

**SPECIAL MEETING AGENDA**

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY  
TO THE DISSOLVED EL MONTE COMMUNITY REDEVELOPMENT AGENCY  
OF THE CITY OF EL MONTE**

**City of El Monte  
City Council Chambers  
City Hall East  
11333 Valley Boulevard  
El Monte, California 91731**

**Thursday, August 2, 2012  
3:00 P.M.**

**CALL TO ORDER**

**FLAG SALUTE**

**ROLL CALL**

**Members of the Oversight Board**

Andre Quintero, City of El Monte, Chair  
Raul Alvarez, County of Los Angeles, Vice-Chair  
Velma Perdomo, County of Los Angeles  
Kris Olaffson, El Monte City School District  
Martha Jimenez, Los Angeles County Library District  
Osvaldo Peña, City of El Monte  
Norma Garcia, Community College District's Member

**CITY STAFF PRESENT AT MEETING –**

René Bobadilla, P.E., City Manager  
Damien Arrula, Economic Development Director  
David F. Gondek, Senior Deputy City Attorney  
Julio Morales, Director of Finance  
James Enriquez, P.E., Director of Public Works/City Engineer

**ORAL COMMUNICATION**

**PUBLIC COMMENT REGARDING NON-AGENDIZED MATTERS:**

This time has been set aside for persons in the audience to make comments or inquiries on matters within the general subject matter jurisdiction of the Oversight Board that are not listed on this agenda. Although no person is required to provide their name and address as a condition to attending an Oversight Board meeting, persons who wish to address the Board are asked to state their name and address. Each speaker will be limited to three (3) continuous minutes. Speakers may not lend any portion of their speaking time to other persons or borrow additional time from other persons.

Except as otherwise provided under the Brown Act (Government Code Section 54950 *et seq.*), the Board may not deliberate or take action upon any matter not listed on this posted agenda but may order that any such matter be placed on the agenda for a subsequent meeting. The Board may also direct staff to investigate certain matters for consideration at a future meeting.

All comments or queries presented by a speaker shall be addressed to the Board as a body and not to any specific member thereof. No questions shall be posed to any member of the Board except through the presiding official of the meeting, the Chair and/or Vice-Chair. Members of the Board are under no obligation to respond to questions posed by speakers but may provide brief clarifying responses to any comment made or questions posed. The Board may not engage in any sort of prolonged discussion or deliberation with any speaker or group of speakers on matters that are not listed on this agenda.

**Enforcement of Decorum:** The Chief of Police, or such member, or members of the Police Department as the Chief of Police may designate, shall serve as the Sergeant-at-Arms of any Oversight Board meeting. The Sergeant-at-Arms shall carry out all orders and instructions given by the presiding official for the purpose of maintaining order and decorum at the meeting. While members of the public are free to level criticism of Board policies and the action(s) or proposed action(s) of the Board or its members, members of the public may not engage in behavior that is disruptive to the orderly conduct of the proceedings, including, but not limited to, conduct that prevents other members of the public from being heard when it is their opportunity to speak or which prevents members of the audience from hearing or seeing the proceedings. Members of the public may not threaten any person with physical harm or act in a manner that may reasonably be interpreted as an imminent threat of physical harm. All persons attending the meeting must adhere to the Board's policy barring harassment based upon a person's race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, sexual orientation or age.

**PRESENTATIONS**

None

## **NEW BUSINESS**

1. Approval of Minutes

Special Meeting of June 21, 2012

2. Selection of Oversight Board Sub-Committee to review appraiser proposals and conduct interviews for selection of an appraiser or establishment of a bench list of appraisers for the disposition of former El Monte Community Redevelopment Agency properties
3. Background on the Santa Fe Trail Holdings Project
4. Authorization to negotiate an agreement with Santa Fe Holdings, LLC for the sale and disposition of a certain parcel located within the lands designated as the Santa Fe Trail Holdings Project; and for Santa Fe Holdings, LLC to assist in the appraisal costs associated with the eventual disposition of former said parcel in an amount not to exceed \$2,500
5. Receive and file a letter to the California State Department of Finance (DOF) from the Successor Agency to the former El Monte Community Redevelopment Agency to request an extension on the August 1, 2012 deadline submittal of a list of housing assets to DOF.
6. Oversight Board Member Comments

## **ADJOURNMENT**

The next regular Oversight Board meeting will take place on Thursday, September 6, at El Monte City Hall – East, City Council Chambers, 11333 Valley Boulevard, El Monte, California.

