

**NOTICE/CALL AND AGENDA FOR A SPECIAL MEETING OF THE  
SANTEE CDC SUCCESSOR AGENCY OVERSIGHT BOARD  
SANTEE, CALIFORNIA**

**FEBRUARY 25, 2014**

A SPECIAL MEETING of the Santee CDC Successor Agency Oversight Board is hereby called for **Tuesday, February 25, 2014 at 3:30 PM** at the Santee City Hall Council Chambers, 10601 Magnolia Avenue, Santee, California, for the following purposes:

1. Welcome and Introductions
2. Approval of Minutes for the October 23, 2013 Oversight Board Meeting
3. Resolution of the Santee CDC Successor Agency Oversight Board Approving the Recognized Obligation Payment Schedule for the Period from July 1, 2014 to December 31, 2014 ("ROPS 14-15A")
  - 3A *Staff Presentation on the Recognized Obligation Payment Schedule*
  - 3B *Review and Discussion by Oversight Board Members.*
  - 3C *Oversight Board Adoption of the Resolution Approving the ROPS for the Period from July 1, 2014 to December 31, 2014*
4. Future Meeting Schedule
5. Comments from Oversight Board Members
6. Communication from the Public
7. Adjournment

*The City of Santee complies with the Americans With Disabilities Act.  
If you require reasonable accommodations for this meeting contact the City Manager's Office  
at (619) 258-4100 ext. 223 at least twelve (12) hours prior to the meeting.*

State of California        }  
County of San Diego     } ss.  
City of Santee            }

**AFFIDAVIT OF POSTING AGENDA**

I, Pamela White, Senior Econ. Dev. Coordinator of the City of Santee, hereby declare, under penalty of perjury, that a copy of this Special Meeting Agenda was posted in accordance with Resolution 61-2003 on February 14, 2013 at 3:30 p.m.



Signature

2/14/14

Date

# **SANTEE CDC SUCCESSOR AGENCY OVERSIGHT BOARD**

**WARREN H. SAVAGE JR. [CHAIR]**

*SANTEE RESIDENT*

*COUNTY OF SAN DIEGO APPOINTEE*

**ARNOLD WINSTON [VICE CHAIR]**

*SANTEE RESIDENT*

*SANTEE MAYORAL APPOINTEE*

**SAHAR ABUSHABAN**

*ASSOCIATE VICE CHANCELLOR - BUSINESS SERVICES  
GROSSMONT-CUYAMACA COMMUNITY COLLEGE DISTRICT*

**KARL CHRISTENSEN**

*ASSISTANT SUPERINTENDENT - BUSINESS SERVICES  
SANTEE SCHOOL DISTRICT*

**WILLIAM POMMERING**

*PRESIDENT – BOARD OF DIRECTORS  
PADRE DAM MUNICIPAL WATER DISTRICT*

**TOM ROMSTAD**

*SENIOR MANAGEMENT ANALYST  
[FORMER EMPLOYEE OF THE REDEVELOPMENT AGENCY]  
SANTEE MAYORAL APPOINTEE*

**RUSTY WILLIAMS**

*SANTEE RESIDENT  
COUNTY OF SAN DIEGO APPOINTEE*

**SANTEE CDC SUCCESSOR AGENCY**

**KEITH TILL - CITY MANAGER**

**TIM McDERMOTT - FINANCE DIRECTOR**

**PAMELA WHITE - SENIOR ECONOMIC DEV. COORD.**

**FOR MORE INFORMATION - CONTACT THE  
CITY MANAGER'S OFFICE AT (619) 258-4100, EXT. 223**

## MINUTES

### **SANTEE CDC SUCCESSOR AGENCY OVERSIGHT BOARD SPECIAL MEETING OCTOBER 23, 2013**

#### **SANTEE CITY COUNCIL CHAMBERS, 10601 MAGNOLIA AVENUE**

The October 23, 2013 special meeting of the Santee CDC Successor Agency Oversight Board was called to order at 3:34 p.m. by Chairman Warren Savage. Present were Board Members Sahar Abushaban, Karl Christensen, William Pommering, Tom Romstad, Warren Savage Jr. (Chair), and Arnold Winston (Vice Chair), with Board Member Rusty Williams absent. Successor Agency staff present were City Manager Keith Till, Finance Director Tim McDermott, and Senior Economic Development Coordinator Pamela White.

#### **AGENDA ITEM #1: WELCOME AND INTRODUCTIONS**

Following some brief introductory remarks, Members of the Oversight Board and the Santee CDC Successor Agency staff were introduced.

