

AGENDA
OVERSIGHT BOARD MEETING
FONTANA REDEVELOPMENT SUCCESSOR AGENCY

FRIDAY, APRIL 4, 2014
8:00 A.M.

Fontana City Hall
Executive Conference Room
8353 Sierra Avenue
Fontana, CA 92335

EVELYNE SSENKOLOTO, Chair
City of Fontana
Employee Appointment

ACQUANETTA WARREN, Vice-Chair
City of Fontana
Mayor Appointment

SUSAN KILLIAN
Fontana Unified School District
County Superintendent of Education Appointment

DR. ERIC BISHOP
Chaffey College District
Chaffey College Appointment

LAURA A. MANCHA
County of San Bernardino
Board of Supervisors Appointment
Public Member Appointment

KATHRYN BRANN
County of San Bernardino
Board of Supervisors Appointment

JOHN B. ROBERTS
City of Fontana
Fontana Fire Protection District Appointment

In compliance with the Americans with Disabilities Act, the City of Fontana is wheelchair accessible. If other special Assistance is required, please contact the Fontana City Clerk's Office (909-350-7602) 48 hours prior to the scheduled meeting so the Oversight Board can make reasonable arrangements.

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FRIDAY, APRIL 4, 2014
8:00 A.M.

This meeting will take place in the Fontana City Hall – Executive Conference Room located at 8353 Sierra Avenue, Fontana, CA 92335

Welcome to a meeting of the Oversight Board – Fontana Redevelopment Successor Agency. A complete agenda packet is located on the table in the Executive Conference Room. To address the Board, please fill out a card located at the entrance indicating your desire to speak on either a specific agenda item or under Public Communications and give it to the Recording Secretary. Your name will be called when it is your turn to speak. In compliance with Americans with Disabilities Act, the Executive Conference Room is wheel chair accessible.

Traducción en Español disponible a petición. Favor de notificar al Departamento “City Clerk”. Para mayor información, favor de marcar el número (909) 350-7602.

CALL TO ORDER/ROLL CALL:

PUBLIC COMMUNICATIONS:

This is an opportunity for citizens to speak for up to five minutes on items not on the agenda, but within the Oversight Board's jurisdiction. The Board is prohibited by law from discussing or taking immediate action on non-agendized items.

ITEMS (A-D):

- A. Approval of Minutes from February 21, 2014 Fontana Oversight Board Meeting
- B. (1) Resolution Approving Proposed Revisions to the Long-Range Property Management Plan (LRPMP);
 - (2) Determine that this action is exempt from the California Environmental Quality Act and direct staff to file a Notice of Exemption
- C. Overview of the Property Disposition Process
- D. Staff/Board Member Communication

ADJOURNMENT:

Next Meeting: The next Oversight Board meeting is scheduled for Friday, August 8, 2014, at 9:00 a.m. in the Fontana City Hall, Executive Conference Room located at 8353 Sierra Avenue, Fontana, CA 92335.

**MINUTES OF THE OVERSIGHT BOARD
FONTANA REDEVELOPMENT SUCCESSOR AGENCY
FRIDAY, FEBRUARY 21, 2014**

CALL TO ORDER/ROLL CALL:

The Meeting of the Oversight Board, Fontana Redevelopment Successor Agency, was called to order at 9:20 a.m., which was held on Friday, February 21, 2014, in the Fontana City Hall, Executive Conference Room, 8353 Sierra Avenue, Fontana, California.

OSB Members Present: Chair Evelyne Ssenkoloto, OSB Members Dr. Eric Bishop, John Roberts and Laura Mancha. OSB Members Absent: Vice-Chair Acquanetta Warren, OSB Members Kathryn Brann and Susan Killian.

OSB Staff Present: David Edgar, Deputy City Manager, Administrative Services; Cecilia Lopez-Henderson, Deputy City Clerk; Lisa Strong, Management Services Director; and Gerardo Rojas, Administrative Clerk.

PUBLIC COMMUNICATIONS: There were no public communications received.

