

**OVERSIGHT BOARD  
FOR THE SOUTH TAHOE REDEVELOPMENT SUCCESSOR AGENCY  
SPECIAL MEETING MINUTES  
Friday, December 14, 2012, 2:00 p.m.  
City Council Chambers  
1901 Airport Rd.,  
South Lake Tahoe, California 96150**

*NOTE: The Minutes represent a summary of the public communications, staff reports and actions taken at the December 14, 2012, meeting. Complete Board member discussion on agenda items are kept on audio tape per the City's record retention policy and detail on agenda items can be reviewed in the staff reports contained in the agenda packet which is kept on file in the City Clerk's department as permanent record or on the City's website at <http://www.cityofslt.us>*

**CALL TO ORDER/PLEDGE OF ALLEGIANCE TO THE FLAG:**

At 2:00 p.m., Chair Cole called the meeting to order and led the pledge of allegiance to the flag.

**ROLL CALL:**

Present were Chair Cole, Board members Knight, Baugh, Kerry, Murillo & Vogelgesang. Absent was Board member Barber. Also present were City Attorney Enright and Assistant City Clerk Palazzo.

**PUBLIC COMMUNICATIONS:**

None

**NEW BUSINESS:**

- (a) **Consideration of Resolution Approving Purchase and Sale Agreement between the South Tahoe Redevelopment Successor Agency and Halferty Development Company, LLC for the Southwest Corner of Highway 50 and Ski Run Boulevard for \$799,000. (APNs 027-690-08 and 027-690-09)**

Board member Knight stated that he and Deb Howard, broker for the sale of the property, had communicated and he stated his satisfaction over the modified agreement.

City Attorney Enright outlined the modifications to the agreement as follows:

- Section 4A – clarified the date of approval or removal of objections to the preliminary title report to be on or before January 4, 2013
- Section 4B - Site Investigation Period not to exceed March 18, 2013
- Section 4C - Site Investigation Period and approvals by the applicable agencies
- Section D – added Development Approvals - the extension date is not later than May 15, 2013 and two 30 day extensions with deposit of \$10,000 each extension

At 2:10 p.m., Chair Cole asked if anyone in the audience wished to provide comment and noted the Oversight Board was charged with ensuring that the Successor Agency was receiving a fair market price for the property.

**NEW BUSINESS (a) (Continued):**

Board member Baugh inquired whether site investigation was defined in the agreement.

City Attorney Enright that is was defined within the agreement.

Chair Cole asked if any member of the public wished to comment. He stated the charge of the Oversight Board was to determine that the purchase agreement reflected the value of the property and it was the City and the Successor Agency's responsibility to discuss the use of the property once a building permit was received.

Assistant City Clerk Palazzo stated that the board had received five letters from the public and asked if the board wished those letters to be read into the record. She also noted they would be made part of the public record in the board packet.

Cole acknowledged that the board received the letters and noted that the topic was not Germane to the charge of the Oversight Board and therefore not necessary to read the letters.

**DJ Bicker**, citizen of South Lake Tahoe, stated it was inappropriate to sell the property to another drugstore company. He inquired what the procedure was to make the statement regarding what was proposed to be built.

Cole explained that it was not within the city's purview to decide what the buyer decided to build. The city was charged with making sure the playing field was level and the buyer would need to apply for building permits and the project would need to go before the Planning Commission for review and that would be the time to make comments regarding the project.

Mr. Bricker stated that this agreement implied that the buyer could build what they wanted to build.

Cole explained that the buyer had 90 days to investigate the site and to make an informed decision on whether he chose to close escrow on the property and confirmed that the time to take up the issue of what was to be built would be with the Planning Commission upon their review of the permit.

Enright noted that the proper environmental documents would also need to be approved.

Chair Cole closed the public comment at 2:16 p.m.

**IT WAS MOVED BY BOARD MEMBER KNIGHT AND SECONDED BY BOARD MEMBER MURILLO AND CARRIED AS FOLLOWS TO ADOPT THE AMENDED OVERSIGHT BOARD RESOLUTION 2012-12 APPROVING THE FIRST AMENDMENT TO THE PURCHASE AND SALE AGREEMENT AND THE SECOND ADDENDUM TO PURCHASE AND SALE AGREEMENT BETWEEN THE SOUTH TAHOE REDEVELOPMENT SUCCESSOR AGENCY AND HALFERTY DEVELOPMENT COMPANY, LLC FOR THE SOUTHWEST CORNER OF HIGHWAY 50 AND SKI RUN BOULEVARD FOR \$799,000**

**AYES: COLE, KNIGHT, BAUGH, KERRY, MURILLO & VOGELGESANG  
ABSENT: BARBER**

**NEW BUSINESS:**

- (b) **Discussion and Possible Direction/Action Regarding Meet and Confer Request Filed by the South Tahoe Redevelopment Successor Agency with the Department of Finance on the Due Diligence Review, the Recognized Obligation Payment Schedule (ROPS) and the Reassessment of the Chateau Properties**

Chair Cole noted that nothing had been received by the Department of Finance at this time and the board had tentatively scheduled a meeting for January 4, 2013. Cole offered that the city would pay for bond counsel to attend.

Board member Baugh expressed his desire to have bond counsel attend the meeting.

City Attorney Enright noted that Bob Gamble was the financial advisor on the bonds and Dave Palma was the bond counsel.

Baugh inquired whether the bond indentures were online and available for him to review prior to the meeting.

Board member Kerry noted that the documents were not online; however, bond counsel would provide all the excerpts from each document and would be able to answer the board's questions.

Baugh stated if practical he would like to read the documents prior to the meeting.

Kerry noted that bond counsel would prepare packet materials for the board's review prior to the meeting.

Baugh stated he would also like to review the reporting requirements for the bond documents.

Kerry stated she would speak with bond counsel and provide Baugh with the requested information.

Murillo questioned whether a response by the Department of Finance was due next week.

Kerry noted that a response was expected per statute by Monday.

Enright noted that the city was expecting the Due Diligence Review on the other funds excluding the Low and Moderate Income Housing Funds from the Auditor Controller by Monday. By statute the Oversight Board needed to receive, review and send their response by January 15<sup>th</sup> to the Department of Finance. He noted the Oversight Board needed to hold a public hearing to receive comment on the Due Diligence Review and at least 5 business days after the hearing the Oversight Board needed to meet to approve the Due Diligence Review.

Chair Cole asked if any member of the public wished to comment. No one appeared in order to be heard.

**NEW BUSINESS (b) (Continued):**

City Attorney Enright recommended the following meeting dates:

- January 4, 2013 – Take Public Comment on Due Diligence Review
- January 14, 2013 – Approval

Enright also noted the Successor Agency would review the Due Diligence Review on January 8<sup>th</sup> and would provide their comments.

Board member Knight stated that he did not want any misunderstandings between city staff and the County Auditor.

Kerry noted that discussion would take place on hiring staffing at the January 4<sup>th</sup> meeting as well.

Enright noted that the Department of Finance had until April 1, 2013 to respond to the Due Diligence Review report.

The board provided consensus for a meeting on January 14, 2013 at 2 p.m.

Board member Baugh noted he would be present for the meeting on January 4<sup>th</sup> and would be teleconferencing for the meeting of January 14<sup>th</sup>.

Chair Cole asked if any member of the public wished to comment. No one appeared in order to be heard.

**Oversight Board Member Announcements/Comments**

None

**Adjournment**

Chair Cole adjourned the meeting at 2:24 p.m.

Respectfully Submitted by:

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Ellen Palazzo  
Assistant Board Clerk

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Hal Cole, Chair