

A G E N D A

Meeting of the
**Oversight Board for the
Successor Agency of the
Scotts Valley Redevelopment Agency**
1 Civic Center Drive
Scotts Valley, CA 95066
(831) 440-5600

Date: January 22, 2014

Time: 4:00 p.m.

MEETING LOCATION Scotts Valley City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066	POSTING The agenda was posted 1-17-14 at City Hall, Scotts Valley Senior Center, Scotts Valley Library and on the Internet at www.scottsvalley.org .
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OVERSIGHT BOARD MEMBERS Dene Bustichi, Scotts Valley City Council Rudy Cabigas, Scotts Valley Fire Protection District Vickie Clark, Scotts Valley Unified School District Jack Dilles, Scotts Valley Community Member Corrie Kates, City of Scotts Valley, Community Development Director/Deputy City Manager Bruce McPherson, Santa Cruz County Board of Supervisors Donna Ziel, Cabrillo Community College Governing Bd	SUCCESSOR AGENCY STAFF Steve Ando, Executive Director Tracy Ferrara, Secretary Kirsten Powell, Counsel Ken Anderson, Public Works Director Michelle Fodge, Senior Planner
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Agenda and Agenda Packet Materials: The Oversight Board for the Successor Agency of the Scotts Valley Redevelopment Agency agenda and the complete agenda packet are available for review by 5:00 pm, 72 hours prior to the meeting, on the Internet at the City's website: www.scottsvalley.org and in the lobby of City Hall at 1 Civic Center Drive, Scotts Valley, CA. Pursuant to Government Code §54957.5, materials related to an agenda item, submitted after distribution of the agenda packet, are available for public inspection in the lobby of City Hall during normal business hours, Monday-Friday, 8am-12 pm and 1-5 pm. In accordance with AB 1344, such documents will be posted on the City's website at www.scottsvalley.org .

CALL TO ORDER 3:00 p.m.

ROLL CALL

PUBLIC COMMENT TIME (This is the opportunity for individuals to make and/or submit written or oral comments to the Board on any items within the purview of the Board, which are NOT part of the Agenda. No action on the item may be taken, but the Board may request the matter be placed on a future agenda.)

ALTERATIONS TO CONSENT AGENDA

(Board can remove or add items to the Consent Agenda.)

CONSENT AGENDA

(The Consent Agenda is comprised of items which appear to be non-controversial. Persons wishing to speak on any item may do so by raising their hand to be recognized by the Chair.)

- A. Approve Oversight Board meeting minutes of 9-11-13
- B. Approve Resolution No. OB-16 approving a proposed administrative budget for the six-month fiscal period from July 1, 2014 through December 31, 2014 and taking certain related actions

ALTERATIONS TO REGULAR AGENDA

(Board can remove or add items to the Regular Agenda.)

REGULAR AGENDA

(Persons wishing to speak on any item may do so by raising their hand to be recognized by the Chair.)

- 1. Consider approval of Resolution No. OB-15 approving a Recognized Obligation Payment Schedule (ROPS) for the six-month fiscal period from July 1, 2014 through December 31, 2014, and taking certain related actions (ExecutiveDirector/Ando)
- 2. Consider approval of Resolution No. OB-17 approving Agreement for Professional Services between the Successor Agency of the Scotts Valley Redevelopment Agency and Zeller Appraisal Services, Inc. for the preparation of appraisals of those properties owned by the Successor Agency located within the Town Center Specific Plan Area APN's 022-601-01, 022-231-03, 022-211-36, and 022-211-33, and authorizing the Executive Director to execute the agreement
- 3. Future Board agenda items
(This portion of the Regular Agenda allows the Successor Agency to determine items to be placed on a future agenda and to choose a date, if so desired.)

ADJOURNMENT

The Oversight Board for the Successor Agency of the Scotts Valley Redevelopment Agency does not discriminate against persons with disabilities. The Scotts Valley City Council Chambers is an accessible facility. If you wish to attend a Board meeting and require assistance such as sign language, a translator, or other special assistance or devices in order to attend and participate at the meeting, please call the Secretary's office at (831) 440-5602 five to seven days in advance of the meeting to make arrangements for assistance. If you require the agenda of a Board meeting be available in an alternative format consistent with a specific disability, please call the Secretary's Office. The California State Relay Service (TDD to voice: 1-800-735-2929, voice to TDD: 1-800-735-2922), provides Telecommunications Devices for the Deaf and will provide a link between the TDD caller and users of telephone equipment.

