oversight Board approved the LRPMP on December 17, 2013;

WHEREAS, the Department of Finance approved the LRPMP on June 27, 2014;

WHEREAS, Senate Bill 107, chaptered and effective on September 22, 2015, provides that the Successor Agency may amend its LRPMP once to allow for the retention of properties that constitute parking facilities and lots dedicatedly solely to public parking for governmental use pursuant to HSC Section 34181;

WHEREAS, pursuant to HSC Section 34179(h) as amended by Assembly Bill 1484, written notice and information about all actions taken by the Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing, and an Oversight Board’s

Communication: Long Range Property Management Plan Amendment (NEW BUSINESS)

action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review; and

WHEREAS, the Oversight Board finds that the changes proposed to the LRPMP are consistent with HSC 34191.3 and desires to approve the First Amendment to the LRPMP and transmit to the DOF as required.

NOW, THEREFORE, THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE SANTA CLARITA REDEVELOPMENT AGENCY DOES HEREBY RESOLVE 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 Successor Agency hereby approves and adopts the First Amendment to the LRPMP, in the form attached hereto as Exhibit A, as required by HSC Section 34191.3.

Section 3. The Oversight Board authorizes the Successor Agency to transmit the First Amendment to the LRPMP to the DOF for its review and approval.

PASSED, APPROVED, AND ADOPTED this 9th day of December 2015.

Ken Striplin
Oversight Board Chair

ATTEST:

Marilyn Sourgose
Oversight Board Meeting Clerk

Communication: Long Range Property Management Plan Amendment (NEW BUSINESS)

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF SANTA CLARITA)

I, Marilyn Sourgose, Oversight Board Meeting Clerk, do hereby certify that the foregoing Resolution was duly adopted by the Oversight Board of the Successor Agency to the Former Redevelopment Agency of the City of Santa Clarita at a regular meeting thereof, held on the 9th day of December 2015, by the following vote:

AYES:

NOES:

ABSENT:

Marilyn Sourgose
Oversight Board Meeting Clerk

Communication: Long Range Property Management Plan Amendment (NEW BUSINESS)

LONG-RANGE PROPERTY MANAGEMENT PLAN

First Amendment

Successor Agency for the
former Redevelopment Agency of the
City of Santa Clarita

December 9, 2015



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LONG RANGE PROPERTY MANAGEMENT PLAN BACKGROUND

The Oversight Board for the Successor Agency to the former Redevelopment Agency of the City of Santa Clarita approved the Long Range Property Management Plan on December 17, 2013. Accompanying the Oversight Board's approval were property disposition procedures that were adopted in an effort to maximize the long term value of the sale of Successor Agency properties. The Department of Finance approved the Long Range Property Management Plan on June 27, 2014.

The Long Range Property Management Plan included three properties that were previously held by the Redevelopment Agency.

Property Name	Approved LRPMP Designation
Old Town Newhall Library	Governmental Use
Redevelopment Block	To Be Sold
Parking Lot	To Be Sold

This First Amendment seeks to amend the Long Range Property Management Plan related to a portion of the Redevelopment Block and the entirety of the Parking Lot. Both of these properties were intended to be used as parking at the time of purchase, are currently being used for parking, will continue to be used for parking and have no revenue generation anticipated.

Property Name	Proposed LRPMP Designation
Redevelopment Block	Partial To Be Sold/Governmental Use
Parking Lot	Governmental Use

LEGISLATIVE AUTHORITY

On September 22, 2015, Governor Brown signed SB 107 which provides Successor Agencies the authority to amend the Department of Finance-approved Long Range Property Management Plan so that parking facilities and lots dedicated to public parking can be considered governmental use and transferred to the applicable public entity.

Specifically, Health and Safety Code Section 34191.3 was amended to read as follows:

(b) If the department has approved a successor agency's long-range property management plan prior to January 1, 2016, the successor agency may amend its long-range property management plan once, solely to allow for retention of real properties that constitute "parking facilities and lots dedicated solely to public parking" for governmental use pursuant to Section 34181. An amendment to a successor agency's long-range property management plan under this subdivision shall be submitted to its oversight board for review and approval pursuant to Section 34179, and any such amendment shall be submitted to the department prior to July 1, 2016.