This Agenda will be posted on the City's website, [www.ci.el-monte.ca.us](http://www.ci.el-monte.ca.us), and physically posted as of not less than 72 hours prior to the start of the subject meeting. Although it is the City's practice and desire to electronically post a copy of this Agenda *along with* supporting material as part of its website posting, the size or formatting of certain supporting materials may render their website posting infeasible. Nevertheless, all supporting materials related to any item on this Agenda, that is made available to the members of the Board may be inspected by members of the public at the Secretary's Office located at 11333 Valley Boulevard, El Monte, Monday through Thursday, 7:30 am – 5:30 pm. For more information, please call the Secretary's Office at (626) 580-2016.

All public meetings and events sponsored or conducted by the City of El Monte are held in sites accessible to persons with disabilities. Requests for accommodations may be made by calling the office of the Secretary at (626) 580-2016 at least three (3) working

days prior to the event, if possible. This Agenda and copies of documents distributed at the meeting are available in alternative formats upon request.

*Posted: To City of El Monte Website on August 1, 2012*

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED EL MONTE  
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF EL MONTE**

**City of El Monte  
City Council Chambers  
City Hall East  
11333 Valley Boulevard  
El Monte, California 91731**

**Special Meeting  
Thursday, June 21, 2012  
3:00 P.M.**

**CALL TO ORDER** - Oversight Board Chair Andre Quintero called the meeting to order at 3:00 p.m.

**ROLL CALL -**

all present

**Members of the Oversight Board**

Andre Quintero, City of El Monte, Chair  
Raul Alvarez, County of Los Angeles, Vice Chair  
Velma Perdomo, County of Los Angeles  
Kris Olaffson, El Monte City School District  
Martha Jimenez, Los Angeles County Library District  
Osvaldo Peña, City of El Monte  
Norma Garcia, Community College District's Member

**ORAL COMMUNICATION**

**PUBLIC COMMENT REGARDING NON-AGENDIZED MATTERS:**

The Chair invited comments from those in the audience who wished to address the Commission on other than Agenda items. There was no response and the Chair closed the public comment portion of the meeting.

**PRESENTATIONS**

Administration of Oath of Office

The City Clerk of the City of El Monte Lorene Gutierrez administered the Oath of Office to Community College District Representative and Board Member Norma Garcia and Los Angeles County Library District Representative and Board Member Martha Jimenez.

**NEW BUSINESS**

1. Approval of Minutes

Regular Meeting of May 3, 2012 and Special Meeting of May 17, 2012

June 21, 2012

**A motion was made by Board Vice Chair Alvarez, seconded by Board Member Perdomo,** to approve the minutes of the Regular Meeting of May 3, 2012 and Special Meeting of May 17, 2012, as submitted. The motion carried 6-0-1 with Board Member Jimenez, abstaining.

2. Former Agency Asset Management: Request by City of El Monte as Successor Agency for Oversight Board Confirmation of Property Valuation and Fair Market Value Determination for Public Street Intersection Improvement Project Surplus Property and Authorization for Successor Agency to Dispose of Certain Surplus Property Subject to Certain Conditions to Norm's Restaurants

The Chair read title to the aforementioned item and called for a report from staff.

Economic Development Director Damien Arrula thanked Board Members for attending the meeting in short notice and congratulated Board Members Norma Garcia and Martha Jimenez for their appointments. He provided a PowerPoint presentation on public street improvement project related to a Norm's Restaurant and addressed location, surrounding properties, details of the public street project, funding sources, transit enhancements, total acquisition area, current right-of-way, remaining parcel, details of the Norm's project, architecture and design of the project and Oversight Board sale of RDA portion of land. Regarding the later, Mr. Arrula addressed the acquisition and relocation budget, property breakdown, appraisal, RDA/OB breakdown, economic development benefits and recommendations.

Discussion followed regarding the appraisal process.

Mr. Kurt Goepfner appraiser reported that sales of comparable properties were used with the assumption that public improvements had been made, with a similar highest and best use. He noted that the data that was included was for commercial use and represents a narrow range of data which provides a degree of reliability. He reported the area is a key intersection within the City and that the number of sit-down restaurants in the City is an under-served community. He defined highest and best use which is for a high visibility, high exposure, retail use.

**A motion was made by Chair Quintero, seconded by Vice Chair Alvarez,** to approve the appraisal at \$40 per square foot, fair market value and recommend to the City of El Monte as a Successor Agency the sale of the property.