PROCEDURAL INFORMATION FOR THE PUBLIC

THE FOLLOWING IS THE PROCEDURE BOARD SHOULD TAKE IN APPROVAL OF A RESOLUTION:

1. Move the Resolution number for approval.
2. Second the motion.
3. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE BOARD SHOULD TAKE IN INTRODUCTION/ADOPTION OF AN ORDINANCE:

1. Move the Ordinance number for introduction (or adoption).
2. Move the Ordinance be introduced by title only and waive the reading of the text.
3. Read the Ordinance title.
4. Second the motion.
5. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE BOARD SHOULD TAKE IN PUBLIC COMMENT/PUBLIC HEARINGS:

Unless otherwise determined by the presiding officer of the meeting:

1. Three minutes allowed per individual to speak.
2. Five minutes allowed per individual representing a group of three or more.



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MINUTES

Meeting of the Oversight Board for the Successor Agency of the Scotts Valley Redevelopment Agency

Date: September 11, 2013

POSTING:

The agenda was posted on 9-5-13
at City Hall, the SV Senior Center, and
the SV Library, by the City Clerk.

CALL TO ORDER 4:03 p.m.

ROLL CALL

Board Members: Rudy Cabigas, Scotts Valley Fire Protection District
Vickie Clark, Scotts Valley Unified School District
Jack Dilles, Scotts Valley Community Member
Corrie Kates, City of Scotts Valley, Community
Development Director/Deputy City Manager
Bruce McPherson, Santa Cruz County Board of Supervisors
Donna Ziel, Cabrillo Community College Governing Board

Absent: Dene Bustichi, Scotts Valley City Council

Successor Agency Staff: Steve Ando, Executive Director
Tracy Ferrara, Secretary
Kirsten Powell, Counsel
Ken Anderson, Public Works Director
Michelle Fodge, Senior Planner

MOMENT OF SILENCE A moment of silence was held in honor of September 11.

PUBLIC COMMENT

No one came forward.

**ALTERATIONS TO
CONSENT AGENDA**

BM Dilles requested that Items B and C on the Consent Agenda be moved to the regular agenda for discussion.

M/S: Clark/McPherson

To approve the Consent Agenda as amended moving Items B and C to the regular agenda for discussion.

Carried 6/0/1 (ABSENT: Bustichi)

Consent Agenda:

- A. Approve Oversight Board meeting minutes of 2-27-13

**ALTERATIONS TO
REGULAR AGENDA**

M/S: Clark/Ziel

To approve the Regular Agenda as amended moving Items B and C from the consent agenda to the regular agenda.

Carried 6/0/1 (ABSENT: Bustichi)

REGULAR AGENDA

- B. Approve Resolution No. OB-12 approving a Recognized Obligation Payment Schedule (ROPS 13-14B) for the six-month fiscal period from January 1, 2014 though June 30, 2014, and taking certain related actions

ED Ando presented the written staff report and responded to questions from the Board.

M/S: Ziel/McPherson

To approve Resolution No. OB-12 approving a Recognized Obligation Payment Schedule (ROPS 13-14B) for the six-month fiscal period from January 1, 2014 though June 30, 2014, and taking certain related actions.

Carried 6/0/1 (ABSENT: Bustichi)

- C. Approve Resolution No. OB-13 approving a proposed administrative budget for the six-month fiscal period from January 1, 2014 through June 30, 2014, and taking certain related actions

ED Ando presented the written staff report and responded to questions from the Board.

M/S: Cabigas/Ziel

To approve Resolution No. OB-13 approving a proposed administrative budget for the six-month fiscal period from January 1, 2014 through June 30, 2014, and taking certain related actions.