(c) (i) Notwithstanding paragraph (2) of subdivision (a) of Section 34181, for purposes of amending a successor agency's long-range property management plan under subdivision (b), "parking facilities and lots dedicated solely to public parking" do not include properties that, as of the date of transfer pursuant to the amended long range property management plan, generate revenues in excess of reasonable maintenance costs of the properties.

REDEVELOPMENT BLOCK

In 2009, the Redevelopment Agency purchased the "Redevelopment Block" (APNs 2831-007-900 thru 908) with the intent that public parking would be provided on a portion of this site as development occurred. The Successor Agency is requesting to reassign a portion of this property from a property to be sold to a property that may be retained for governmental use, specific to parking as outlined in SB 107.

Since purchasing the property, the Redevelopment Agency invested in relocating the tenants, clearing the site and preparing the area for a development that is consistent with the Old Town Newhall Specific Plan (ONSP), the guiding land use policy and vision for development in the area. The ONSP contemplated a "park once" strategy for the Old Town Newhall area that included two parking structure facilities, one located to the North and one located to the South of the Main Street area.

As the buildings that occupied the Redevelopment Block, located on the North end of Main Street, were vacated the dilapidated and blighting improvements were demolished to allow the site to be accessible for free, public parking. This site currently is open to the public and provides free parking spaces, representing approximately 50% of the total land area.

Pursuant to the Long Range Property Management Plan and the property disposition procedures, this property is to be sold. As such, the Successor Agency released a Request for Qualifications for the site in November 2014 that included the requirement of providing

Santa Clarita Successor Agency
Long-Range Property Management Plan
First Amendment

public parking on the site; in addition to other elements including a theatre component and a mixed-use component in accordance with the vision of the ONSP. As a result of this effort, a team of developers have been selected and the Successor Agency executed Exclusive Negotiating Agreements with the selected development partners as well as the City.

The Exclusive Negotiation Agreement that includes the City is related to the development of a long-term parking solution for the Redevelopment Block as well as the Main Street area of Old Town Newhall. Currently, the City is evaluating a proposal to provide 350-400 free, public parking spaces contained within a multi-level parking structure.

As part of the overall development of the site, the nine existing parcels will be adjusted to be three parcels, with one parcel specific to the parking structure. While the exact dimensions of that parcel are unknown at this time, it is roughly estimated to be 32% of the property.

There is no future revenue generation contemplated as a result of the development of public parking as it is intended to be provided to the public at no cost. The ultimate cost of constructing the parking structure and subsequent maintenance is to be borne by the City of Santa Clarita. The taxing entities will not be negatively impacted as a result of the continued provision of free public parking on the site. As contemplated in the ONSP, the provision of the "park once" facilities will free up land in the ONSP area otherwise devoted to surface parking which can then be developed with allowable commercial and residential uses. Accordingly, any one-time revenues foregone by the taxing entities as a result of designating a portion of the site as governmental use, will more than be made up by the increased property taxes generated by the contemplated development of the balance of the site with mixed-uses and a theatre, but also by the gradual increase in property taxes generated by development in the ONSP area that is facilitated by the development of the parking facility.

In August 2013, as part of the preparation of the Long Range Property Management Plan, the Successor Agency had the entire property appraised which resulted in an estimated value of \$2.2 million. Based on that estimated value, the area of the property that is being used for parking and would be utilized for future public parking to be considered as governmental use has an estimated value of \$704,000.

PARKING LOT

In 2005, the property referred to as the "Parking Lot" (APN: 2831-019-901) was purchased for the purpose of eliminating blighting conditions in the area and to provide public parking. The Successor Agency is requesting to reassign this property from a property to be sold to a property that may be retained for governmental use, and specific to parking as outlined in SB 107.

The property is currently used for public parking, with striping and signage to that effect. It is open to the public at no cost. There is no revenue generation currently or contemplated in the future for this property as a result of public parking.

In preparation for the sale of the property pursuant to the implementation of the Long Range Property Management Plan, the Successor Agency commissioned an appraisal in March 2015. The estimated value of the property is \$186,000.