A. APPROVAL OF MINUTES FROM SEPTEMBER 20, 2013 FONTANA OVERSIGHT BOARD MEETING

Ken Hunt, City Manager, noted the receipt of an email from the Western Center on Law and Poverty on February 20, 2014, objecting to the Recognized Obligation Payment Schedule (ROPS). City Manager Hunt stated that the email was identical to a previously received transmittal.

ACTION: Motion was made by OSB Member Bishop and seconded by OSB Member Roberts to approve the September 20, 2013 Minutes of the Oversight Board Meeting, Fontana Redevelopment Successor Agency. Motion passed by vote of Ayes: 3 (Chair Ssenkoloto, and OSB Members Bishop and Roberts); Noes: 0; Absent: 3 (Vice-Chair Warren, and OSB Members Brann and Killian), Abstain: 1 (OSB Member Mancha).

B. (1) RESOLUTION APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 14-15A) FOR JULY 1, 2014 THOUGH DECEMBER 31, 2014; AND (2) DETERMINE THAT THIS ACTION IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND DIRECT STAFF TO FILE A NOTICE OF EXEMPTION.

Lisa Strong, Management Services Director, presented a staff report on the Recognized Obligation Payment Schedule (ROPS 14-15A). Mrs. Strong provided an overview of the items contained in the report and the process that followed its preparation, including the submittal to the California Department of Finance (DOF). She noted that the report contained information on payments and debt service related costs. She also noted that she had a conversation with the DOF about the previously submitted ROPS and had since incorporated changes and suggestions they had for any subsequently submitted reports.

ACTION: Motion was made by OSB Member Roberts and seconded by OSB Member Bishop to adopt FOB Resolution No. 2014-01 approving the Recognized Obligation Payment Schedule (ROPS 14-15A) and determined that this action is exempt from the California Environmental Quality Act and direct staff to file a Notice of Exemption. Motion passed by vote of Ayes: 4 (Chair Ssenkoloto, and OSB Members Roberts, Bishop, and Mancha); Noes: 0; Absent: 3 (Vice-Chair Warren, and OSB Members Brann and Killian).

C. UPDATE ON THE LONG-RANGE PROPERTY MANGEMENT PLAN (LRPMP)

David Edgar, Deputy City Manager, provided an update on the Long Range Property Management Plan (LRPMP). Mr. Edgar noted that since its submittal, the City had provided property information updates to the Department of Finance (DOF) in June, July, and August, 2013. The DOF provided the City with correspondence detailing the areas that were of concern regarding the LRPMP as follows: 1) Where the properties were to be transferred to; and 2) Additional information on select properties was needed. He noted that the LRPMP was on hold until the points of concern related to the select properties were resolved. Mr. Edgar highlighted the 12 properties that were mentioned by the DOF and the reasons were as follows:

1. #106 Parking Lot – Human Resources Building
 - Not Exclusively “Government Use”
 - Option – “Sale Property”
2. Southern California Edison Easement Properties
 - Not “Government Use”
 - Option – Justify as “Open Space”
3. #48 Parking Lot – Downtown Restaurant Building
 - Not “Government Use”
 - Serve Downtown Businesses
 - Option - “Sale Property”
4. #43 & #44 – Center Stage Theater

- Not "Government Use"
- Professional Theater
- Provide additional information to justify this as a "Community Theater"

5. #103 – Remnant Parcel - Lytle Creek & Duncan Canyon Road

- Not "Government Use"
- Option – "Sale Property"

6. #82 & #113 – Fly Habitat Property

- Not "Government Use"
- Provide information specifically identifying these parcels within the habitat conservation area

7. #88 – Chaffey College (Vacant Land)

- Cannot Transfer Property to a third party - for future development
- Option #1 – Transfer to City – Future Development
- Issue – Compensation Agreement – Taxing Entities (Property Value)
- Option #2 – "Sale Property"