Discussion followed regarding the percentage breakdown of the total area, related proportionate pay back allocations, acquisition and relocation costs and requirements for specific sources of funds.

Legal Counsel John Cavanaugh noted that this is a complex project and that the law requires that the Board only focus on what part of the project has to do with tax-increment funding.

City Manager Bobadilla reported that the redevelopment-only remaining parcel has been set aside, is fixed and will not change.

Senior Deputy City Attorney David Gondek stated that the task at hand is ratification of an appraisal figure. He noted that ultimately there will be an allocation of reimbursement to the various fund sources based on the pro rata contribution of the funds to the acquisition of the right-of-way.

The motion carried 7-0.

3. Oversight Board Member Comments

Discussion followed regarding establishing a strategy and process going forward.

Legal Counsel John Cavanaugh reported he is having interaction with the Successor Agency staff to let them know the information needed by the Board in order for it to make an informed decision.

Discussion followed regarding providing a list of the breakdown of assets in advance including relative information. City Manager Bobadilla indicated that the list is available and will be provided to the Board.

Ensuing discussion pertained to the possibility of cancelling the July 5, 2012 Board meeting.

**A motion was made by Vice Chair Alvarez, seconded by Board Member Garcia,** to cancel the Oversight Board meeting scheduled for July 5, 2012 and adjourn to July 12, 2012. The motion carried 7-0.

Senior Deputy City Attorney David Gondek addressed time-sensitive asset dispositions to be reviewed by the Board at upcoming meetings.

City Manager Bobadilla reported that staff will be dark in the month of August and asked for the Board's direction.

**CONSENSUS:** Member of the Board concurred to go dark in the month of August.

Senior Deputy City Attorney David Gondek reported on pending legislation regarding development of an asset management program for Oversight Boards.

Legal Counsel John Cavanaugh reported that if he receives information regarding the legislation, he will communicate with the Board via email.

City Manager Bobadilla reported that an upcoming item for presentation to the Board will include consideration of an appraiser to be selected by the Board.

Board Member Garcia suggested that staff compile proposals from appraisers for review by a Board sub-committee.

Economic Development Director Damien Arrula reported that the In-n-Out project previously reviewed by the Board has been discussed with Legal Counsel and that Mr. John Cavanaugh has requested an appraisal to be conducted on the related covenant. Staff will proceed with that appraisal before formal selection of an appraiser in order to move the project forward.

Finance Director Julio Morales briefly reviewed the asset list with the related book value and reported he will send it to Board Members via email. He noted that the book value is what was paid for the property.

June 21, 2012

Discussion followed regarding the availability of a balance sheet and audited financial statements.

Finance Director Julio Morales will provide information to new Board Member Jimenez off line.

**ADJOURNMENT**

**A motion was made by Board Member Peña, seconded by Chair Quintero,** to adjourn the meeting at 4:15 p.m. The motion carried 7-0.

There being no further business to come before the Oversight Board, the meeting was adjourned at 4:15 p.m.

The next regular Oversight Board meeting will take place on Thursday, July 12, 2012, at El Monte City Hall – East, City Council Chambers, 11333 Valley Boulevard, El Monte, California.

\_\_\_\_\_  
Lorene Gutierrez, City Clerk

APPROVED:

