

**MINUTES OF THE SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT COMMISSION/REDEVELOPMENT
AGENCY OF THE CITY OF SANTA FE SPRINGS**

AUGUST 14, 2013

1. CALL TO ORDER

The meeting was called to order at 4:30 p.m. by Vice Chair Anderson.

2. ROLL CALL

Present: Board Members Foley, González, and Nguyen, Vice Chair Anderson, Oversight Board Counsel Peter Wallin, and Board Clerk Anita Jimenez

Absent: Board Members Delawalla and Stone, Chair Caton

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Vice Chair Anderson.

4. CONSENT AGENDA

Approval of Minutes

A. Minutes of the May 29, 2013 Special Oversight Board Meeting

Recommendation: That the Oversight Board approve the minutes as submitted.

Board Member Foley moved the approval of Item 4A; Board Member Gonzalez seconded the motion which passed unanimously.

NEW BUSINESS

5. Resolution OB-2013-017 – Approving an Exclusive Sales Listing Agreement between the Successor Agency and CB Richard Ellis

Recommendation: That the Oversight Board adopt Resolution OB-2013-017 authorizing an Exclusive Sales Listing Agreement between the Successor Agency and CB Richard Ellis.

The City Attorney referred to a photo of the two properties that are the subject of the agreement. The former CDC purchased 63.5 acres from a bank out of bankruptcy with Redevelopment funds. The CDC subsequently entered an agreement with McGranahan/Carlson as the realtor of the properties in which the CDC would retain 60% of the profit of the sales and McGranahan/Carlson would retain 40% of the profit. All of the other properties have been sold with the exception of the two existing properties. These properties have been difficult to sell due to the active oil wells on the properties and the access rights of the oil

drillers – BreitBurn Energy. Breitburn must agree to the proposed development on the properties. In 2008, the CDC entered into a Settlement Agreement with BreitBurn and two MC&C entities which would result in the conveyance to BreitBurn of the “Tank Farm,” which is integral in the oil production process in Santa Fe Springs and is owned by an entity owned by McGranahan/Carlson. In return, BreitBurn agreed to consider relaxing its easements on the subject properties. In early 2011 the parties extended the deadline for performance of all components of the Settlement Agreement to Feb. 28, 2015. The Successor Agency was recently approached by McGranahan/Carlson to sell the properties now because it is a good time in the real estate market. The Successor Agency first needs to get a Finding of Completion from the State Dept. of Finance before any sales can take place. If the sale of property does occur, the taxing entities will not get all the proceeds of the sale due to the Settlement Agreement, but they will get more than if the property were sold as a “Fire Sale.” The Successor Agency views its agreement with MC&C as an existing enforceable obligation. This is also the best opportunity to get a revenue-producing development at this site.

Board Member Foley asked why BreitBurn would not be cooperative.

The City Attorney stated that they may be, but the State may not allow the time extension which would not allow McGranahan/Carlson to get what they expected.

Vice Chair Anderson asked if BreitBurn is anxious to buy the Tank Farm.

The City Attorney stated that BreitBurn presently uses the Tank Farm as a tenant, but that BreitBurn would prefer to own the property.

Vice Chair Anderson stated that it sounded like no one would win if the deal falls apart.

The City Attorney stated that the CDC was unable to sell the property for 20 years.

Board Member Foley asked why the Board was not given the Commission Schedule referred to in the second paragraph of the Sales Listing Agreement.

The City Manager stated that this document had been inadvertently left out and provided copies to the Board.

Board Member Gonzalez moved to approve Item 5; Board Member Nguyen seconded the motion which passed by the following roll call vote:

Ayes: Board Members Foley, González, Nguyen, and Vice Chair Anderson

Noes: None

Absent: Board Members Delawalla, and Stone, and Chair Caton

6. ORAL COMMUNICATIONS

Oral Communications were opened at 5:10 p.m. There being no one wishing to speak, Oral Communications were closed.

8. ADJOURNMENT

At 5:11 p.m., Vice Chair Anderson adjourned the meeting.

/s/ Leighton Anderson
Leighton Anderson
Oversight Board Vice Chair

ATTEST:

/s/ Anita Jimenez
Oversight Board Clerk

September 11, 2013
Date