Carried 6/0/1 (ABSENT: Bustichi)

1. **Consider approval of first amendment to Scotts Valley Library lease agreement between the Successor Agency of the Scotts Valley Redevelopment Agency and the City of Scotts Valley (collectively referred to as "Landlord") and the Santa Cruz County Library Joint Powers Authority ("Tenant")**

ED Ando presented the written staff report and responded to questions from the Board.

M/S: Clark/McPherson

To approve first amendment to Scotts Valley Library lease agreement between the Successor Agency of the Scotts Valley Redevelopment Agency and the City of Scotts Valley (collectively referred to as "Landlord") and the Santa Cruz County Library Joint Powers Authority ("Tenant").

Carried 6/0/1 (ABSENT: Bustichi)

2. **Consider approval of Resolution No. OB-14 pursuant to Health and Safety Code Section 34191.5, (i) approving the Long-Range Property Management Plan (the "LRPMP") substantially in the form attached as Exhibit A to the resolution, (ii) finding that approval of the LRPMP is not a project pursuant to the California Environmental Quality Act, and (iii) directing the transmittal of the resolution to the Department of Finance**

ED Ando presented the written staff report and responded to questions from the Board.

M/S: Cabigas/Ziel

To approve Resolution No. OB-14 approving the Long-Range Property Management Plan (LRPMP) prepared by the Successor Agency Pursuant to Health and Safety Code Section 34191.5, determining that approval of the Long-Range Property Management Plan is exempt from the California Environmental Quality Act, and taking certain actions in connection therewith.

Carried 6/0/1 (ABSENT: Bustichi)

3. **Future Board agenda items**

None.

ADJOURNMENT

The meeting adjourned at 4:35 p.m.

Approved: _____
Jack Dilles, Acting Chair

Attest: _____
Tracy A. Ferrara, Secretary

Successor Agency of the Scotts Valley Redevelopment Agency INTEROFFICE MEMORANDUM

DATE: January 22, 2014

TO: Honorable Chair and Oversight Board Members

FROM: Steve Ando, Executive Director

SUBJECT: **Approval of Administrative Budget for July 1, 2014 through December 31, 2014**

SUMMARY OF ISSUE

Pursuant to Part 1.85 of Division 24 of the California Health and Safety Code (the "Redevelopment Dissolution Law"), the Successor Agency must prepare a proposed administrative budget and a Recognized Obligation Payment Schedule ("ROPS") for each six-month fiscal period, both of which must be submitted to the Oversight Board for approval. Each proposed administrative budget must include all of the following: (1) estimated amounts for Successor Agency administrative costs for the applicable six-month fiscal period; (2) proposed sources of payment for the administrative costs; and (3) proposals for arrangements for administrative and operations services provided by the City or other entity.

The Redevelopment Dissolution Law is unclear regarding the required timing for the submission of the proposed administrative budget for the period from July 1, 2014 through December 31, 2014 (*i.e.*, the first half of fiscal year 2014-15) ("Administrative Budget 14-15A") to the Successor Agency and the Oversight Board. However, because the Successor's Agency's administrative expenditures also have to be reflected on the ROPS, Administrative Budget 14-15A and the ROPS for the same period ("ROPS 14-15A") should be consistent.

The Successor Agency is required to submit ROPS 14-15A to the Oversight Board for approval and then submit the Oversight Board-approved ROPS 14-15A to the State Department of Finance, State Controller and the County Auditor-Controller no later than March 3, 2014. Staff has prepared a ROPS 14-15A for the Oversight Board's approval at this meeting as a separate agenda item. Staff recommends that the Board approve Administrative Budget 14-15A on the same date as the Board's approval of ROPS 14-15A.

Both the Administrative Budget 14-15A and the ROPS 14-15A were presented to the Successor Agency at its January 15, 2014 meeting and were approved.

FISCAL IMPACT

Under the Redevelopment Dissolution Law, an “Administrative Cost Allowance” is paid to the Successor Agency from property tax revenues allocated by the County Auditor-Controller. The Administrative Cost Allowance is defined as an amount, subject to the approval of the Oversight Board, which is up to 3% of the property tax allocated for enforceable obligations from the Redevelopment Property Tax Trust Fund by the County Auditor-Controller. The amount shall not be less than \$250,000 for any fiscal year unless the Oversight Board reduces this amount. The Successor Agency must justify all expenses paid with the Administrative Cost Allowance. The Administrative Cost Allowance is subject to reduction if there are insufficient funds to pay the enforceable obligations as listed on the ROPS.