8. #20 - #21 - #22 - #29 – #30 – #100

- Fite Development
- Six (6) Parcels - Vacant Land
- "Issue" - No Compensation Agreement currently in place – Existing Taxing Entities (Property Values)
- Option #1 – Execute Compensation Agreement
- Option #2 – "Sale Property"

9. Southridge Hillside Fire Road & Open Space Properties

- Not "Government Use"
- Option – Justify as "Open Space"
- Map Identifying Land Use and Property

10. Sale Properties

- Downtown restaurant – Westech – Walnut Village – Auto Mall – Sport's Park
- Need Additional Documentation
- Purchase Price – Use of "Sale" Proceeds - Estimated "Sale" Value

11. #104 – Enforceable Obligation – Westech College

- Need Additional Documentation
- Use of "Sale" Proceeds - Estimated "Sale" Value

12.#99 – Enforceable Obligation – Hilton Garden Inn

- Need Additional Documentation
 - A.) Resolutions – Amended DDA
Successor Agency & Oversight Board
 - B.) Use of “Sale” Proceeds -
Estimated “Sale” Value

Mr. Edgar concluded his presentation by highlighting upcoming key target dates as follows:

- March 25, 2014: Present the Fontana Redevelopment Successor Agency with the LRPMP, highlighting the noted changes;
- April 4, 2014: Present the Oversight Board with the LRPMP;
- April 4, 2014: Review the sale process and assess when the City will start presenting properties to the Oversight Board;
- April 7, 2014: Send LRPMP to the Department of Finance;
- Mid April, 2014: Receive determination letter from the DOF that will allow the City to proceed with the sale of properties.

D. STAFF/BOARD MEMBER COMMUNICATION

There were no other comments received from the OSB Members.

ADJOURNMENT:

Chairperson Ssenkoloto announced that the next Fontana Oversight Board Meeting was to be held on April 4, 2014 at 8:00 a.m. The OSB Meeting was adjourned at 9:44 a.m.

John Roberts
Secretary

Evelyne Ssenkoloto
Chairperson

**OVERSIGHT BOARD ACTION REPORT
FONTANA REDEVELOPMENT SUCCESSOR AGENCY
APRIL 4, 2014**

FROM: Housing and Business Development

SUBJECT: Long-Range Property Management Plan (LRPMP)

RECOMMENDATION:

- 1) Adopt Resolution No._____ Approving Changes to the Long-Range Property Management Plan (LRPMP) and Confirming the Intended Use of Sale Proceeds for Properties Owned by the Former Fontana Redevelopment Agency and Authorize the City Manager to Execute any Documents Necessary or Appropriate to Implement said Plan;
- 2) Determine that this action is exempt from the California Environmental Quality Act and direct staff to file a Notice of Exemption.

DISCUSSION:

As required by AB 1484 the Successor Agency to the Fontana Redevelopment Agency prepared a Long-Range Property Management Plan (LRPMP). The LRPMP addresses the disposition and intended future use of all real property owned by the former Fontana Redevelopment Agency (pursuant to § 34191.5(a).).

The Long-Range Property Management Plan includes the following specific items and elements:

- 1.) A detailed and comprehensive inventory of all properties held by the former Fontana Redevelopment Agency (pursuant to § 34191.5(c)(1)).
- 2.) Information on the intended disposition and future use of all properties held by the former Fontana Redevelopment Agency (pursuant to §34191.5(c)(2)).

The Successor Agency LRPMP addresses the transfer, disposition and future use of one-hundred sixteen (116) properties previously owned by the former Fontana Redevelopment Agency.

The LRPMP was presented and approved by the Successor Agency on May 28th, 2013 and by the Fontana Oversight Board on June 14th, 2013.

The LRPMP was subsequently submitted to the Department of Finance (DOF) for their review on June 18th, 2013.

Since submittal, the Department of Finance has requested additional information on a number of properties contained within the LRPMP. As a final component to their review process, DOF recently provided information on the LRPMP properties that have deemed to be "denied".