\_\_\_\_\_  
Andre Quintero, Chairman

**Property Exchange  
Agreement City and Santa Fe  
Holdings, LLC**

August 2, 2012



# Parcel Ownership - Being Processed

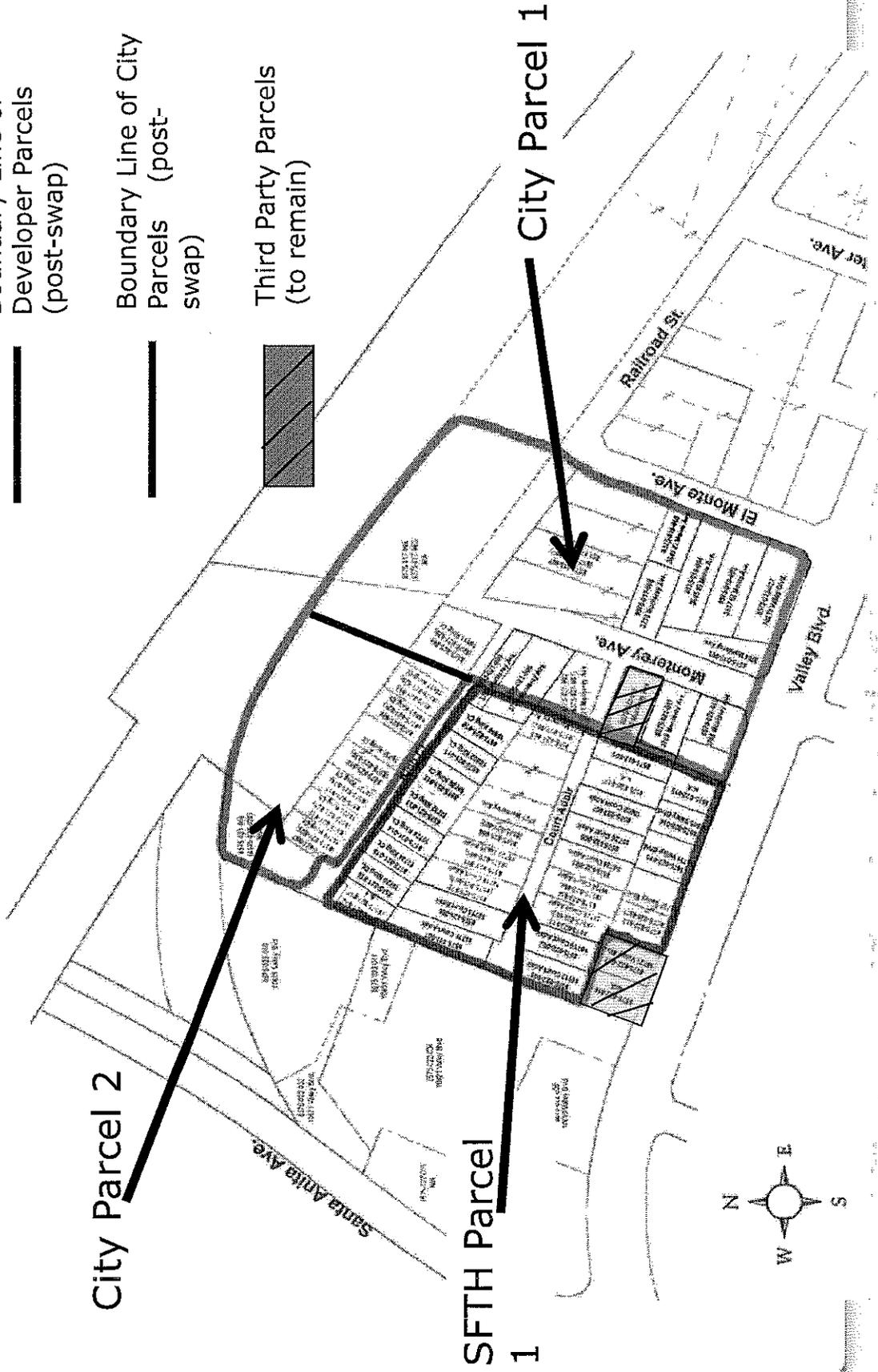
Boundary Line of Developer Parcels (post-swap)



