

**DUE TO WEATHER, THIS MEETING WAS CONTINUED
TO FRIDAY, DECEMBER 7, 2012 – 2:00 p.m.
City Council Chambers
1901 Airport Rd., South Lake Tahoe, California 96150**

**AMENDED
(Changed location of meeting room & Added Item New Business d)**

**OVERSIGHT BOARD
FOR THE SOUTH TAHOE REDEVELOPMENT SUCCESSOR AGENCY
SPECIAL MEETING MINUTES
Thursday, November 29, 2012, 3:00 p.m.
Downstairs Conference Room
1901 Airport Rd., South Lake Tahoe, California 96150**

NOTE: The Minutes represent a summary of the public communications, staff reports and actions taken at the December 7, 2012, meeting. Complete Board member discussion on agenda items are kept on audio tape per the City's record retention policy and detail on agenda items can be reviewed in the staff reports contained in the agenda packet which is kept on file in the City Clerk's department as permanent record or on the City's website at <http://www.cityofslt.us>

CALL TO ORDER/PLEDGE OF ALLEGIANCE TO THE FLAG:

At 2:05 p.m., Chair Cole called the meeting to order and led the pledge of allegiance to the flag.

ROLL CALL:

Present were Chair Cole and Board members Knight, Murillo, Vogelgesang, Kerry and Baugh. Absent was Board member Barber. Also present were City Attorney Enright, City Clerk Alessi, Assistant City Clerk Palazzo and Accountant McIntyre.

PUBLIC COMMUNICATIONS:

None

CONSENT AGENDA:

- (a) Minutes:
October 11, 2012 Oversight Board

Board member Baugh noted the vote section for Unfinished Business a) needed the addition of Board member Murillo's affirmative vote. Assistant City Clerk Palazzo noted the error for correction.

IT WAS MOVED BY BOARDMEMBER MURILLO AND SECONDED BY BOARDMEMBER KNIGHT AND CARRIED AS FOLLOWS TO AMEND THE MINUTES TO REFLECT THE ADDITION OF MURILLO TO THE AFFIRMATIVE VOTE SECTION.

**AYES: COLE, KNIGHT, BAUGH, KERRY, MURILLO & VOGELGESANG
ABSENT: BARBER**

NEW BUSINESS:

- (a) **Consideration of Resolution Approving Purchase and Sale Agreement between the South Tahoe Redevelopment Successor Agency and Halferty Development Company, LLC for the Southwest Corner of Highway 50 and Ski Run Boulevard for \$799,000. (APNs 027-690-08 and 027-690-09)**

Chair Cole introduced Deb Howard, Real Estate Broker, Deb Howard and Company and Listing Broker for the South Tahoe Redevelopment Successor Agency and realtor representing the potential buyer.

Board member Knight stated he had problems with the contract, specifically no justification for the purchase price.

Discussion was held between Board member Knight and Ms. Howard regarding the details of the contract.

Cole recapped the following issues: Oversight Board needed to be provided with the due diligence documents demonstrating the fair market value of the property and 2) the contingency release dates needed clarification.

At this point Cole asked if there were any additional issues that needed to be discussed.

Baugh concurred with the issues stated above.

Murillo stated she thought the information regarding the listing was available on the website under the Successor Agency and had been viewing Successor Agency actions on the web as part of her role as an Oversight Board Member.

Kerry noted the Successor Agency agendas were a part of the City Council agendas online and the property listing was approved at one of those meetings. She noted that some discussion was held in closed session as it related to the negotiations.

Discussion was held regarding the approval process of the listing and the role of Successor Agency and the Oversight Board.

Vogelgesang requested the board be provided documentation regarding market value for all future property sales.

Kerry requested the City Attorney weigh in on the options available to the board.

Enright stated the Oversight Board could reject the offer and amend the terms of the agreement.

Chair Cole asked if any member of the public wished to make a comment. No one appeared in order to be heard.

NEW BUSINESS (a) (Continued):

IT WAS MOVED BY BOARD MEMBER KNIGHT AND SECONDED BY BOARD MEMBER VOGELGESANG AND CARRIED AS FOLLOWS TO CONTINUE NEW BUSINESS ITEM A TO FRIDAY, DECEMBER 14, 2012 AT 2 P.M. IN ORDER TO RECEIVE ADDITIONAL INFORMATION RELATED TO THE ITEM.

AYES: COLE, KNIGHT, BAUGH, KERRY, MURILLO & VOGELGESANG
ABSENT: BARBER

NEW BUSINESS:

- (b) Approval of the Use of Two (2) South Tahoe Redevelopment Successor Agency Parcels (APN 029-170-01 and APN 029-170-02) for Construction Staging in 2013

Kerry provided the board with an explanation of the item.

