

**OVERSIGHT BOARD  
OF THE SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF PLACENTIA  
REGULAR MEETING MINUTES  
August 28, 2013  
4:00 p.m. – City Council Chambers  
401 E. Chapman Avenue, Placentia, CA**

**CALL TO ORDER:** Chair Ed Garcia called the meeting to order at 4:03 p.m.

**ROLL CALL:**

PRESENT: Board Member Christakos, Green, Shkoler, Harman, Ed Garcia  
ABSENT: Board Member Butzlaff, Rodrigo Garcia

**PLEDGE OF ALLEGIANCE:** Vice Chair Harman

**ORAL COMMUNICATIONS:** None

**1. PRESENTATIONS/ADMINISTRATIVE REPORTS**

a. Executive Director's Report

Executive Director Domer noted that the letter of determination was received by the City on August 23, 2013. He noted that the Department of Finance (DOF) determined that the property located on 913 Bradford is legitimate and approved it. He noted that the DOF has deemed appropriate for the packinghouse transaction conducted in 2010. He noted that whenever the packinghouse property is sold or developed it would be tainted by low-moderate funds.

Board Member Green inquired about the proposed housing development project for the packinghouse.

Executive Director Domer responded that if the housing development does not include low-moderate funds a refund would need to take place. He noted that is common to reimburse or switch funding.

Board Member Green inquired if they would be asking the developer to include low-mod housing.

Executive Director Domer responded that they could ask for the in-lieu fee or low-mod housing. He noted that he continues to work on other outstanding items with the DOF.

**2. CONSENT CALENDAR:**

a. **Minutes**

Recommended Action: It is recommended that the Oversight Board:  
1) Approve the minutes of the May 8, 2013 Oversight Board Meeting  
**(4 – 0 – 1, Chair Ed Garcia abstained)**

A motion was made by Board Member Shkoler, seconded by Vice Chair Harman, and carried (4 – 0 – 1, Chair Ed Garcia abstained) to approve the minutes of the May 8, 2013 Oversight Board Meeting.

**3. OLD BUSINESS:** None

**4. NEW BUSINESS:**

a. **Adoption of a Resolution Approving Successor Agency Action Approving Issuance of Tax Allocation Refunding Bonds and a Form of Indenture**

Recommended Action: It is recommended that the Oversight Board:

- 1) Adopt Resolution OB-2013-09, A Resolution of the Oversight Board to the Successor Agency of the Redevelopment Agency of the City of Placentia, California, approving the issuance and sale of 2013 Tax Allocation Refunding Bonds to refinance outstanding tax allocation bonds and notes of the former Redevelopment Agency of the City of Placentia, making certain findings and providing other matters relating thereto

**(5 – 0, as recommended)**

Executive Director Domer provided a brief report on item 4.a. He noted that the approval of issuance and sale of the 2013 Tax Allocation Refunding Bonds is a continuation of the process. He noted that they are trying to avoid the balloon payment. He introduced to Financial Advisor Suzanne Harrell who will assist in the process.

Board Members Green inquired if the Successor Agency is able to lock the fee with the DOF.

Ms. Harrell responded that the DOF would need to approve the item before the fee can be locked.

Vice Chair Harman inquired if they would be capital appreciation bonds.

Ms. Harrell responded that they would not be capital appreciation bonds.

Vice Chair Harman thanked Staff and Ms. Harrell for avoiding the balloon payment.

Executive Director Domer noted that the agenda packet includes the revised resolution and that it would be presented to the Successor Agency for approval.

Ms. Harrell noted that they are hopeful that the DOF will expedite the process.

A motion was made by Vice Chair Harman, seconded by Board Member Green, and carried (5 – 0) to adopt Resolution OB-2013-09, a Resolution of the Oversight Board to the Successor Agency of the Redevelopment Agency of the City of Placentia, California, approving the issuance and sale of 2013 Tax Allocation Refunding Bonds to refinance outstanding tax allocation bonds and notes of the former Redevelopment Agency of the City of Placentia, making certain findings and providing other matters relating thereto.

**b. Adoption of a Resolution Approving Successor Agency Action to Enter into a Revised Lease Agreement for 132 E. Crowther Avenue in Order to Reduce the Annual Base Lease Thereby Increasing Residual Tax Increment Payments to Other Taxing Entities**

Recommended Action: It is recommended that the Oversight Board:

- 1) Adopt Resolution OB-2013-10, A Resolution of the Oversight Board to the Successor Agency of the Redevelopment Agency of the City of Placentia, California, approving Successor Agency action to enter into a revised lease agreement for 132 E. Crowther Avenue in order to reduce the annual base lease thereby increasing residual tax increment payments to other taxing entities

**(5 – 0, item continued to the next meeting)**

Executive Director Domer provided a brief staff report on item 4.b. He noted that a revised lease agreement for property 132 E. Crowther Avenue would reduce the annual base lease and increase the residual tax increment payments to other taxing entities. He provided a review of the property acquisition process. He noted that this item is an attempt to save money because the current term on the lease is too high. He noted that the ultimate use of the property has not been determined. He noted that this item would be presented to the Successor Agency for consideration and approval.

Discussion ensued between Board and Staff. They discussed the lease expiration date, current monthly payment, the use of the property, and the need to lower the lease rate.

Vice Chair Harman inquired about the possibility of purchasing the property.

Executive Director Domer noted that the City could purchase the property at anytime at a price of \$750,000.

Vice Chair Harman noted that the City is paying a lease for a property they are not using. He inquired if they could renegotiate the lease at a fair market rate.

Executive Director Domer responded that the City could ask the landowner for a renegotiation on the lease agreement.

Discussion ensued between Board and Staff. They discussed the consequences if they decide to let go of the lease, the possibility of leasing the property on an interim basis, and looking at all options.

Executive Director Domer noted that the City is trying to develop a profitable site and obtain a lower lease value, however, that action is not part of this item.

Vice Chair Harman recommended that the City should try to renegotiate the lease agreement.

A motion was made by Chair Ed Garcia, seconded by Vice Chair Harman, and carried (5 - 0) to continue to the item to September 11, 2013 and requested additional details on the item.

Board Member Christakos excused herself from the meeting at 4:56 p.m.

Board Member Green recommended that the City should let the lease run and explore the termination clause.

Vice Chair Harman asked that the City explore other options to obtain a better lease rate. He recommended examining the idea of finding a third party that might be interested in taking over the property. He requested a plan with all potential uses of the property.

Chair Garcia noted that the City entered the lease agreement in 2010 and since then the property has been vacant. He recommended leasing the property for the two remaining years as an interim solution. He recommended examining all other possible options and reducing the rate,

Board Member Shkoler spoke in support of the comments made by the Board. He noted that the item requires further examination.

**5. PUBLIC HEARING:** None

**BOARD MEMBERS COMMENTS AND REQUESTS:**

A motion was made by Vice Chair Harman, seconded by Board Member Shkoler, and carried (5 - 0) to adjourn the Oversight Board meeting.

**ADJOURNMENT:**

The Oversight Board adjourned to September 11, 2013 at 4:00 p.m.

  
ED GARCIA, AGENCY CHAIRPERSON

ATTEST:

  
TANIA A. MORENO, CLERK OF THE BOARD