STAFF RECOMMENDATION

Staff recommends that the Oversight Board adopt Resolution No. OB-16, approving a proposed administrative budget for the six-month fiscal period from July 1, 2014 through December 31, 2014, and taking certain other related actions.

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RESOLUTION NO. OB-16

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE SCOTTS VALLEY REDEVELOPMENT AGENCY APPROVING A PROPOSED ADMINISTRATIVE BUDGET FOR THE SIX-MONTH FISCAL PERIOD FROM JULY 1, 2014 THROUGH DECEMBER 31, 2014 AND TAKING CERTAIN RELATED ACTIONS

RECITALS:

A. Pursuant to Health and Safety Code Section 34177(j), the Successor Agency of the Scotts Valley Redevelopment Agency (the "Successor Agency") must prepare a proposed administrative budget for each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed administrative budget to the Oversight Board for the Successor Agency (the "Oversight Board") for approval.

B. There has been presented to the Oversight Board for approval a proposed administrative budget for the Successor Agency for the six-month fiscal period from July 1, 2014 through December 31, 2014 ("Administrative Budget 14-15A").

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE SCOTTS VALLEY REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves the proposed Administrative Budget 14-15A substantially in the form attached hereto as Exhibit A.

Section 3. The staff of the Successor Agency is hereby directed to provide the State Department of Finance ("DOF") written notice and information regarding the action taken by the Oversight Board in Section 2 of this Resolution. Such notice and information shall be provided by electronic means and in a manner of DOF's choosing.

Section 4. The officers of the Oversight Board and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution.

PASSED, APPROVED AND ADOPTED this 22nd day of January, 2014.

AYES:
NOES:
ABSENT:
ABSTAIN:

Dene Bustichi, Chair

ATTEST:

Tracy Ferrara, Secretary

EXHIBIT A

**SUCCESSOR AGENCY OF THE SCOTTS VALLEY REDEVELOPMENT AGENCY
ADMINISTRATIVE BUDGET**

(July 1, 2014 through December 31, 2014)

SUCCESSOR AGENCY OF THE
SCOTTS VALLEY REDEVELOPMENT AGENCY

ADMINISTRATIVE BUDGET
JULY 1, 2014 TO DECEMBER 31, 2014

Administrative Services Provided by the City of Scotts Valley:

\$ 125,000

Including, but not limited to:

City Staff services

City Attorney services

Hiring of outside Legal Services

Hiring of outside bond trustee services

Note: The above costs will be paid from the Administrative
Cost Allowance.

**Successor Agency of the Scotts Valley Redevelopment Agency
INTEROFFICE MEMORANDUM**

DATE: January 22, 2014
TO: Honorable Chair and Oversight Board Members
FROM: Steve Ando, Executive Director
SUBJECT: **Approval of Recognized Obligation Payment Schedule (ROPS) 14-15A
July 1, 2014 through December 31, 2014**

SUMMARY OF ISSUE

Pursuant to Part 1.85 of Division 24 of the California Health and Safety Code (the "Redevelopment Dissolution Law"), the Successor Agency must prepare a Recognized Obligation Payment Schedule ("ROPS") for each six-month fiscal period (commencing each January 1 and July 1), listing the payments to be made by the Successor Agency during such period. All ROPS must then be approved by the Oversight Board. Furthermore, each Oversight Board-approved ROPS must be submitted to the State Department of Finance ("DOF") for review and approval.

The attached ROPS is due to DOF by March 3, 2014. The attached ROPS was presented and approved at the January 15, 2014, Successor Agency Board meeting.

FISCAL IMPACT

The preparation and submittal of ROPS 14-15A is for the purpose of allowing the Successor Agency to pay its enforceable obligations for the period from July 1, 2014 to December 31, 2014.