Specifically, DOF is denying the proposed transfer of selected properties for "Government Purpose", because those property transfers do not meet certain requirements and/or criteria established under the law. The specific properties being "denied" by DOF include the following;

- LRPMP Property #48 - APN #019215122
Downtown Restaurant Parking Lot
- LRPMP Property #103 – APN #022607547
Remnant Property – Duncan Canyon
- LRPMP Property #88 – APN #019315119
Future development – Chaffey College
- LRPMP Properties #20-22, 29-30 & 100 – APN #022830106-108,
#022830102-103 & #022830152
Future development – Fite Development
- LRPMP Properties #60, 63, 65, 68-69, 72-75, 78-80 & 83
Southern California Edison (SCE) Easement

Based upon the requirements established by DOF we are recommending that these properties be offered for sale and be re-classified as "sale property" within the LRPMP.

In addition, based upon information received from DOF, staff is recommending one additional change to the LRPMP.

- LRPMP Property #54 – APN #019313114
Transfer of property – Fontana Housing Authority

With respect to this property, the proposed change is to identify the Fontana Housing Authority as the designated ownership entity (as opposed to the City of Fontana). This change is consistent with the prior transfer of multi-family housing assets to the Fontana Housing Authority.

As it relates to "sale properties", the Department of Finance is also requesting that the Fontana Oversight Board confirm the use and distribution of sale proceeds achieved through the LRPMP. To that end, the Fontana Oversight Board is not asserting any rights or making any claims regarding the retention or use of sale proceeds from any property within the LRPMP (other than those costs/expenses directly related to the sale). Therefore, following the sale of any property contained within the LRPMP, all of the net sale proceeds will be submitted to the County of San Bernardino Auditor-

Oversight Board Action Report
April 4, 2014

Controller's Office ("Auditor's Office") for disbursement to the affected taxing entities.

The delivery of sale proceeds to the County of San Bernardino for distribution to affected taxing entities is consistent with the purpose and intent of the redevelopment dissolution laws.

On Tuesday, March 25, 2014, the Fontana Successor Agency unanimously adopted Resolution SAR 2014-002 approving the proposed changes to the LRPMP.

Adoption of the attached Resolution and approval of these changes to the LRPMP by the Fontana Oversight Board will facilitate approval of the LRPMP by DOF and the transfer and disposition of properties previously owned by the former Fontana Redevelopment Agency in compliance with AB 1484.

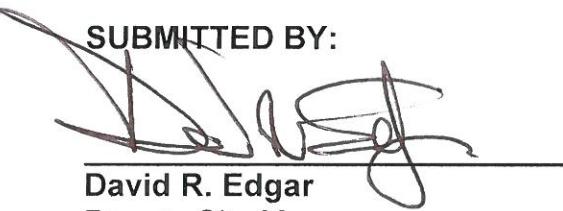
FISCAL IMPACT:

None.

MOTION:

Accept staff recommendation.

SUBMITTED BY:



David R. Edgar
Deputy City Manager

APPROVED BY:



Kenneth R. Hunt
City Manager

Attachments: Fontana Oversight Board Resolution

RESOLUTION NO. FOB 2014-_____

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FONTANA REDEVELOPMENT AGENCY APPROVING AND ADOPTING A REVISED LONG-RANGE PROPERTY MANAGEMENT PLAN, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5, IN RESPONSE TO STATE OF CALIFORNIA DEPARTMENT OF FINANCE REQUESTS.

WHEREAS, pursuant to Health and Safety Code section 34173(g), the Successor Agency to the Fontana Redevelopment Agency ("Successor Agency") is a public body, corporate and politic, separate and distinct from the City of Fontana; and

WHEREAS, the Oversight Board for the Successor Agency ("Oversight Board") was established pursuant to Health and Safety Code Section 34179(a); and

WHEREAS, Health and Safety Code Section 34191.5(b) requires the Successor Agency to prepare a "long-range property management plan" ("LRPMP") addressing the future disposition and use of all real property of the former Fontana Redevelopment Agency; and

