OVERSIGHT BOARD FOR SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY
REGULAR MEETING AGENDA

City of Victorville
14343 Civic Drive, Conference Room "D"
Victorville, CA 92392

Thursday, November 12, 2015
1:30 P.M.

CALL TO ORDER

ITEM 1 PUBLIC COMMENT

DISCUSSION AGENDA

ITEM 2 APPROVE MINUTES FROM OCTOBER 22, 2015 REGULAR MEETING.

ITEM 3 DISCUSSION: TAX INCREMENT PASS-THROUGH PAYMENT OBLIGATIONS SET FORTH IN COOPERATION AGREEMENTS BETWEEN THE FORMER VICTORVILLE REDEVELOPMENT AGENCY AND CERTAIN LOCAL EDUCATION AGENCIES

ITEM 4 COMMENTS FROM OVERSIGHT BOARD AND STAFF

ITEM 5 ADJOURNMENT

MINUTES OF THE
REGULAR MEETING OF THE
OVERSIGHT BOARD FOR SUCCESSOR AGENCY
TO THE VICTORVILLE REDEVELOPMENT AGENCY
October 22, 2015

CALL TO ORDER

The regular meeting of the Oversight Board for the Successor Agency to the Victorville Redevelopment Agency was called to order at 1:37 p.m. by Chairman Metzler in Conference Room "D", Victorville City Hall, at 14343 Civic Drive, Victorville, California.

ROLL CALL

PRESENT: Board Members Debbie Betts, Karen Hardy, Keith Metzler, Mary O'Toole and Eric Ray
ABSENT: Board Members Janice Lindsay, Doug Robertson and Anita Tuckerman

Also present was Economic Development Administrator, Sophie Smith; Varner & Brandt, LLP Representative, Nathan Heyde and Recording Secretary, Heidi Roche.

1. PUBLIC COMMENT

There was no public comment.

DISCUSSION AGENDA

2. APPROVE MINUTES FROM SEPTEMBER 24, 2015 REGULAR MEETING

It was moved by Board Member Betts, seconded by Board Member Metzler to approve; motion carried with Board Members Lindsay, Robertson and Tuckerman absent.

3. RESOLUTION OB-VRDA-15-007 OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY APPROVING A LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5

Ms. Smith discussed revisions of the disposition of various properties included in the original Long Range Property Management Plan as follows:

- Site No. 2 (Auto Mall Signs Property) from Governmental Use to Sale of Property;
- Site No. 4 (Foxborough Property) from Governmental Use to a transfer of 1.25 acres of the parcel to the City of Victorville via lot line adjustment and the remaining 6.6 acres Sale of Property;

- Site No. 6 (Auto Mall Property) to Sale of Property as the land swap with Bazoft Development is no longer necessary;
- Site No. 10 (Nisqualli Interchange Property) from satisfaction of Enforceable Obligation to Sale of Property;
- Site No. 12 (Airport Runway Extension Property) from transfer to Southern California Logistics Airport Authority to transfer to City of Victorville for Governmental Use; and
- Site No. 13 (Miscellaneous Assets) from Public Improvements to property that cannot be transferred to another entity.

Discussion ensued with regards to the revision to Site No. 2 (Auto Mall Signs Property) in which Ms. Hardy inquired whether rent revenue would be included in the appraised value of the property and where the revenue would be distributed after sale.

Ms. Smith responded that the City of Victorville would be the most eligible buyer of the property based on the CalTrans permit which was obtained under special redevelopment rules and that the proceeds from the sale would be used to pay enforceable obligations.

Ms. O'Toole requested the appraisal consist of more than one scenario to determine the greatest value to the Oversight Board.

Discussion ensued with regards to the lot line adjustment revision for Site No. 4 (Foxborough Property) in which Mr. Metzler requested the lot line adjustment be recorded prior to putting the property up for sale so as not to impair the marketability of the property.

It was moved by Board Member O'Toole, seconded by Board Member Betts to adopt Resolution No. OB-VRDA-15-007; motion carried with Board Members Lindsay, Robertson and Tuckerman absent.

4. <u>COMMENTS FROM OVERSIGHT BOARD AND STAFF</u>

Mr. Heyde announced that the firm is in the process of finalizing the memorandum outlining the pass through agreement analysis and that the memo would be sent out via email to all members of the Board by next week at the latest. The memorandum will include proper definitions, code, statues and case law precedent as it relates to the subject. He suggested the analysis be agendized for the next meeting to open dialogue between the effected parties and, if necessary, schedule special meetings to vet the issues prior to the next ROPS cycle scheduled for February 1, 2016.

Ms. Hardy inquired if board member questions could be forwarded to him prior to the November meeting for discussion at the meeting and Mr. Heyde indicated that would be acceptable.

5. ADJOURNMENT

It was moved by Board Member Hardy, seconded by Board Member Metzler to adjourn the meeting; motion carried with Board Members Lindsay, Robertson and Tuckerman absent.

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CHAIRMAN OF THE BOARD OF ADMINISTRATORS

ATTEST:

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RECORDING SECRETARY

VARNER & BRANDT LLP

CLIENT MEMORANDUM

TO: OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY

FROM: VARNER & BRANDT LLP

SUBJECT: TRANSMITTAL OF NOVEMBER 12, 2015 OVERSIGHT BOARD MEETING AGENDA ITEM #3

DATE: NOVEMBER 9, 2015

The following memorandum provides the seven board members ("Board Members") of the Oversight Board ("Oversight Board") for the Successor Agency to the Victorville Redevelopment Agency ("Successor Agency") with pertinent information in order for each Board Member to make an informed decision on the matters before the Oversight Board.

Agenda Item No.: 3

Subject: ***Discussion Regarding Pass-Through Agreements***. Discuss how the Oversight Board intends to address future claims or matters involving the four cooperation agreements ("Cooperation Agreements") entered into in 1993, with four local education agencies, namely San Bernardino County Superintendent of Schools, Victor Elementary School District, Victor Valley Community College District and Victor Valley Union High School District (collectively, the "LEAs).

Legislative Authority of the Oversight Board:

1. *California Health and Safety Code Section 34177(h)*: The Successor Agency must expeditiously wind down the affairs of the former redevelopment agency in accordance with the direction of the Oversight Board.

2. *California Health and Safety Code Section 34179(i)*: The Oversight Board shall have fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188.

3. *California Health and Safety Code Section 34183.5*: The obligation to make pass through payments for fiscal year 2011-12 and all years thereafter pursuant to any pass through agreement entered into prior to January 1, 1994 is no longer an obligation of the Successor Agency. Any unpaid amounts due under such pass through agreement prior to fiscal year 2011-12 remains an obligation of the Successor Agency.

Discussion: The Oversight Board has received and evaluated various opinions and information concerning certain tax increment payment obligations contemplated in each Cooperation Agreement between the former Victorville Redevelopment Agency ("Former RDA") and the four LEAs. Based on the review and analysis of all the information provided, the Oversight Board may discuss adopting an approach or process when evaluating future items brought before

the Oversight Board concerning the Cooperation Agreement pass through obligations. This may also include considering a best practices for inclusion of the Cooperation Agreements on future ROPS. A discussion among the Board Members regarding this topic is permissible; however, any such discussion must be grounded in the fiduciary responsibilities of the Oversight Board.

END OF MEMO