

**COUNTY OF SAN DIEGO
COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD
REGULAR (TELECONFERENCE) MEETING**

August 18, 2022 10:00 A.M.

MINUTES

Attendance by Virtual Meeting made available

[Zoom Link:](#)

Phone Option: 1-669-900-9128; Webinar ID: 853 5567 5766

A. Call to Order at 10:02 a.m.

B. Roll Call

PRESENT: Board Members: Brian Hagerty, Mark Baker, Scott Buxbaum and Bonnie Dowd

Other Attendees: Claire Lai, Attorney at Law, Max Endoso, Principal Admin Analyst

City of Chula Vista: Nicole Remiker, Fiscal & Management Analyst and Eric Crockett, Deputy City Manager

City of National City: Janel Pehau, Budget/Finance Analyst and Pedro Garcia, Economic Development Manager

City of Santee: Tim McDermott, Director of Finance/Treasurer, Pamela White, Economic Development Manager and Heather Jennings, Finance Manager

C. Pledge of Allegiance

D. Approval of Statement of Proceedings / Minutes of July 21, 2022

On motion of Board Member Dowd and seconded by Baker, THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD approved the minutes of the July 21, 2022 meeting. *Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting.* **Motion passed.**

AYES: Hagerty, Baker, Buxbaum and Dowd

E. Formation of Consent Calendar

Items to which no opposition has been expressed by the public or this body may be placed on the Consent Calendar to be voted on without discussion.

No items were placed on the consent calendar.

F. Public Communication Speakers: Members of the public may address the Oversight Board on subject matters within the Board's jurisdiction, but not an item on this agenda.

Supporting documentation and attachments for items listed on this agenda can be viewed online at <http://www.sdcounty.ca.gov/community/san-diego-county-oversight-board.html> or in the Health & Human Services Agency's Financial & Support Services Division, 1255 Imperial Avenue, 6th Floor, San Diego, CA 92101.

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Comments for items on this agenda will be taken as each item comes up. Each speaker is limited to three minutes. *No comments were received by the Board or were presented at the meeting.*

G. Discussion Item(s)

1. Receive Responses from the cities of Chula Vista, National City and Santee on the Oversight Board's questions regarding specific items on their Long Range Property Management Plans and potential related discussion by the Board

Chair Hagerty read the Oversight Board's questions for each city, asked the city representatives to provide more background/context and opened up the discussion to the Board, a summary of which is provided here:

Chula Vista

Oversight Board's Questions:

When was the last attempt to sell these properties? What were the results?

When is the next attempt to sell these properties and could you provide status on where you are in the process? If you are doing something different from the last attempt, please provide more context.

Eric Crockett, Deputy City Manager, provided background, a summary of which is provided here.

The City of Chula Vista for 3 1/2 years have been in the preparation of an updated parking study in the 3rd Ave District. The properties represent three small parcels of a larger parking lot adjacent to a commercial, some commercial businesses. The parking study should be done by September and will be presented to the City Council. Based on the results of the parking study, The City of Chula Vista would then look to dispose of those properties based on their appraised value, probably early 2023.

Chair Hagerty asked Mr. Crockett to confirm that item 17 parcel on 311 F Street, 0.14 lot size, is not owned by the Chula Vista Successor Agency as indicated on their Long Range Property Management Plan (LRPMP). Mr. Crockett confirmed and added that it's actually a building, not a lot and he does not know how it was included in the LRPMP. Chair Hagerty asked Mr. Crockett if he has been in contact with the State before regarding this property since this went through state approval and if there was discussion about it. Mr. Crockett responded that he has not contacted the State. He also added that after the City of Chula Vista disposed of the majority of the property in the last five years. With COVID workload these couple of remnant parcels just hasn't been high on his list.