#### **AGENDA ITEM #2: APPROVAL OF MINUTES FOR THE SEPTEMBER 26, 2013 OVERSIGHT BOARD MEETING**

**ACTION:** On a motion by Vice Chair Winston, seconded by Board Member Pommering, the Minutes for the September 26, 2013 Oversight Board Meeting were approved, with all Board Members voting aye.

#### **AGENDA ITEM #3: RESOLUTION OF THE SANTEE CDC SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE LONG RANGE PROPERTY MANAGEMENT PLAN FOR THE CITY OF SANTEE SUCCESSOR AGENCY PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5**

Senior Economic Development Coordinator White explained that all successor agencies are required to prepare a Long Range Property Management Plan (LRPMP) that inventories and addresses the disposition and use of all properties held by the former redevelopment agency, specifically the Santee Community Development Commission. The Plan must be submitted for approval to the Oversight Board and the State Department of Finance within six months of the successor agency receiving a Finding of Completion from the Department of Finance. The City of Santee Successor Agency to the Santee Community Development Commission received its Finding of Completion on April 26, 2013, which verified that the Agency has remitted all required payments to the County Auditor-Controller for distribution to taxing entities and fulfilled other obligations as specified by the Department of Finance. That means that Successor Agency's Long Range Property Management Plan must be approved by the Oversight Board and submitted to the Department of Finance no later than October 26, 2013.

The Long Range Property Management Plan must provide a comprehensive inventory of each of the properties held by the former redevelopment agency, and address their disposition and use. The inventory must include the following information:

- The date of acquisition of the property and the value of the property at that time, and an estimate of the current value of the property.
- The purpose of which the property was acquired.
- Parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.
- An estimate of the current value of the parcel including, if available, any appraisal information.
- An estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.
- The history of environmental contamination, including designation as a brown-field site, any related environmental studies, and history of any remediation efforts.
- A description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.
- A brief history of previous development proposals and activity, including the rental or lease of property.

White provided a brief synopsis of the information provided in the LRPMP, and what was determined for each site. It was noted that the former Santee Community Development Commission is the owner of seven properties which are addressed in the Plan. Five of these are contiguous properties acquired in a single transaction, and the other two properties represent smaller parcels purchased to fulfill a previous redevelopment objective. Of these seven parcels, four are suitable for sale and distribution of the proceeds to taxing entities, and three are recommended to be retained for governmental use as part of a flood control channel, a public alleyway, and a freeway frontage landscape buffer area. Oversight Board Members then reviewed each parcel and its recommended disposition.

Vice Chair Winston asked about the four parcels that are designated for sale with distribution of the proceeds to taxing entities, and whether the Successor Agency might consider expediting the sale of those parcels. Staff responded that while preparations can be made to ready these sites for sale, there is still a concern about waiting until the State DOF has approved the Agency's LRPMP, which would include approving the Agency's proposed disposition of the properties.

**ACTION:** There being no further discussion, it was moved by Vice Chair Winston, and seconded by Board Member Pommering, to approve the Resolution of the Oversight Board Approving the Long Range Property Management Plan for the City of Santee Successor Agency. The motion was approved, with all Board Members voting aye.

**AGENDA ITEM #4: FUTURE MEETING SCHEDULE**

Finance Director McDermott explained that the Board would need to schedule its next meeting sometime in early 2014 to approve the Recognized Obligation Payment Schedule (ROPS) for the next six-month period. The next period would cover the last half of 2014. That meeting would be scheduled within five months from the current meeting date.

**AGENDA ITEM #5: COMMENTS FROM OVERSIGHT BOARD MEMBERS**

Chairman Savage expressed appreciation to City Manager Keith Till, Finance Director Tim McDermott, and staff for their support to the Oversight Board, and for the preparation of the Long Term Property Management Plan to keep the City of Santee Successor Agency in compliance with all the State DOF fiscal and reporting requirements. Board Member Pommering inquired as to the status of the lawsuit filed against successor agencies by affordable housing advocates. City Manager Till explained that the lawsuit has been filed against all agencies in the region to attempt to compel the continuation of affordable housing programs and responsibilities, despite the fact that the funding source, legislative authority, and statutory requirements for those functions were eliminated with the statewide wind-down of redevelopment agencies. All the successor agencies are defending their interests in this lawsuit, and the process is winding its way through the courts.

**AGENDA ITEM #6: COMMUNICATION FROM THE PUBLIC**

There was no communication from the public.

