



MINUTES

SPECIAL MEETING

SUCCESSOR AGENCY

OF THE
CITY OF SOUTH SAN FRANCISCO
P.O. Box 711 (City Hall, 400 Grand Avenue)
South San Francisco, California 94083

Meeting to be held at:
MUNICIPAL SERVICES BUILDING
COUNCIL CHAMBERS
33 ARROYO DRIVE
SOUTH SAN FRANCISCO, CA

WEDNESDAY, APRIL 10, 2013
6:30 P.M.

1. Call to Order. Time: 6:55pm
2. Roll Call. Present: Boardmembers Addiego, Garbarino, Gupta, Vice Chairwoman Matsumoto, Chairman Gonzalez.
3. Agenda Review.
None.
4. Public Comments – *comments are limited to items on the Special Meeting Agenda.*
5. Recommend to the Oversight Board that it adopt a resolution (1) making findings that the commercial space 636 El Camino Real is an integral and indivisible part of a housing asset and shall not be subject to a revenue sharing arrangement between the City and the Successor Agency and (2) approving an assignment of a Master Lease for approximately 5,000 square feet of commercial space located within the building at 636 El Camino Real to the City of South San Francisco.

Assistant City Manager Marty Van Duyn presented the staff report in which the Successor Agency was recommending: (1) the Oversight Board relinquish financial interest in the commercial space and not require a revenue sharing agreement and (2) approve the assignment of a Master Lease to the City of South San Francisco.

Vice Chairwoman Matsumoto asked how this would expedite securing a tenant for the commercial side.

Assistant City Manager Van Duyn stated leases for some of the spaces were close, but this item required clarification and more importantly, needed to go before the Oversight Board. Portions used for non-residential were subject to revenue sharing agreements with taxing entities. He believed the commercial space should be operated by the City as opposed to the Successor Agency. This had to be argued before the Oversight Board and was on their agenda.

Vice Chairwoman Matsumoto was told there was a potential florist and coffee shop and if approved occupancy may occur within a quicker period of time.

Assistant City Manager Van Duyn stated expediting required this process to be completed first but yes, an approval would speed up getting a physical lease. If the Oversight Board disagrees, that would cloud how tenant improvements would be completed.

Boardmember Addiego stated when dealing with a business that wants to relocate, the lag burden should not be put all on staff.

Assistant City Manager Van Duyn had met with a small retail establishment, but they had very little history in operating and financials. Tenant improvements required confidence in what the tenant is bringing to the table; we do not want to get a business in their and have it fail.

Vice Chairwoman Matsumoto understood the two prospective tenants had proven track records. She requested a quarterly update on the progress.

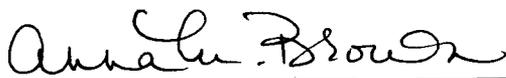
Boardmember Gupta questioned what the impact would be if the Oversight Board disagreed.

Assistant City Manager Van Duyn stated a revenue sharing agreement would need to be brought, outlining the responsibilities and shared portions. The direct answer was yet to be determined and details would be presented to the Successor Agency and then the Oversight Board.

Motion – Boardmember Garbarino/Second – Boardmember Addiego: to Recommend to the Oversight Board that it adopt a resolution (1) making findings that the commercial space 636 El Camino Real is an integral and indivisible part of a housing asset and shall not be subject to a revenue sharing arrangement between the City and the Successor Agency and (2) approving an assignment of a Master Lease for approximately 5,000 square feet of commercial space located within the building at 636 El Camino Real to the City of South San Francisco. Unanimously approved by a voice vote.

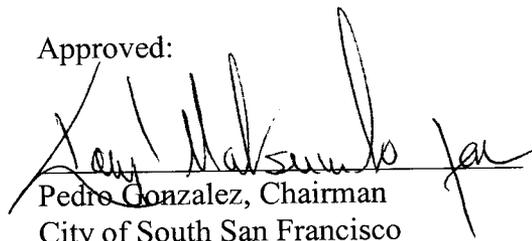
Being no further business, Chairman Gonzalez adjourned the meeting at 7:05 p.m.

Submitted:



Anna M. Brown, Deputy City Clerk
City of South San Francisco

Approved:



Pedro Gonzalez, Chairman
City of South San Francisco