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Member Baker provided an observation the property values have dropped so precipitously since they were acquired and asked if the loss in value is a result of how the parking structure development occurred. Mr. Crocket responded that the city bought the properties as improved lots with buildings on them that were removed and today, they are in essence vacant or parking lots. The improved value is no longer there. It's just really a land value. Mr. Crockett added that these values in this long range property management plan have not been updated for quite some time. He is assuming the value to be higher than what's represented in their long range property management plan based on current appraisals and on other appraisals they have done around town but nothing like they bought it as an improved property.

City of National City

Oversight Board's Questions:

Is the Environmental Impact Report (EIR) being drafted? If so, when do you expect to receive it?

If the EIR is not being drafted, have you considered any other options, like selling or transferring the properties to National City? If so, please provide status on details on the plan.

Janel Pehau, Budget/Finance Analyst and Pedro Garcia, Economic Development Manager provided background, a summary of which is provided here.

Mr. Garcia stated that he is sitting in for Brad Ralston, City Manager, today and he believed that the EIR is currently being drafted. Ms. Pehau added that these properties are adjacent to the Port Authorities jurisdictions, and they've been included in a larger EIR for use of the property along the waterfront, like from the Navy south and rather than do these separately, they're being included in what's called a balanced plan EIR. The EIR is expected to be certified in October and then it will go to the Coastal Commission. There have to be some zoning changes and then beyond that, obviously then developing some kind of an RFP to attract developers to the to the sites and that probably won't happen till around 2024.

Chair Hagerty asked if other members have any follow up questions and commented that if things continue to move forward, it sounded like a lot of layers of approval as we're accustomed to Coastal Commission especially and that it could be two years from now before serious development considerations for these properties.

City of Santee

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Oversight Board's Questions:

When was the last attempt to sell these properties? What were the results?

When is the next attempt to sell these properties and could you provide status on where you are in the process? If you are doing something different from the last attempt, please provide more context.

Pamela White, Economic Development Manager, provided background, a summary of which is provided here.

Ms. White prefaced her remarks by explaining that the properties in question were remnant parcels from a Forester Creek channelization project. The remnant parcels that transferred over to the agency are impacted by a very hilly terrain and boulders. Their best opportunity to maximize development of this property was to join with the property owner directly adjacent, who also have a similar hillside terrain and boulder scenario and combined it's four acres and they have been interested in selling.

However, during the COVID period this long time older property owner basically was not taking meetings and they simply couldn't get momentum going and then post COVID they have been working with various developer interest and also the realtor for the adjacent property owner that just listed the property again this spring. They actually have at least two interested parties for both the adjacent properties and theirs, and because again the configuration of the property, it really wouldn't be of maximum development potential until both parcels are acquired to maximize whatever acreage is developed on those sides. This is what they are pursuing currently.

Chair Hagerty commented that it sounded like some progress is being made after the COVID slowdown and asked if other members have any questions about the materials that have been provided. He also asked what the thoroughfare south of the red in the map provided. Ms. White responded that is an access road to service the creek channel. The vegetated dry creek channel is inundated during storm periods.

Chair Hagerty also asked if that is Mission Gorge just north of it, maybe 52, just South of it. Ms. White confirmed that it is and added that the Sprouts marketplace shopping center is just east of a back Creek bed and such the Walgreens and development across, and the nearest cross street is Carlton Hills Boulevard.

Chair Hagerty stated that it sounded like we might have some movement on these properties. He also thanked the Santee staff for showing up today and for giving us that explanation and asked other board members for any questions.

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Member Dowd, using the Chula Vista property values going down from \$300,000 to less than \$50,000 as an example, asked if it is possible for a county or city to donate the property and get some sort of tax relief. She also asked what happens to the property if the value goes down by \$50,000, do the cities keep the properties in their books forever?

Chair Hagerty responded that he does not know if that's possible or not. The problem he sees with a lot of these parcels is that they're either on their own or where they're positioned and so forth. He added that a city could end up donating it to a nonprofit or something like that that's not able to do much with it anyway. He defers to Counsel to comment. He does not think it's expressly prohibited.