**AGENDA ITEM #7: ADJOURNMENT**

City staff advised the Board Members that the next meeting would probably take place in September, and members would be contacted in advance to check schedules. Vice Chair Winston also asked if a copy of the minutes could be shared in advance of the next meeting, and suggested within a 60-day time frame.

**ACTION:** On a motion by Board Member Pommering, seconded by Board Member Christensen, the Oversight Board voted to adjourn the meeting, with all Members voting aye.

Meeting was adjourned at 4:21 p.m.



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Pamela A. White  
Senior Economic Development Coordinator  
Santee CDC Successor Agency

# SANTEE CDC SUCCESSOR AGENCY OVERSIGHT BOARD AGENDA STATEMENT

**MEETING DATE** February 25, 2014

**AGENDA ITEM NO.**

**ITEM TITLE** RESOLUTION OF THE SANTEE COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD FROM JULY 1, 2014 TO DECEMBER 31, 2014 (“ROPS 14-15A”)

**DIRECTOR/DEPARTMENT**

Tim K. McDermott, Director of Finance

## **SUMMARY**

On December 29, 2011, the California Supreme Court issued its decision in the case of *California Redevelopment Association v. Matosantos*, which addressed the constitutionality of Assembly Bills 1x26 and 1x27 (“AB 26” and “AB 27”). The Court upheld, in large part, the constitutionality of AB 26 and overturned AB 27 in its entirety. In accordance with this decision, all redevelopment agencies in the state of California have been dissolved effective February 1, 2012. On January 11, 2012 the City Council elected to become the Successor Agency to the Santee Community Development Commission (“CDC”). As the Successor Agency, the City has certain administrative and other responsibilities for the winding down of redevelopment activities.

One such requirement is the preparation of the Recognized Obligation Payment Schedules (“ROPS”). The ROPS list all of the “enforceable obligations” of the CDC, the minimum amounts and due dates of payments required for each enforceable obligation, and the source of funding for each required payment. The attached resolution adopts the ROPS covering the six month period from July 1, 2014 through December 31, 2014 (“ROPS 14-15A”). The CDC Successor Agency is scheduled to meet on February 26, 2014 to review and approve the ROPS before it is filed with the County Auditor-Controller, State Controller’s Office, and the State Department of Finance for their review before the March 3, 2014 due date.

## **FINANCIAL STATEMENT**

Adoption of the attached resolution will provide for the receipt of \$2,746,161 in property tax revenues in order to satisfy the enforceable obligations listed on the ROPS.

## **CITY ATTORNEY REVIEW**

N/A

Completed

## **RECOMMENDATION**

Adopt the attached resolution

## **ATTACHMENTS (Listed Below)**

Resolution

**Resolution No. CDCSAOB 01-2014**

**A RESOLUTION OF THE SANTEE COMMUNITY DEVELOPMENT COMMISSION  
SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD  
FROM JULY 1, 2014 TO DECEMBER 31, 2014 (“ROPS 14-15A”)**

**WHEREAS**, pursuant to the Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.), the City Council of the City of Santee (“City”) created the Community Development Commission of the City of Santee (“CDC”); and

**WHEREAS**, the CDC was responsible for implementing the Amended and Restated Redevelopment Plan for the Santee Community Redevelopment Project covering certain properties within the City (“Project Areas”); and

**WHEREAS**, as part of the 2011-12 State budget bill, companion bills AB 1X26 and AB 1X27, eliminated the redevelopment functions of the CDC and required their dissolution; and

**WHEREAS**, on January 11, 2012, the City Council elected to become the successor agency to the CDC (“CDC Successor Agency”); and

**WHEREAS**, in accordance with AB 1484, which was signed into law on June 27, 2012, the ROPS for the period from July 1, 2014 through December 31, 2014 must be approved by the CDC Successor Agency and Successor Agency Oversight Board and submitted to the County Auditor-Controller, State Controller, and the State Department of Finance for review by March 3; and

**NOW THEREFORE BE IT RESOLVED**, by the Community Development Commission Successor Agency Oversight Board of the City of Santee, California, as follows:

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

**Section 2.** Approval of ROPS. The ROPS for the period from July 1, 2014 to December 31, 2014 (“ROPS 14-15A”) is hereby approved, in substantially the form attached hereto as Exhibit A.

**Section 3.** Posting; Transmittal to Appropriate Agencies. The approved ROPS shall be submitted to the County Auditor-Controller, the State Controller’s Office, and the State Department of Finance, and posted on the Successor Agency’s web site.