STAFF RECOMMENDATION

Staff recommends that the Oversight Board to the Successor Agency of the Scotts Valley Redevelopment Agency adopt Resolution No. OB-15, approving the Recognized Obligation Payment Schedule for the six-month fiscal period from July 1, 2014 through December 31, 2014 and taking certain related actions.

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RESOLUTION NO. OB-15

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE SCOTTS VALLEY REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE SIX-MONTH FISCAL PERIOD FROM JULY 1, 2014 THROUGH DECEMBER 31, 2014, AND TAKING CERTAIN RELATED ACTIONS

RECITALS:

A. Pursuant to Health and Safety Code Section 34177(l), the Successor Agency of the Scotts Valley Redevelopment Agency (the "Successor Agency") must prepare a proposed Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed ROPS to the Oversight Board of the Successor Agency (the "Oversight Board") for approval.

B. There has been presented to the Oversight Board for approval a proposed ROPS for the Successor Agency for the six-month fiscal period from July 1, 2014 through December 31, 2014 ("ROPS 14-15A").

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE SCOTTS VALLEY REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves proposed ROPS 14-15A, substantially in the form attached hereto as Exhibit A.

Section 3. Staff of the Successor Agency is hereby authorized and directed to submit a copy of Oversight Board-approved ROPS 14-15A to the State Department of Finance, the Office of the State Controller, and the County Auditor-Controller.

Section 4. The officers and the staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution.

PASSED, APPROVED AND ADOPTED this 22nd day of January, 2014.

AYES:
NOES:
ABSENT:
ABSTAIN:

Dene Bustichi, Chair

ATTEST:

Tracy Ferrara, Secretary

EXHIBIT A

**SUCCESSOR AGENCY OF THE SCOTTS VALLEY REDEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE
(January 1, 2014 through June 30, 2014)**

Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary

Filed for the July 1, 2014 through December 31, 2014 Period

Name of Successor Agency: Scotts Valley
Name of County: Santa Cruz

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding		
A Sources (B+C+D):		\$ 150,014
B Bond Proceeds Funding (ROPS Detail)		-
C Reserve Balance Funding (ROPS Detail)		-
D Other Funding (ROPS Detail)		150,014
E Enforceable Obligations Funded with RPTTF Funding (F+G):		\$ 874,827
F Non-Administrative Costs (ROPS Detail)		749,827
G Administrative Costs (ROPS Detail)		125,000
H Current Period Enforceable Obligations (A+E):		\$ 1,024,841

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I Enforceable Obligations funded with RPTTF (E):		874,827
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)		-
K Adjusted Current Period RPTTF Requested Funding (I-J)		\$ 874,827

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L Enforceable Obligations funded with RPTTF (E):		874,827
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)		-
N Adjusted Current Period RPTTF Requested Funding (L-M)		874,827

Certification of Oversight Board Chairman:
Pursuant to Section 34177(m) of the Health and Safety code, I
hereby certify that the above is a true and accurate Recognized
Obligation Payment Schedule for the above named agency.

<u>Dene Bustichi</u>	Board Chair
Name	Title
/s/ _____	
Signature	Date

Recognized Obligation Payment Schedule 14-15A - Notes

July 1, 2014 through December 31, 2014

Item #	Notes/Comments
11	Per HSC 34176 (e) (6) (B), the repayment of these loans is limited to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in that fiscal year and the ROPS residual pass-through distributed to the taxing entities in the 2012-13 base year. Per amounts provided by the County of Santa Cruz, base year amount is \$569,956 and fiscal year 2013-14 is \$749,683. One-half of the increase is \$89,864, which is what is listed on the ROPS Detail Schedule.

**Successor Agency of the Scotts Valley Redevelopment Agency
INTEROFFICE MEMORANDUM**

DATE: January 22, 2014
TO: Honorable Chair and Board Members
FROM: Steve Ando, Executive Director
SUBJECT: **Consider Hiring Zeller Appraisal Services, Inc. to Prepare Appraisals of those Properties Owned by the Successor Agency Located Within the Town Center Specific Plan Area**

SUMMARY OF ISSUE

On September 4, 2013 the Successor Agency approved the Long-Range Property Management Plan (LRPMP). The LRPMP was approved by the Oversight Board on September 11, 2013 and then forwarded to the Department of Finance (DOF) as required by State law.