WHEREAS, Health and Safety Code Section 34191.5(b) also requires the Successor Agency to submit the LRPMP to the Oversight Board and the State of California Department of Finance ("DOF") for review and approval no later than six months following the issuance to the Successor Agency of a finding of completion pursuant to Health and Safety Code Section 34179.7; and

WHEREAS, the Successor Agency prepared an LRPMP containing all of the information required by Health and Safety Code Section 34191.5 that was approved by the Oversight Board and submitted to DOF for review and approval, all in accordance with applicable law; and

WHEREAS, DOF objected to the classification of certain real property in the LRPMP; and

WHEREAS, the Successor Agency prepared and approved revisions to its LRPMP re-classifying these properties as requested by DOF and has submitted such LRPMP revisions to the Oversight Board for review and approval;

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FONTANA REDEVELOPMENT AGENCY DOES HEREBY FIND AND RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. CEQA Compliance. The approval of the LRPMP through this Resolution does not commit the Oversight Board to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act ("CEQA"). The Oversight Board Secretary is authorized to file a Notice of Exemption in accordance with CEQA with the appropriate official of the County of San Bernardino, California, within five (5) days following the date of adoption of this Resolution.

Section 3. Approval of Revisions to the LRPMP. The Oversight Board hereby approves the following described revisions to the LRPMP:

Property No. 54 (APN 0193131140000), Option House, is re-classified from "Governmental Use" to "housing asset," pursuant to Health and Safety Code Section 34176(e), and will be transferred to the Fontana Housing Authority;

Property No. 48 (APN 0192151220000), Parking Lot-Downtown Restaurant, is re-classified from "Governmental Use" to "Sale of Property";

Property No. 103 (APN 0226075470000), Remnant Parcel-Duncan Canyon, is re-classified from "Governmental Use" to "Sale of Property";

Property No. 88 (APN 0193151190000), Chaffey College, is re-classified from "Future Development" to "Sale of Property"; and

Properties Nos. 20, 21, 22, 29, 30 and 100 (APNs 0228301060000, 0228301030000, 0228301020000, 0228301080000, 0228301070000 and 0228301520000), Fite Development, are re-classified from "Future Development" to "Sale of Property."

Section 4. Oversight Board Acknowledgment of Distribution of Net Sale Proceeds. Regarding all properties classified as "Fulfill Enforceable Obligation" or "Sale of Property" in the LRPMP (as revised by this Resolution), the Oversight Board acknowledges that the Successor Agency asserts no claim to the net proceeds from the sales of these properties, after deduction of the costs of sale, and that the Successor Agency intends to transmit such net sale proceeds to the County of San Bernardino Auditor-Controller for distribution to the affected taxing entities in accordance with applicable law.

Section 5. Transmittal of LRPMP. The Oversight Board Chairperson and the Successor Agency are hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the revised LRPMP, including submitting the revised LRPMP to DOF for review and approval and posting the revised LRPMP on the Successor Agency's website.

Section 6. Effectiveness. Pursuant to Health and Safety Code section 34179(h), all actions taken by the Oversight Board may be reviewed by DOF and,

Resolution No. FOB 2014-__

therefore, this Resolution shall become effective five (5) business days after the date of its adoption, except to the extent that a request for review of the actions taken in this Resolution is made by DOF.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Oversight Board for the Successor Agency to the Fontana Redevelopment Agency on the 4th day of April, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Evelyne Ssenkoloto, Chairperson
Oversight Board of the Successor Agency to
the Fontana Redevelopment Agency

ATTEST:

John Roberts, Secretary
Oversight Board of the Successor Agency to the
Fontana Redevelopment Agency

I, John Roberts, acting as the Secretary of the Oversight Board of the Successor Agency to the Fontana Redevelopment Agency, do hereby certify that the foregoing Resolution is the actual Resolution duly and regularly adopted by the Oversight Board of the Successor Agency to the Fontana Redevelopment Agency at a regular meeting on the 4th day of April, 2014.

John Roberts, Secretary
Oversight Board of the Successor Agency to the
Fontana Redevelopment Agency