

MINUTES

Joint City Council/Redevelopment Agency Meeting
2212 Beach Boulevard
Pacifica, CA 94044

February 26, 2007

Chair DeJarnatt called the meeting to order.

Present: Members: Digre, Lancelle, Hinton, Vreeland, and DeJarnatt.
Excused: Members: None.

Staff Present: William C. Norton, Interim City Manager
Cecilia Quick, City Attorney
Maureen Lennon, Finance Director
Michael Crabtree, Planning Director
Van Ocampo, City Engineer
Kathy O'Connell, City Clerk

CONSENT CALENDAR:

1. Approval of Minutes from February 13, 2007 Joint City Council/Redevelopment Agency meeting.

Member Hinton moved approval of Minutes of Joint City Council/Redevelopment Agency meeting of February 13, 2007; seconded by Member Digre.

Member Digre stated that on page 2, "City's" should have been "cities." She also stated that, on page 4, she commented that ". . . it included a study and some detail on how the infrastructure was involved in all this, mentioning that housing became costly as time went by and how all that fit in" and she felt it was important to be more detailed and should be ". . . how they paid for the maintenance of the infrastructure over time."

ROLL CALL VOTE:

Ayes: Members: Digre, Lancelle, Hinton, Vreeland, and DeJarnatt.
Noes: Members: None.

Motion carried: 5-0.

2. Consider Scheduling RDA Study Session Regarding the Establishment of a Redevelopment Area West of Highway One.

Planning Director Crabtree presented the staff report.

Member Digre asked whether she missed mention of media posting when it talked about the list of posting locations.

Planning Director Crabtree responded that the notice was published in the *Tribune* three times, which was mentioned in the certificate of posting.

Member Digre asked if they were now doing an implementation for five years.

Planning Director Crabtree responded affirmatively.

Member Digre was uncomfortable, stating that they needed to be more cautious on how they get the word out. She asked if they could enlighten her about the possibilities for making changes and fleshing out goals within the five years.

Planning Director Crabtree asked for clarification on her question.

Member Digre stated that it was an explanation on how the goals, objectives, programs and expenditures would eliminate blight within the project area, etc., and she stated that she could not tell them what that meant.

Planning Director Crabtree stated that the plan addressed what plans were in place now to help alleviate blight in the various sub areas and the implementation plan addressed each of the sub areas, mentioning past and future projects. He added that the agency could do more than the mentioned projects in the plan, but the plan would guide the City in alleviating blight in the areas.

Member Digre asked who determined things such as something having inadequate access.

Planning Director Crabtree responded that the Council did, adding that, although they made the determination based on advice from staff, they ultimately made the decision.

Member Digre reiterated that, for the nitty gritty detail, the Council was able to determine those things.

Planning Director Crabtree responded affirmatively.

There were no public comments.

Member Vreeland asked if this was coming back to them because they were required to do it every five years.

Planning Director Crabtree responded affirmatively.

Member Vreeland reiterated that the state law required every redevelopment agency to go through the same process and recertify, and since things hadn't changed much, it was a status quo plan.

Planning Director Crabtree responded affirmatively.

Member Vreeland stated that some projects that alleviate blight had been the improved parking lot, restrooms and trails, etc., and other ongoing projects. He then asked how they captured the potential tax increment of the projects, mentioning Horizons and Nick's as the next large scale changes. He asked if they tried to anticipate what the potential revenue would be or waited until the plans were submitted.

Planning Director Crabtree stated that the Finance Director was present and would be able to give a more intelligent answer.

Finance Director Lennon stated that, while they might not take it into consideration in the five-year plan but annually, it was on the next item on the agenda showing the RDA financial report.

She stated that they were looking at a \$9 million increase in assessed value in the RDA because of the Nick's sale, quarry sale, and possibly Horizons.

Member Vreeland asked if the next item was where he saw the \$9 million.

Finance Director Lennon responded affirmatively.

Member Vreeland stated that he would hold off until that item.

Member Vreeland moved that the Redevelopment Agency **ADOPT** the attached resolution entitled, "Resolution of the Redevelopment Agency of the City of Pacifica Approving and Adopting the Implementation Plan for the Rockaway Beach Redevelopment Project;" seconded by Member Lancelle.

Member Lancelle referred to bullets on page 10, and asked why the item on promoting the reverse annuity mortgage program was something they would do.

Member Vreeland stated that it was only saying what the redevelopment law allowed them to do.

Member Lancelle asked if they would be promoting a reverse annuity mortgage program.

City Manager Norton stated that it was one of the things the Council could do if they decided they wanted to implement that on a particular project. He didn't think they would be looking at that currently.

Member Lancelle stated that she saw that as something that was each person's personal decision.

Member Vreeland asked if this was a boilerplate plan.