**Section 4.** Effective Date. This Resolution shall become effective upon its adoption.

**Resolution No. CDCSAOB 01-2014**

**ADOPTED** by the Santee Community Development Commission Successor Agency Oversight Board at a Special Meeting thereof held this 25<sup>th</sup> day of February, 2014 by the following roll call vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED:**

**WARREN H. SAVAGE JR., CHAIRPERSON**

**ATTEST:**

**JAN SHERAR, ACTING SECRETARY**

Attachments: Exhibit A: Recognized Obligation Payment Schedule for the Period from July 1, 2014 to December 31, 2014 ("ROPS 14-15A")

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE

For the Period from July 1, 2014 to December 31, 2014 ("ROPS 14-15A")

## Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary

Filed for the July 1, 2014 through December 31, 2014 Period

**Name of Successor Agency:** Santee  
**Name of County:** San Diego

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding</b>	
<b>A Sources (B+C+D):</b>	<b>\$ 11,153,498</b>
B Bond Proceeds Funding (ROPS Detail)	11,120,476
C Reserve Balance Funding (ROPS Detail)	-
D Other Funding (ROPS Detail)	33,022
<b>E Enforceable Obligations Funded with RPTTF Funding (F+G):</b>	<b>\$ 4,727,123</b>
F Non-Administrative Costs (ROPS Detail)	4,602,123
G Administrative Costs (ROPS Detail)	125,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 15,880,621</b>

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	4,727,123
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(1,980,962)
<b>K Adjusted Current Period RPTTF Requested Funding (I-J)</b>	<b>\$ 2,746,161</b>

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	4,727,123
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
<b>N Adjusted Current Period RPTTF Requested Funding (L-M)</b>	<b>4,727,123</b>

Certification of Oversight Board Chairman:  
Pursuant to Section 34177(m) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named agency.

Name	Title
/s/	
Signature	Date



**Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Cash Balances**

(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177(l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.									
A	B	C	D	E	F	G	H	I	
	Cash Balance Information by ROPS Period	Fund Sources						Comments	
		Bond Proceeds		Reserve Balance		Other	RPTTF		
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR balances retained	Prior ROPS RPTTF distributed as reserve for next bond payment	Rent, Grants, Interest, Etc.	Non-Admin and Admin		
<b>ROPS 13-14A Actuals (07/01/13 - 12/31/13)</b>									
1	<b>Beginning Available Cash Balance (Actual 07/01/13)</b> Note that for the RPTTF, 1 + 2 should tie to columns J and O in the Report of Prior Period Adjustments (PPAs)		26,029,081				(45,188)	This deficit was created with DOF denial of item #12. Payments were made for approved enforceable obligations which created the need for the City loan. The deficit is continued to be reported so that the reported amounts agree to the successor agency financial records.	
2	<b>Revenue/Income (Actual 12/31/13)</b> Note that the RPTTF amounts should tie to the ROPS 13-14A distribution from the County Auditor-Controller during June 2013		42,984			50,869	4,590,216		
3	<b>Expenditures for ROPS 13-14A Enforceable Obligations (Actual 12/31/13)</b> Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of PPAs		4,488,840			46,822	2,617,571		
4	<b>Retention of Available Cash Balance (Actual 12/31/13)</b> Note that the RPTTF amount should only include the retention of reserves for debt service approved in ROPS 13-14A		4,295,943					Bond debt service reserve fund balances. These amounts are restricted and held in accordance with the bond indentures.	
5	<b>ROPS 13-14A RPTTF Prior Period Adjustment</b> Note that the RPTTF amount should tie to column S in the Report of PPAs.	No entry required						1,980,962	
6	<b>Ending Actual Available Cash Balance</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ 17,287,282	\$ -	\$ -	\$ 4,047	\$ (53,505)		
<b>ROPS 13-14B Estimate (01/01/14 - 06/30/14)</b>									
7	<b>Beginning Available Cash Balance (Actual 01/01/14)</b> (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ 21,583,225	\$ -	\$ -	\$ 4,047	\$ 1,927,457		
8	<b>Revenue/Income (Estimate 06/30/14)</b> Note that the RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014		25,000			33,025	3,217,910		
9	<b>Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14)</b>		6,160,238			33,025	3,217,910		
10	<b>Retention of Available Cash Balance (Estimate 06/30/14)</b> Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14B		4,300,000					Bond debt service reserve fund balances. These amounts are restricted and held in accordance with the bond indentures.	
11	<b>Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)</b>	\$ -	\$ 11,147,987	\$ -	\$ -	\$ 4,047	\$ 1,927,457		

