



Pedro "Pete" M. Sanchez, Mayor  
Lori Wilson, Mayor Pro-Tem  
Jane Day  
Michael J. Hudson  
Michael A. Segala

First and Third Tuesday  
Every Month

**A G E N D A**

**SPECIAL MEETING OF THE SUISUN CITY COUNCIL**

**AND**

**SUISUN CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY,**

**TUESDAY AUGUST 12, 2014**

**5:30 P.M.**

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**SUISUN CITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA**

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**TELECONFERENCE NOTICE**

*Pursuant to Government Code Section 54953, Subdivision (b), the following City Council/Successor Agency meeting will include teleconference participation by Council Member Jane Day from: 301 Morgan Street, Suisun City, CA 94585.*

**ROLL CALL**

Council / Board Members

**PUBLIC COMMENT**

*(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).*

**CONFLICT OF INTEREST NOTIFICATION**

*(Any items on this agenda that might be a conflict of interest to any Councilmembers / Boardmembers should be identified at this time.)*

**CONSENT CALENDAR**

**Suisun City Council Acting as Successor Agency**

1. Agency Adoption of Resolution No. SA 2014-\_\_\_: Authorizing the Executive Director to Extend the Term of the Main Street West Disposition and Development Agreement (DDA) – (Garben).

**CLOSED SESSION**

Pursuant to California Government Code section 54954.5 the City Council will hold a Closed Session for the purpose of:

City Council

## 2. CONFERENCE WITH LABOR NEGOTIATOR

Agency negotiator: Suzanne Bragdon, City Manager, Ron Anderson, Assistant City Manager, and Tim Mattos, Police Commander, Scott Corey, Management Analyst.

Employee organization: SCPOA (Suisun City Police Officers' Association)

## 3. CONFERENCE WITH LABOR NEGOTIATOR

Agency negotiator: Suzanne Bragdon, City Manager, Ron Anderson, Assistant City Manager, and Dan Kasperson, Public Works and Building Director, Scott Corey, Management Analyst.

Employee organization: SCEA (Suisun City Employees' Association).

## 4. CONFERENCE WITH LABOR NEGOTIATOR

Agency negotiator: Suzanne Bragdon, City Manager, Ron Anderson, Assistant City Manager, and Jason Garben, Economic Development Director, Scott Corey, Management Analyst.

Employee organization: SCMPEA (Suisun City Management and Professional Employees' Association)

**CONVENE OPEN SESSION**

Announcement of Actions Taken, if any, in Closed Session.

**ADJOURNMENT**

A complete packet of information containing staff reports and exhibits related to each item for the open session of this meeting, and provided to the City Council, are available for public review at least 72 hours prior to a Council /Agency/Authority Meeting at Suisun City Hall 701 Civic Center Blvd., Suisun City. Agenda related writings or documents provided to a majority of the Council/Board/Commissioners less than 72 hours prior to a Council/Agency/Authority meeting related to an agenda item for the open session of this meeting will be made available for public inspection during normal business hours. An agenda packet is also located at the entrance to the Council Chambers during the meeting for public review. The City may charge photocopying charges for requested copies of such documents. Assistive listening devices may be obtained at the meeting

***PLEASE NOTE:***

1. The City Council/Agency/Authority hopes to conclude its public business by 11:00 P.M. Ordinarily, no new items will be taken up after the 11:00 P.M. cutoff and any items remaining will be agendaized for the next meeting. The agendas have been prepared with the hope that all items scheduled will be discussed within the time allowed.
2. Suisun City is committed to providing full access to these proceedings; individuals with special needs may call 421-7300.
3. Agendas are posted at least 72 hours in advance of regular meetings at Suisun City Hall, 701 Civic Center Boulevard, Suisun City, CA. Agendas may be posted at other Suisun City locations including the Suisun City Fire Station, 621 Pintail Drive, Suisun City, CA, and the Suisun City Senior Center, 318 Merganser Drive, Suisun City, CA.