Planning Director Crabtree stated that it wasn't boilerplate, explaining that these were currently programs in the housing element. He stated that they weren't grabbing people, but if someone were to come to staff with an issue, the program could help certain individuals in certain situations. He stated that "promoting it" was to make them aware of it, not talk them into it.

Member Lancelle stated that the word "promote" threw her off.

Planning Director Crabtree stated that they had taken it from the housing element, but they were in the process of revising and they might be able to use a different word. He then asked clarification that the maker of the motion included the amendment that they pointed out in the beginning of the staff report.

Member Vreeland asked if he referred to page 4 with the additional number.

Planning Director Crabtree responded affirmatively.

ROLL CALL VOTE:

Ayes: Members: Digre, Lancelle, Hinton, Vreeland and DeJarnatt.

Noes: Members: None.

Motion carried: 5-0.

3. Pacifica Redevelopment Agency's Basic Financial Statements for Fiscal Year Ending June 30, 2006.

Finance Director Lennon presented the staff report.

Member Lancelle asked about the incremental assessed value growth and whether that was \$900,000 or \$90,000.

Finance Director Lennon stated that they were talking about \$90,000 or 1%.

Member Digre referred to page 14 about property tax revenues, and asked how long that took.

Finance Director Lennon stated that, after all debt was paid, the 1% gets redisbursed to the other taxing agencies.

Member Digre asked if they had an estimate on that.

Finance Director Lennon stated that at such point there was a \$5.5 million debt from the RDA to the General Fund and bonds issued for the \$1.725 million. At whatever point that the tax increment was healthy enough to repay the debt to the General Fund and the bonds was when the 1% would be redisbursed out.

There were no public comments.

Member Vreeland asked if the \$9 million increased the assessed value.

Finance Director Lennon responded affirmatively.

Member Vreeland stated that it increased their ability to get debt against that because the ceiling was raised \$9 million.

Finance Director Lennon responded affirmatively.

Member Vreeland asked on what the \$9 million was based.

Finance Director Lennon stated that she did not have that information, mentioning that the County didn't provide it to her, but stated that the Nick sale and quarry sale was the largest part of that.

Member Vreeland mentioned that the quarry was purchased for \$8 or \$9 million and Nick's for approximately the same.

Finance Director Lennon mentioned \$10 million.

Member Vreeland asked why the number was \$9 million instead of \$19 million.

Finance Director Lennon stated that the county was calling it \$9 million.

Member Vreeland asked if it was because they hadn't closed.

Finance Director Lennon stated that she didn't know if Nick's was closed yet.

Member Vreeland stated that they had heard that the quarry was valued at much more than the actual purchase price, but asked if it didn't impact the property assessment and whether those were his numbers by which we went.

Finance Director Lennon responded affirmatively.

Member Vreeland stated that, when private money redid Horizons or Nick's, then the redone projects would be evaluated and that would be put on the tax rolls and the tax increments would go up that much more.

Finance Director Lennon agreed, explaining that it was not just the sale of the property but was also what happened on the property after the sale as far as development went.

Member Vreeland asked how the public improvements increased the value of the redevelopment agency, such as all the new trails, bathrooms, etc., asking if it got into the evaluation of the project area.

City Manager Norton stated that he saw that as making the property around it more valuable and, as a result, the property sold for more money and then the assessed valuation goes up.

Member Vreeland stated that he knew they got it on the back end, and people's property values went up, but asked confirmation that they didn't get any public recognition of the public money invested to reduce the blight.

City Manager Norton stated that he was accurate.

Member Lancelle followed up by mentioning that they see infrastructure improvement in the Rockaway redevelopment area and increased value on the properties facing all the improvement, even though they were not assessed, but that the infrastructure improvements could be paid off with the increment funding. She thought it was nice to have an example to which they could point, and know that all the debts would be paid off because of the revenue stream.

Member Vreeland moved that the Redevelopment Agency **ACCEPT** and file the attached report, Pacifica Redevelopment Agency's Basic Financial Statements for Fiscal Year Ending June 30, 2006; seconded by Member Lancelle.

ROLL CALL VOTE:

Ayes: Members: Digre, Lancelle, Hinton, Vreeland, and DeJarnatt.

Noes: Members: None.

Motion carried: 5-0.

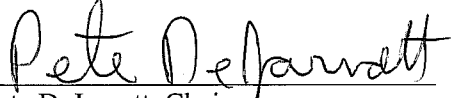
Chair DeJarnatt adjourned the Joint City Council/Redevelopment Agency meeting at 9:00 p.m.

Transcribed by Barbara Medina, Public Meeting Stenographer.

Respectfully submitted,

Kathy O'Connell, City Clerk

APPROVED: 3-0; 06/25/07 (Councilmembers Digre & Vreeland absent)


Pete DeJarnatt, Chair