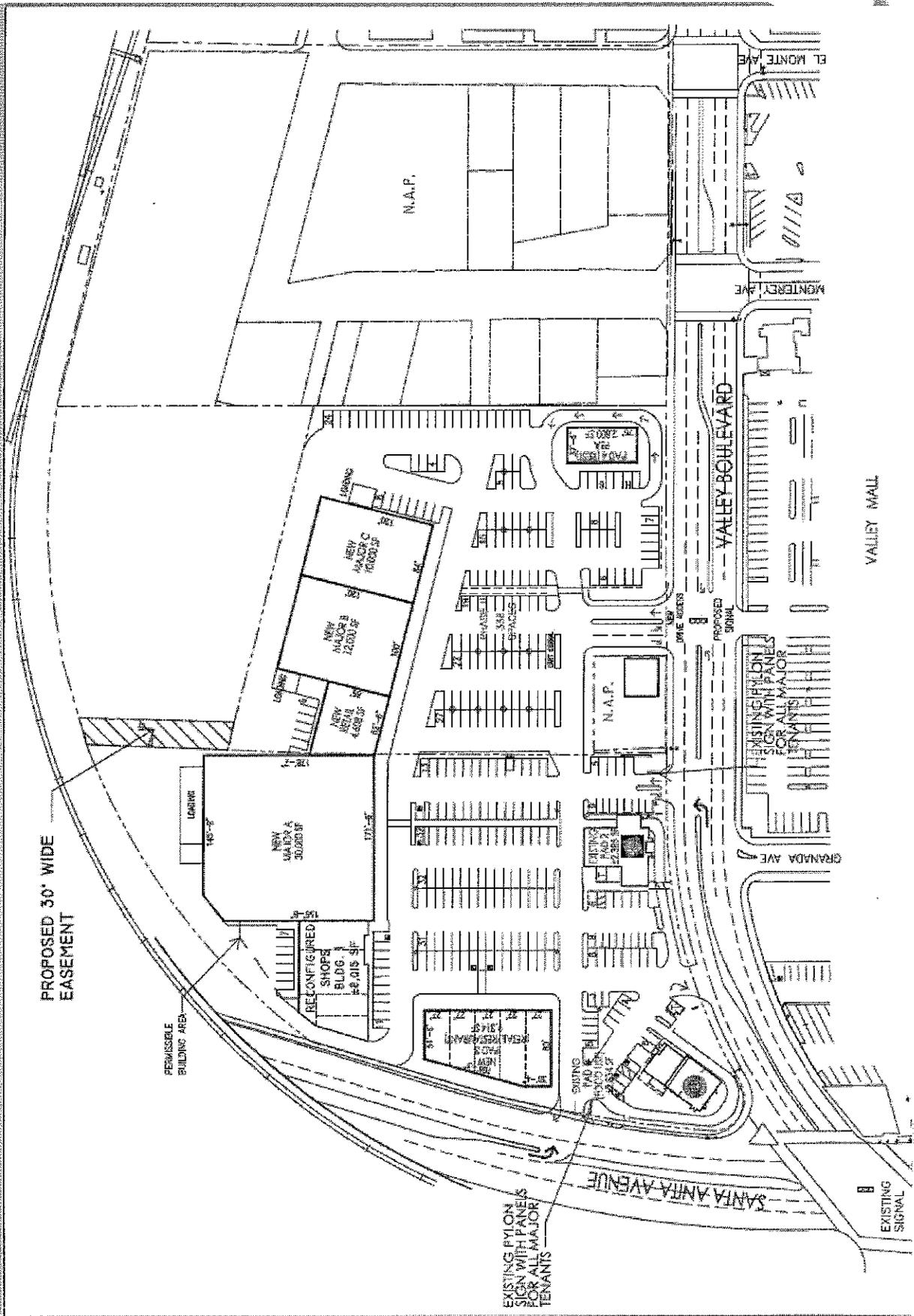
Boundary Line of City Parcels (post-swap)



