



Minutes Of The Special Meeting Of The Oversight Board To The City Of Ridgecrest Successor Redevelopment Agency

CITY COUNCIL CHAMBERS
100 West California Avenue
Ridgecrest, CA 93555

October 8, 2012
6:30 p.m.

This meeting was recorded and will be on file in the Office of the City Clerk for a certain period of time from date of approval by the Oversight Board. Meetings are recorded for the purpose of preparation of minutes.

CALL TO ORDER

ROLL CALL

Present: D. Clark, T. Sloan, G. Rice, P. Breeden, G. Lebsock
Absent: J. Fallgatter
Staff: City Manager D. Speer, Board Secretary R. Charlton, Consultant J. McRea

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Add as item 3 Public improvements Agreement between RRA and SSUSD – Discussion only

*Motion To Approve Agenda As Amended Was Made By G. Rice, Second By G. Lebsock.
Motion Carried By Voice Vote Of 5 Ayes, 0 Nays, 1 Absent, 0 Abstain*

APPROVAL OF MINUTES – October 1, 2012

*Motion To Approve Minutes From the October 1, 2012 Oversight Board Special Meeting As Presented Was Made By P. Breeden, Second By G. Rice.
Motion Carried By Voice Vote Of 5 Ayes, 0 Nays, 1 Absent, 0 Abstain*

PUBLIC COMMENT - None

DISCUSSION AND OTHER ACTION ITEMS

1. **Approve a Resolution Acknowledging The Receipt And Approval Of The Review Of The Low And Moderate Income Housing Due Diligence Report Conducted By Pun And McGeady LLP Pursuant To Health And Safety Code Section 34179.5** Speer

*Motion To Approve Resolution Acknowledging The Receipt And Approval Of The Review Of The Low And Moderate Income Housing Due Diligence Report Was Made By G. Rice, Second By T. Sloan.
Motion Carried By Voice Vote Of 5 Ayes, 0 Nays, 1 Absent, 0 Abstain*

2. Establish Two Future Meeting Dates; One For A Public Hearing On The Non-Housing Due Diligence Report And One For A Public Meeting To Adopt Findings On The Non-Housing Asset Due Diligence Report Speer

Board agreed to Mon Dec 3 @ 6:00pm & Thurs Dec 13 @ 6:00pm

3. Public improvements Agreement – Discussion only

The handout is information on an agreement between special counsel and SSUSD. Agency advanced 4 million to build school. With the understanding the county would take the pass through and credit the 4m. Accounting was all done by the County Auditor Controller Office (CAC) and not the city. The city engaged RGS to do an analysis of the monies. The last page shows projected monies to 2021. The city is still in ROPS III and we agreed to take this matter to the state on ROPS IV and show the anomaly to the state hoping that it might be credited at that time. We are not sure of DOF approval but we will submit it and see what they say. There is no account that has that money in it at this time so the DOF will question it.

Breeden – does the 1.128 million stated pay up to 2021? Are we current on this amount?

McRea- no this is just an analysis. We don't have the money the CAC sends money to the taxing entities. We get an annual analysis from CAC on how they disbursed. As of February all that money went into a trust fund. All moneys will go out as scheduled if approved on the ROP.

Breeden – they are going to continue to pay it till when?

McRea – actual fund goes out to 2037. When the agency was formed in 1986 and the tax increment was to be assessed and dispersed between the school district, the water agency, etc. In this county the ACO does the entire pass through calculations.

Rice – so the base argument here is that in 2007 this was paid back in full. If it was paid back and that was validated, then that completes the contract. Correct? If that is the case, how did Mr. Parsons come up with the 1.1 figure?

McRea – I am not sure how he came up with that number. This will come up in the next non- housing audit. We will have something harder to look at that time.

Rice – if it has been validated by the consultant, Why are we going to entertain this as a possibility on ROP IV?

McRea – because AB1484 said we had to validate the loan. It was repaid in 2007 and the CAC kept doing the same calculations.

Rice – as a former district administrator, if I have a contract between my district and the city, I see it as valid. I don't understand how the DOF could still say this is not valid if there is a contract.

McRea – there are 24 or 34 lawsuits pending on AB 1484. The DOF said their decision is final but truly that is not the case because you can have a meet and confer and hope to provide proof to change their mind.

Lebsock – if this loan was satisfied long before the dissolution of the RDA what difference does this make?

Clark – are we subject to a possible lawsuit?

McRea – I would wait till we send the ROP IV in and get DOF opinion before we go there.

Rice – if it comes out in the audit that will add some strength to the topic, correct?

McRea – yes.

Rice – thanked Mr. McRea and Mr. Parsons for their efforts and the finding of the documents.

BOARD MEMBER COMMENTS

Rice, Sloan, Breeden, Lebsock – None

Clark – thanked Mr. Rice for keeping this SSUSD item present and ongoing.

SUPPORT STAFF COMMENTS – None

ADJOURNMENT 7:10pm