## AGENDA TRANSMITTAL

**MEETING DATE:** August 12, 2014

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**SUCCESSOR AGENCY AGENDA ITEM:** Agency Adoption of Resolution No. SA 2014 - \_\_: Authorizing the Executive Director to Extend the Term of the Main Street West Disposition and Development Agreement (DDA).

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**FISCAL IMPACT:** None. There are no proposed changes to fiscal components of the DDA

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**BACKGROUND:** In mid-2005, Main Street West Partners, LLC was selected as the master developer of the Main Street West Project, which initially consisted of 13 Agency-owned properties in the Waterfront District amounting to approximately 8.4 acres. A DDA was executed in April, 2006. In July 2006, the Agency approved the First Amendment to the DDA, which added a 7.44-acre property (the former Crystal Middle School site) to the Project. In September 2007, the Second Amendment to the DDA was approved, which updated the Schedule of Performance. In January 2009, the Third Amendment to the DDA was approved, which allowed the former Agency to acquire property from MSW Partners, and provide an advance of developer reinvestment funds in the form of a loan, and to amend the Schedule of Performance.

In January 2014, the Successor Agency approved a 120-day extension of the term of the DDA, and again in June 2014, the Successor Agency approved a 60-day extension, both of which were approved by the Oversight Board, and ultimately approved by the Department of Finance that allowed for more time to negotiate an update to the existing DDA.

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**STAFF REPORT:** On February 11, 2014, Main Street West Partners filed a complaint with the Solano County Superior Court for Validation under Code of Civil Procedure Section 863 and for Declaratory Relief to ask the court to validate the continued enforceability of the DDA and modifications to allow for the completion of the performance of the requirements of the DDA.

Health & Safety Code Section 34173(g), includes in pertinent part that: “[a] successor agency has its own name, can be sued, and can sue. All litigation involving a redevelopment agency shall automatically be transferred to the successor agency. . .”

Health & Safety Code Section 34167(d)(4) provides that “[j]udgments or settlements entered by a competent court of law or binding arbitration decisions against the former redevelopment agency, other than pass-through payments that are made by the county auditor-controller pursuant to Section 34183” are enforceable obligations. (emphasis added) “Along with the successor agency, the oversight board shall have the authority and standing to appeal any judgment or to set aside any settlement or arbitration decision.” (*Id.*)

Based on the applicable law, staff continued to work in good faith with Main Street West Partners to update the DDA and to carry the project forward since the initial extension was granted in early 2014. However, in April 2014, the California Department of Finance appeared in the lawsuit filed by Main Street West Partners and sought to change the venue of the lawsuit from Solano County to Sacramento Superior Court. These court proceedings caused further delays and uncertainty.

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**PREPARED BY:**  
**REVIEWED/APPROVED BY:**

Jason Garben, Economic Development Director  
Suzanne Bragdon, Executive Director

*JGK*

On May 22, 2014, the Court granted a change of venue that moved the case to the Sacramento Superior Court. Thus, as a result of the delay in court proceedings due to the change of venue, it was necessary to extend the term of the DDA by 60 days beyond the initial 120-day extension. The Successor Agency took action on the 60-day extension in June 2014, and it was approved by the Oversight Board and ultimately the DOF.

Although negotiations have continued between staff and Main Street West Partners, and settlement agreement appears imminent for consideration, on July 14, 2014, the Attorney General's office filed a demurrer in Sacramento County Superior Court. The demurrer hearing is set for October 2, 2014, which would like delay consideration of a settlement agreement by the Court until after the demurrer hearing, which is past the deadline of the latest 60-day extension.

In light of the current situation, it is necessary to extend the term of the DDA by 60 days beyond the most recent 60-day extension. Agency legal counsel and Main Street West legal counsel are reaching out to the DOF to determine if it would engage in settlement discussions to expedite a resolution to this matter.

Pursuant to Part Two, Article 3.04(C) of the original DDA, the Executive Director may extend times of performance in writing by mutual agreement of the Developer and the Executive Director, unless the Executive Director refers the matter of extension to the Agency Board. Further, pursuant to Part Two, Article 3.23 of the original DDA, Agency staff is authorized to execute changes to the DDA that would not substantially alter the basic business terms of the DDA. Although no changes to the business terms of the DDA are proposed, in light of the dissolution process, Agency Legal Counsel has recommended the extension again be considered by the Successor Agency, and reviewed by the Oversight Board.