The LRPMP contemplates the ultimate sale of those properties owned by the Successor Agency located within the Town Center Specific Plan Area. Pursuant to State law, an appraisal must be performed before any properties can be sold by the Successor Agency.

The estimated cost for the appraisals is \$12,000. Zeller Appraisal Services, Inc. has considerable experience in appraising parcels in the City of Scotts Valley. Ron Zeller, the owner of Zeller Appraisal Services, Inc., has previously appraised the subject parcels.

The three parcels to be appraised are listed below. A map is attached on page 8.

APN 022-211-36, located behind the library, purchased with affordable housing funds.

APN 022-601-01, the long narrow parcel located between 022-211-36 and Mt. Hermon Road, purchased with affordable housing funds.

APN 022-231-03, the former Suburban parcel located next to the Scotts Valley Square shopping center, purchased with regular redevelopment agency funds.

Once parcels are appraised, then the appraisals are reviewed and approved both by the Successor Agency and then the Oversight Board. The Oversight Board must review and approve all actions taken by the Successor Agency and then forward their action to the State for final approval.

The Successor Agency Board approved authorizing the Executive Director to execute an agreement with Zeller Appraisal Services, Inc. at their January 15, 2014, meeting.

FISCAL IMPACT

The cost for the appraisals will be paid from the monies the Successor Agency receives from the Redevelopment Property Tax Trust Fund (RPTTF) for administration. At such time that these properties are sold, any proceeds from such properties purchased with Affordable housing funds will go to affordable housing fund. Proceeds from properties purchased with regular RDA monies will be distributed to the taxing entities in Santa Cruz County (i.e. County, schools, special districts, the City).

STAFF RECOMMENDATION

That the Oversight Board approve Resolution No. OB-17 authorizing the Executive Director to execute agreement with Zeller Appraisal Services Inc. to appraise the Successor Agency parcels known as, APN's 022-601-01, 022-231-03, and 022-211-36.

ATTACHMENTS

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RESOLUTION NO. OB-17

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE SCOTTS VALLEY REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT WITH ZELLER APPRAISAL SERVICES, INC.

WHEREAS, the Successor Agency of the Scotts Valley Redevelopment Agency (Successor Agency) owns three parcels in the City of Scotts Valley Town Center Specific Plan Area; and

WHEREAS, the Town Center Specific Plan Area provides that the properties will be developed as a mixed use project; and

WHEREAS, the Successor Agency plans to sell the properties for such a development; and

WHEREAS, these parcels are required to be appraised of their value prior to selling them in accordance with the Long Range Property Management Plan previously approved by the Successor Agency and its Oversight Board; and

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE SCOTTS VALLEY REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS that the Executive Director of the Successor Agency is authorized to execute the agreement with Zeller Appraisal Services, Inc. attached to this resolution as Exhibit A.

PASSED, APPROVED AND ADOPTED this 22nd day of January, 2014.

AYES:
NOES:
ABSENT:
ABSTAIN:

Dene Bustichi, Chair

ATTEST:

Tracy Ferrara, Secretary

EXHIBIT A

**SUCCESSOR AGENCY OF THE SCOTTS VALLEY REDEVELOPMENT AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES WITH
ZELLER APPRAISAL SERVICES, INC.**

**SUCCESSOR AGENCY OF THE
SCOTTS VALLEY REDEVELOPMENT AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES**

This Agreement for Professional Services ("Agreement") is made and entered into as of January 22, 2014, by and between the Successor Agency of the Scotts Valley Redevelopment Agency, a body politic, hereinafter referred to as "AGENCY", and Zeller Appraisal Services, Inc., hereinafter referred to as "CONSULTANT".

RECITALS

- A. AGENCY desires to retain Consultant for certain professional services as set forth in this Agreement.
- B. CONSULTANT is specially trained, experienced and competent to perform the special services which will be required by this Agreement.
- C. CONSULTANT possesses the skill, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein.