Brief discussion was held regarding the rental requirements of the contractor and the timeline for creation of a property management plan.

Chair Cole asked if there was any member of the public that would like to comment. No one appeared in order to be heard.

IT WAS MOVED BY BOARD MEMBER MURILLO AND SECONDED BY BOARD MEMBER KNIGHT TO APPROVE THE USE OF TWO (2) SOUTH TAHOE REDEVELOPMENT SUCCESSOR AGENCY PARCELS (APNS 029-170-01 AND 029-170-02 FOR CONSTRUCTION STAGING IN 2013

Board member Baugh inquired whether there were any provisions regarding contamination on the site from the construction materials.

Kerry noted there was a list of requirements contained in the bid documents in order for the contractor to do business within the city and the parcels needed to be restored to the original condition.

Baugh inquired if the parcel was sold while being used in this rental period how that would affect the sale of the property.

Cole noted that the Successor Agency had not yet listed this property.

Knight noted that the buyer would be subject to the rights of the rental agreement.

At this point the vote was taken.

AYES: COLE, KNIGHT, BAUGH, KERRY, MURILLO & VOGELGESANG
ABSENT: BARBER

NEW BUSINESS:

- (c) **Discussion and Possible Direction/Action Regarding Meet and Confer Request Filed by the South Tahoe Redevelopment Successor Agency with the Department of Finance on the Due Diligence Review, the Recognized Obligation Payment Schedule (ROPS) and the Reassessment of the Chateau Properties**

Board member Kerry stated that they had met with the Department of Finance on December 6, 2012. She indicated the meeting went well and a decision was expected by December 17, 2012.

Cole suggested this item be continued until December 14, 2012.

IT WAS MOVED BY BOARD MEMBER VOGELGESANG AND SECONDED BY BOARD MEMBER MURILLO TO CONTINUE THE NEW BUSINESS ITEM (C) TO DECEMBER 14, 2012 AT 2 P.M.

Baugh indicated he would like to be provided information about the decision-making process and to be informed about the appeal prior to it being initiated.

Enright noted the procedures were set by code and noted the \$1.485 million was not being appealed by the Successor Agency but rather the objection was the use of the funds.

Kerry explained the meet and confer process was set by code whereby the Successor Agency took an action which was then heard by the Oversight Board prior to being sent to the Department of Finance. She stated the meet and confer session was a clarification discussion. The county auditor prepared a Housing Due Diligence Review and that review was submitted directly to the Department of Finance. The Department of Finance issued a comment and the Successor Agency could then request a meet and confer with the Department of Finance. She also noted that the Successor Agency must meet all of its debts and obligations as part of their fiduciary responsibility. She noted it was the Successor Agency's responsibility to decide within five days whether it wanted a meet and confer with Department of Finance.

Brief discussion was held regarding the process.

Baugh requested an email be provided to the board for notification at which point Kerry noted that an email was provided by the City Clerk's Office to the entire board notifying the board of the Successor Agency's request to meet with the Department of Finance. Kerry noted the Successor Agency projections were also included in the email.

At this point the vote was taken.

AYES: COLE, KNIGHT, BAUGH, KERRY, MURILLO & VOGELGESANG
ABSENT: BARBER

NEW BUSINESS:

- (d) Discussion and Possible Direction/Action Regarding Consideration and Approval of the Use of Proceeds from the Sale of Any Assets, Housing Funds and Other Reserve Accounts for the Payment of Enforceable Obligations as Approved by the Recognized Obligation Payment Schedule (ROPS)

SEE SPECIAL MEETING AGENDA #2 FOR REVISED NEW BUSINESS ITEM D IMMEDIATELY FOLLOWING THE FIRST SPECIAL MEETING WHICH BEGAN AT 2 P.M.

OVERSIGHT BOARD MEMBER ANNOUNCEMENTS/COMMENTS:

Board member Baugh requested the following agenda items at the next regular meeting. 1) Review of indenture documents terms, conditions and reporting requirements and covenants if any, of all bond debt; 2) and Review of services and what was being purchased, in particular accounting and bookkeeping and administration fees to include a discussion regarding hiring legal services.

Enright noted the Due Diligence Review would be completed by December 15, 2012 by the County Auditor and the Oversight Board would need to review and send to the Department of Finance by January 15, 2013. He recommended setting a meeting for the first week in January.

Board members provided consensus to hold the regular meeting on January 4, 2013 at 2 p.m.

ADJOURNMENT:

Chair Cole adjourned the meeting at 3:15 p.m.

Respectfully Submitted by:

Ellen Palazzo
Assistant Board Clerk

Hal Cole, Chair