Member Baker stated that a similar scenario happened in Lakeside Fire Protection District when they bought several parcels to build a fire station and administration facility. They had to remove a couple of residences and when the project was all done, they ended up with remnant parcels with a vacant land and that's what it sounds like happened in National City. The land has no value to the project anymore unless they made a park out of it or landscape park. It's also an irregular shape or irregular size, so value goes down and it is a challenge for National City now.

Member Dowd asked again if the cities need to keep these properties forever or are if there are other options. She also added that people are working on these properties and resources are being used for something that maybe has no value to the city.

Ms. Lai responded to Member Dowd's question regarding donating a property and that it should be in accordance with the plan that's being proposed. She also added that it probably depends on what the underlying surfaces terms of a donation because the Oversight Board has to look if the donation was for public purpose, the purpose of the transaction, and there's some restriction with respect to disposing of land if it only benefits one organization or one entity.

Chair Hagerty added that the recipient of the land would need to consider a lot of factors: Is this going to increase my liability? Is this going to be an attractive nuisance? Am I going to have to maintain it? Is there pollution involved here? Do we have some hazardous substances? He also added that, under the dissolution law, the idea is for these parcels to end up somewhere where they're being taken care of properly and that if the land is given back or, in some cases you'll have a compensation agreement drafted and the proceeds distributed among the affected taxing entities and ownership will formally go to the government to which it was given. In terms of the Oversight Board's jurisdiction, if the property was listed for sale and a city has tried to sell but was not

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able to, ultimately maybe the next option would be to transfer to the government in that area. And if that were the case, the State has said amendments to the long range property management plans are not even legislatively under their jurisdiction. So, the State essentially said they can't legally authorize the change of the long range property management plan. But then again, the State can legally prohibit someone from switching something from sale to government use if there's no other options available.

Member Baker asked if the Board has any power to force a successor agency to transfer the property for government use if they are unable to sell it. Chair Hagerty deferred to Counsel with regard to the authority that the oversight Board has to force a successor agency in this matter.

Ms. Lai responded that she thinks that the Board can certainly make such observations and recommendations to a successor agency for properties to move forward but ultimately once the LRPMP has been approved, the administrations of it is really, down to the local agency.

Member Dowd thanked Chair Hagerty for arranging to have representatives from City of Chula Vista, City of National City and City of Santee be present during the meeting because it's good for them to know and for the public to know that the Board ask the right questions and that we're just not rubber stamping.

2. Special Teleconferencing Rule specified under AB 361

Chair Hagerty provided background and opened up the discussion to the Board, a summary of which is provided here:

Virtual meeting continues to be something that I think many local agencies are continuing forward with to pass resolutions to continue their meetings via teleconference virtually and still making it available to the public which is what we're doing as well.

Member Dowd asked if the September 15th meeting is within the 30-day time period. Chair Hagerty confirmed that it is, and the Board does not need to have another meeting before September 15.

H. Action Item(s)

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1. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD AUTHORIZING SPECIAL TELECONFERENCING RULE UNDER AB 361 PURSUANT TO GOVERNMENT CODE SECTION 54953 FOR THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD

2.

On motion of Board Member Dowd and seconded by Baker, THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD adopted A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD AUTHORIZING SPECIAL TELECONFERENCING RULE UNDER AB 361 PURSUANT TO GOVERNMENT CODE SECTION 54953 FOR THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD. *Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting.* **Motion passed.**

AYES: Hagerty, Baker, Buxbaum and Dowd

- I. Communications Received. There were no other public communications received.
- J. Future Agenda Item(s): Special Liability Insurance Policy renewal, Code of Conduct review, Special Teleconferencing Rule specified under AB 361
- K. Set Future Meeting Date(s): September 15, 2022 10:00 a.m., October 13, 2022 9:00 a.m., October 20, 2022 10:00 a.m., November 17, 2022 10:00 a.m.
- L. Adjournment at 10:46 a.m.

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