NOW, THEREFORE, in consideration of the recitals and the mutual promises contained herein, AGENCY and CONSULTANT agree as follows:

AGREEMENT

- 1. **Employment of CONSULTANT:** AGENCY agrees to, and hereby does, retain and employ CONSULTANT to perform the professional services as outlined in the Scope of Work attached hereto and incorporated herein as Exhibit "A". CONSULTANT'S work product shall be performed pursuant to generally accepted standards of practice in effect at the time of performance.
- 2. **Responsible Personnel:** AGENCY has relied upon the professional training and ability of CONSULTANT to perform the services hereunder as a material inducement to enter into this Agreement. Primary personnel responsible for the completion of the work described in this Agreement shall be Ron Zeller, whose address is 303 Potrero Street, Suite 29-303, Santa Cruz, CA 95060; telephone: (831) 465-6570; fax: (831) 460-2747.
- 3. **Scope of Work:** CONSULTANT shall perform the services as specified in Exhibit A in a professional manner.
- 4. **Time of Performance:** The services of CONSULTANT are to commence upon execution of this Agreement and shall continue until all authorized work is approved by the AGENCY. Time is of the essence in the performance of this Agreement. No waiver by either party hereto of the nonperformance or any breach of any term, provision, or condition of this Agreement, or any default hereunder shall be considered to be or operate as a waiver of any subsequent nonperformance, breach or default.
- 5. **Compensation:** CONSULTANT shall accept compensation for services performed as set forth in Section 3 in an amount not to exceed \$12,000. Such compensation shall be paid upon the completion of the services set forth in Section 3.

Payments to CONSULTANT shall be made upon invoices submitted by CONSULTANT to AGENCY for review and approval. Invoices will be paid by AGENCY within a reasonable time after said approved invoices are received.

6. **Indemnity:** CONSULTANT shall hold harmless, indemnify and defend AGENCY, its elective and appointive boards, commissions, officers, agents, servants, volunteers, and employees from and against any and all claims, costs, damages, liability, losses, or suits (including court costs and attorney fees) for personal injury (including death), property damage and any other damages of any sort whatsoever, arising out of, or alleged to have arisen out of, the willful or negligent acts, errors, or omissions of CONSULTANT or CONSULTANT'S contractors, subcontractors, agents, or employees in the performance of this Agreement. This indemnity shall not apply to a) claims brought by CONSULTANT for default of this Agreement, or (b) claims brought by AGENCY or any third party where the underlying injury or damage is finally determined by a court of competent jurisdiction to arise solely from the negligent or willful misconduct of AGENCY.

AGENCY shall hold harmless and indemnify CONSULTANT from any damage which may be caused to the AGENCY's computer network system.

7. **Termination:** This Agreement may be terminated by the AGENCY immediately for cause or by either party without cause upon fifteen days' written notice of termination. Upon termination, CONSULTANT shall be entitled to compensation for services performed up to the effective date of termination.

CONSULTANT shall accept, for itself, as full payment for services rendered and all work to be done and performed hereunder and in complete satisfaction of all claims against AGENCY by reason of voluntary abandonment or suspension of work or termination of the Agreement, the sum determined on an hourly basis in accordance with the provisions of this Agreement, or any modification or amendment thereto, plus all direct expenses incurred, including those expenses incurred which are directly attributable to the incomplete portion of the work which could not be canceled.

In the event of termination, CONSULTANT shall deliver as a condition to the payment of the compensation provided for above, or otherwise make available to AGENCY, all research data, reports, estimates, summaries, and other such information and materials as may have been accumulated by CONSULTANT in performing this Agreement, whether completed or in process in accordance with Section 8 of this Agreement.

8. **Documents:** Notes, studies, charts, computations, electronic files, and other data and information obtained by CONSULTANT for this project shall, upon receipt of payment for services rendered, be made available to AGENCY by CONSULTANT at AGENCY'S request and shall become the property of AGENCY. In the event AGENCY alters the document, AGENCY agrees CONSULTANT shall have no responsibility whatsoever for any claim arising out of, or alleged to have arisen out of, use of the altered document,

All plans, studies, documents, charts, computations, and electronic files prepared by and for CONSULTANT, its officers, employees and agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the property of the AGENCY upon payment to CONSULTANT for such work, and the AGENCY

shall have the sole right to use such materials in its discretion without further compensation to CONSULTANT or to any other party. CONSULTANT shall, at CONSULTANT'S expense, provide such reports, plans, studies, documents and other writings to AGENCY upon written request.

