

**Meeting of the  
Oversight Board for the Successor Agency  
to the Redevelopment Agency of the  
City of Fresno**

**Meeting Minutes  
January 24, 2017**

The Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Fresno met at 1:30 p.m. in Meeting Room 2120 (Meeting Room C), City Hall on January 24, 2017.

Present were:

Larry Hodges, appointed by State Center Community College District  
Rene Watahira, appointed by the Mayor of Fresno  
Doug Vagim, appointed by Fresno County Board of Supervisors  
Alan Hofmann, appointed by the Metropolitan Flood Control District (Special District)  
Larry Westerlund, appointed by Mayor of Fresno  
Jeff Becker, appointed by Fresno County Superintendent of Schools  
Debbie Poochigian, appointed by Fresno County Board of Supervisors

- I. **Call to Order**
  - 1. **Roll Call**
  - 2. **Pledge of Allegiance**
  - 3. **Member Comments**

**Roll Call/Pledge of Allegiance**

The meeting was called to order by Chair Hofmann at 1:32 p.m. and the roll call was taken. The pledge of allegiance was recited.

**Member Comments**

Vice Chair Vagim stated he will mention it here under member comments and under Section VI ROPS that the board typically has the detail for the administrative budget.

- II. **Approval of Agenda**

Board Member Westerlund made the motion to approve the agenda. Board Member Watahira seconded the motion. The motion passed on a vote of 7-0.
- III. **Approval of Minutes of December 14, 2016.**

Chair Hofmann requested that under Section IV, fourth line down that "Chair Vagim" be changed to "Vice Chair Vagim". On a motion of Board Member Westerlund to approve the agenda as amended, and a second by Board Member Watahira, the motion passes on a 6-0 vote. Board Member Poochigian abstained.
- IV. **Consider Request from City of Fresno regarding 1900 Tuolumne/1911 Merced APN's 466-206-50T and 51T**
  - 1. Sale of Property to City of Fresno at appraised value
  - 2. Reinstatement of Right of First Refusal

Ms. Murphy reviewed the City of Fresno's letter of January 17, 2017 offering to purchase the property referred to as Lot 2 at its appraised value or, in the alternative, request reinstated right of first refusal. She noted that on January 12<sup>th</sup> the Council voted on actions and request contained in the City's letter to the Board.

Bruce Rudd, City Manager for the City of Fresno addressed the Board regarding the property is an integral part of a larger and more strategic effort to revitalize downtown and to consider the investments that have been made by the City and the former Redevelopment Agency and how these investments have contributed to revitalization and gave examples. With reference to criteria for value, he asked the Board to consider the importance and role Lot 2 plays in the overall effort to revitalize and the success that has already occurred when the City is able to control the destiny of downtown.

Vice Chair Vagim asked if the City had a concept of what it planned to do with the property and the reason to acquire now.

City Manager Rudd responded that the City has been looking at how this property can be developed especially in light of having a high speed rail station. It envisions a combination of retail, mixed use residential, and parking structure. The City's purchase of the property at appraised value would help mitigate the future cost of any development made by either the private or public sector.

Board Member Westerlund moved for approval of the sale of the property located at 1900 Tuolumne/1911 Merced to the City of Fresno at the appraised value on the material terms of the Successor Agency's standard agreement will delegate authority of the Chair of the Oversight Board to execute a resolution consistent with his direction.

Board Member Poochigian stated that this whole thing is very confusing and asked who the City Manager was representing today, the Mayor, the old City Council, or the new City Council? City Manager Rudd, responded that per the City Charter he is representing the interests of both the Mayor and the City Council.

On further questions by Member Poochigian, City Manager Rudd responded that there was discussion in closed session and subsequent discussions with Mayor Brand and there is clarity on the City's position and he is representing that today.

In response to Board Member Poochigian's question and discussion regarding future property tax, Mr. Rudd responded it was his understanding that there would be a property tax component associated with whatever development occurs at that site. He further expressed the City's intent to get the highest and best use value for the community over the long term as compared to short term sale to the highest bidder.

Board Member Poochigian asked if there has been any commitment made to anyone at this point or is it open? Mr. Rudd responded, that the City is asking to purchase to allow it to determine what will be developed and the terms of that development.

Chair Hofmann stated that there is a motion on the floor and asked for a second. Board Member Watahira made a second to the motion.

Chair Hofmann asked if there were any comments from the public. James H. Hillscamp asked to clarify if it is by right of first refusal or by appraisal? Board Member Westerlund responded that the Board is considering the first item by appraisal. Mr. Hillscamp asked to put on the record that the first comp should be the property that sold to a private party for three million and one thousand dollars and bidding should start higher than \$420,000. Preston Prince, CEO from the Fresno Housing Authority, stated the Housing Authority is very supportive of this proposal with the City having control of the property; that there have been changes since the process began; that this is a more comprehensive development; and, it has to be a private/public partnership.

There was discussion regarding appraisals and upon question City Manager Rudd stated that the City will not turn around and sell the property at a profit in the next 30-90 days and we will probably negotiate to sell the property at its purchase price.

After discussion, Board Member Westerlund repeated the motion to approve of the sale of the property located at 1900 Tuolumne/1911 Merced to the City of Fresno at the appraised value on the material terms of the Successor Agency's standard agreement and to delegate authority of the Chair of the Oversight Board to execute a resolution consistent with his direction.

The motion passed on a roll call vote of 6-1 with Board Member Poochigian voting "No".

Chair Hofmann announced that item number V. to auction the property and adopt a resolution approving the sale of the property is not necessary anymore since the property has been sold to the City of Fresno. On behalf of the Board he thanked those in attendance for their interest.

City Manager Rudd provided the City Clerk a cashier's check in the amount of \$21,000 as a deposit for the property.

Upon question from the public regarding 2153 Monterey and 315 L Street, Ms. Murphey stated the property did not close according to the agreement and will be listed again for auction.

**V. Disposition of Agency Property**

1. Action pertaining to sale of 1.38 acres of property at 1900 Tuolumne/1911 Merced (APNs 466-206-50T and -51T) (LRPMP #39), Reserve (Minimum Bid) Price \$420,000
  - a. Auction
  - b. Adopt a resolution approving the sale of the property

NO ACTION TAKEN.

**VI. Recognized Obligation Payment Schedule (ROPS)**

Ms. Murphey reviewed the ROPS July 1, 2017-June 30, 2018. The total obligation is \$6,094,116 and after the County Administration fees are subtracted from the total projected tax increments there is about \$10M in residual increment that will be divided between the taxing entities. She responded to questions and clarified that where enforceable obligations have been met they are shown as retired on this ROPs and only

those that are approved show a draw down. Board Member Westerlund made a motion to approve. Board Member Watahira seconded the motion.

The motion to approve the ROPS was passed on a 6-1 vote with Vice Chair Vagim voting no, and Board Member Becker abstaining on items 5 & 11 with all other items voting yes.

**VII. Public Comment**

None.

**VIII. Adjournment**

Meeting adjournment at 3:07 p.m. Next meeting to be determined.

*The minutes of January 24, 2017 meeting were approved on a motion by Board Member Westerlund and a second by Vice Chair Vagim. The motion passed on a vote of 5-0 with Board Member Pacheco abstaining and Board Member Becker absent.*