The parties also are allowed additional time to perform and to make the necessary updates within the existing DDA structure per the "governmental restrictions" clause in Section 3.04 of the DDA and based on other circumstances beyond their control, as provided in that same section. The change in redevelopment dissolution laws was unexpected when the original DDA was entered into and updates are required so that the parties can perform under the DDA. Additional delays have been caused by the motion to change venue as explained above.

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**RECOMMENDATION:** It is recommended that the Agency adopt Resolution No. SA 2014 - \_\_: Authorizing the Executive Director to Extend the Term of the Main Street West Disposition and Development Agreement (DDA).

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**ATTACHMENTS:**

1. Resolution No. SA 2014 - \_\_: Authorizing the Executive Director to Extend the Term of the Main Street West Disposition and Development Agreement (DDA).

**RESOLUTION NO. SA 2014 - \_\_**

**A RESOLUTION OF THE CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY AUTHORIZING THE EXECUTIVE DIRECTOR TO EXTEND THE TERM OF THE MAIN STREET WEST DISPOSITION AND DEVELOPMENT AGREEMENT (DDA)**

**WHEREAS**, the Redevelopment Agency of the City of Suisun City entered into a Disposition and Development Agreement (DDA) with Main Street West Partners (the Developer) dated April 17, 2006; and

**WHEREAS**, said DDA has been revised from time to time by Amendments Nos. 1 – 3; and

**WHEREAS**, on February 1, 2012, the Redevelopment Agency of the City of Suisun City was replaced by the City Council Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City (the Agency); and

**WHEREAS**, on January 7, 2014, the Successor Agency adopted a resolution extending the term of the DDA 120 days through June 19, 2014, which was subsequently approved by the Oversight Board and the Department of Finance; and

**WHEREAS**, on February 11, 2014, Main Street West Partners filed a complaint with the Solano County Superior Court for Validation under Code of Civil Procedure Section 863 and for Declaratory Relief to ask the court to validate the continued enforceability of the DDA and modifications to allow for the completion of the performance of the requirements of the DDA; and

**WHEREAS**, in April 2014, the California Department of Finance appeared in the lawsuit filed by Main Street West Partners and sought to change the venue of the lawsuit from Solano County to Sacramento Superior Court. These court proceedings have caused further delays and uncertainty; and

**WHEREAS**, since the project was subject to a pending court process and the case was not resolved by the end of the 120-day extension in place through June 19, 2014, the term of the DDA was extended by 60 days; and

**WHEREAS**, the Attorney General's office filed a demurrer with the Court on July 14, 2014 that will not be heard until October 2, 2014, and will cause further delays in the court process, the case will not be resolved by the end of the current 60-day extension in place through August 18, 2014; and

**WHEREAS**, pursuant to Part Two, Article 3.04 of the DDA, the Developer and Agency wish to extend the term of the DDA for 60 days beyond the current expiration including all obligations and conditions contained therein; and

**WHEREAS**, other than extending the time for performance under the current DDA, said extension would not alter or amend any business terms of the DDA or any of its amendments; and

**NOW, THEREFORE, BE IT RESOLVED** that the City Council Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City hereby authorizes the Executive Director or her designee to execute an extension of 60 days to all terms, conditions, and obligations set forth in the DDA.

**PASSED AND ADOPTED** at a regular meeting of the City Council Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City duly held on Tuesday, the 12<sup>th</sup> day of August 2014, by the following vote:

<b>AYES:</b>	Boardmembers:	_____
<b>NOES:</b>	Boardmembers:	_____
<b>ABSENT:</b>	Boardmembers:	_____
<b>ABSTAIN:</b>	Boardmembers:	_____

**WITNESS** my hand and the seal of said City this 12<sup>th</sup> day of August 2014.

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Linda Hobson, CMC  
Secretary