9. **Independent Contractor:** CONTRACTOR is an independent contractor retained by AGENCY to perform the work described herein. ALL personnel employed by CONSULTANT are not and shall not be deemed to be employees of AGENCY. CONSULTANT shall obtain no rights to retirement benefits or other benefits which accrue to AGENCY'S employees, and CONSULTANT hereby expressly waives any claim it may have to such rights. CONSULTANT shall comply with all state and federal laws pertaining to employment and compensation of its employees and its agents, including the provision of Workers' Compensation.

10. **Licenses:** CONSULTANT represents and warrants to AGENCY that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature which are legally required of CONSULTANT to practice its profession. CONSULTANT represents and warrants to AGENCY that CONSULTANT shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of CONSULTANT to practice its profession. Consultant shall maintain a City of Scotts Valley business license.

11. **Assignment:** The parties recognize that a substantial inducement to AGENCY for entering into this Agreement is the professional reputation, experience and competence of CONSULTANT. Assignments of any or all rights, duties or obligations of the CONSULTANT under this Agreement will be permitted only with the express consent of the AGENCY. CONSULTANT shall not subcontract any portion of the work to be performed under this Agreement without the written authorization of the AGENCY. If the AGENCY consents to such subcontract, CONSULTANT shall be fully responsible to AGENCY for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between AGENCY and subcontractor nor shall it create any obligation on the part of the AGENCY to pay or to see to the payment of any monies due to any such contractor other than as otherwise required by law.

12. **Binding on Successors:** This Agreement is binding on the heirs, successors and assigns of the parties hereto.

13. **Amendment:** This Agreement may be amended, modified or changed by the parties, provided that said Agreement, modification or change is in writing and approved by the authorized representative of the parties.

14. **Applicable Law and Attorney's Fees:** This Agreement shall be construed and enforced in accordance with the laws of the State of California, and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Santa Cruz. Should any legal action be brought by a party for breach of this Agreement or to enforce any provision of the Agreement, the prevailing party of such action shall be entitled to recover its reasonable litigation expenses, including attorney fees.

15. **Entire Agreement:** This Agreement contains the entire understanding between the parties with respect to the subject matter herein. There are no representations, agreements or understandings, whether oral or written, between or among the parties relating to the subject matter of this Agreement which are not fully expressed herein. The drafting and negotiation of this Agreement have been participated in by each of the parties and/or their counsel, and for all purposes this Agreement shall be deemed to have been drafted jointly by all parties.

16. **Waiver:** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this agreement.

17. **Severability:** If any term or portion of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or otherwise unenforceable, the remaining provisions of this Agreement shall continue in full force and effect.

WITNESS WHEREOF this Agreement is executed by AGENCY and by CONSULTANT on this 22nd day of January, 2014, at Scotts Valley, California.

CONSULTANT:

SUCCESSOR AGENCY OF SCOTTS
VALLEY REDEVELOPMENT AGENCY:

Ron Zeller, Principal

Stephen Ando, Executive Director

APPROVED AS TO FORM:

ATTEST:

Kirsten M. Powell, Agency Counsel

Tracy Ferrara, Secretary

EXHIBIT A

Scope of Work

CONSULTANT will prepare and provide to AGENCY an appraisal of four parcels owned by the AGENCY. The appraisal will provide an opinion of market value, and the property will be appraised "as is." The CONSULTANT will provide a thoroughly researched appraisal report, written in the CONSULTANT's standard summary narrative report format. The appraisal will be developed and prepared subject to the requirements of the Appraisal Institute as well as the Uniform Standards of Professional Appraisal Practice (USPAP).

Parcels to be appraised: 022-211-36
 022-601-01
 022-231-03

**Successor Agency of the
Scotts Valley Redevelopment Agency**

Blue Bonnet Lane

APN 022-211-36

APN 022-601-01

APN 022-231-03

Mount Hermon Road

Kings Village Road

Skypark Drive