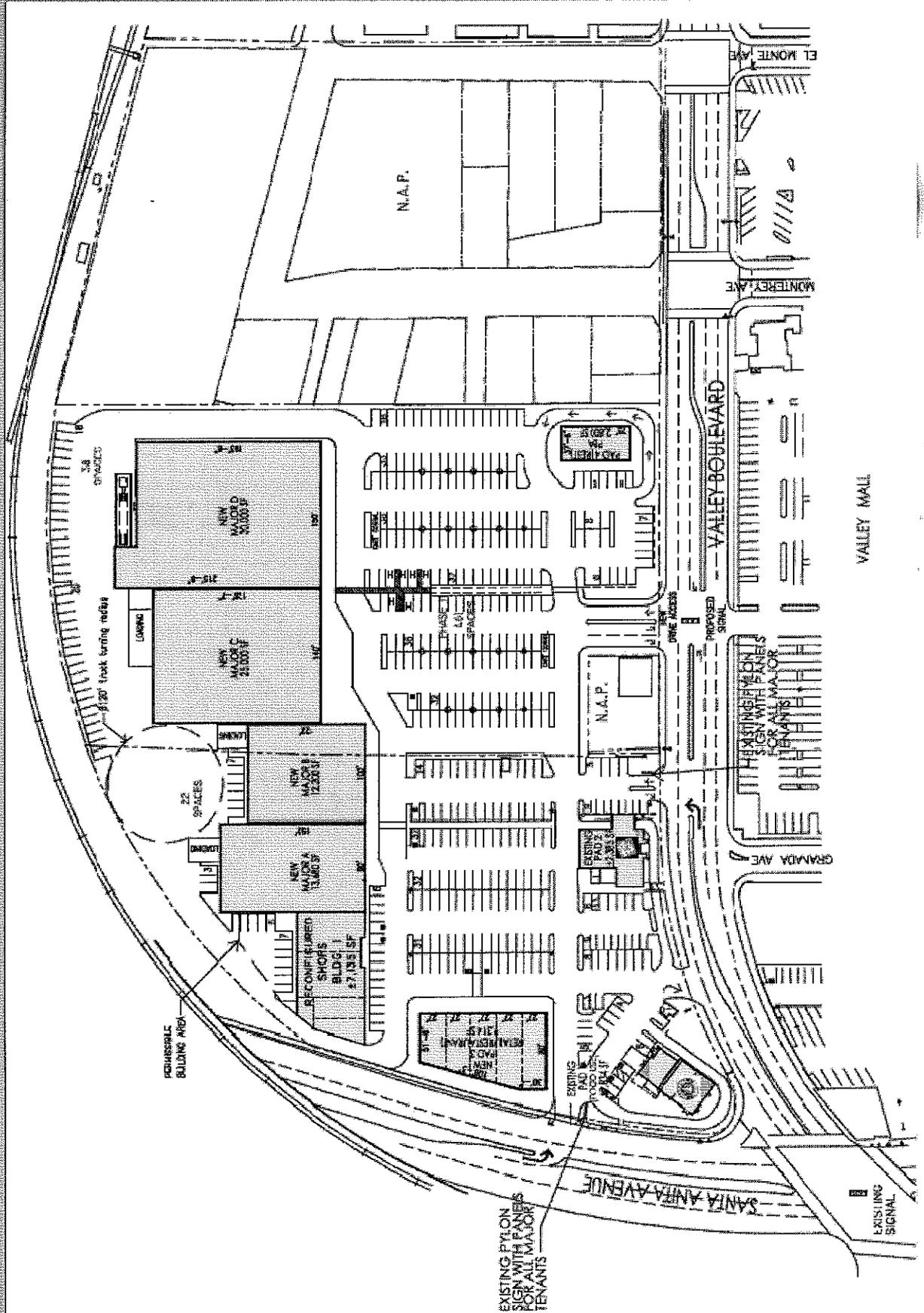
Third Party Parcels (to remain)



# Without Parcel



# With Parcel



## Other Considerations

- Jacobo return of deposit- \$456k
- Reimbursement for Bailey Tire property acquisition - \$369k
- Appraisal for Oversight Board
- Norm's Parking Covenant



## Staff Recommendation

1. Authorization to negotiate an agreement with Santa Fe Holdings, LLC for the sale and disposition of a certain parcel located within the lands designated as the Santa Fe Trail Holdings Project; and
2. For Santa Fe Holdings, LLC to assist in the appraisal costs associated with the eventual disposition of former said parcel in an amount not to exceed \$2,500





**CITY OF EL MONTE**  
ECONOMIC DEVELOPMENT DEPARTMENT

**Damien Arrula,**  
Economic Development  
Director

**Minh Thai,**  
Assistant Economic  
Development Director

July 27, 2012

Ana J. Matosantos  
Finance Director  
Department of Finance  
915 L Street  
Sacramento, CA 95814

Dear Ms. Matosantos,

The City of El Monte has been made aware of the recent legislation requirements associated with Senate Bill 1484. Among other things, pursuant to Health & Safety Code section 34176 (a) (2), SB 1484 requires the successor to housing assets and functions ("Housing Successor") of a dissolved redevelopment agency to submit a list of housing assets to the State Department of Finance (DOF) by August 1, 2012. The list should include all housing assets received by the Housing Successor after February 1, 2012 until the date the list is prepared.

The decision to dissolve Redevelopment Agencies throughout the State and the subsequent decision by the County of Los Angeles to withhold all tax increment funding has forced the City of El Monte to significantly reduce our resources and staffing levels, at a time when many new reports and requirements are being asked of the City, including administration associated with staffing an oversight board. This increase in demand for additional reports and meetings on one hand while substantially reducing resources on the other, has presented significant challenges for the City to meet the requirements of SB 1484 and its predecessor ABX1 26.

We are making every attempt to put together this information based upon our resources; however we are respectfully asking for a one (1) month extension to September 1, 2012 in order to provide the required list of housing assets. Thank you for your consideration and understanding. Should you have any questions or concerns, please do not hesitate to contact me at (626) 580-2248.

Sincerely,

Damien R. Arrula  
Economic Development Director

c: City Council, Oversight Board & Special Legal Counsel, City Management, Finance Director