



BOARD OF DIRECTORS AGENDA

REGULAR MEETING
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
A Public Agency
Tuesday, June 18, 2019
8:30 AM
John G. Britton Auditorium
550 Olive Street, Santa Barbara, CA 93101

1. CALL TO ORDER

2. ROLL CALL OF THE BOARD MEMBERS

Dave Davis (Chair), David Tabor (Vice Chair), Bill Shelor (Secretary), Olivia Rodriguez (Director), Dick Weinberg (Director), Chuck McQuary (Director), Paula Perotte (Director).

3. REPORT REGARDING POSTING OF AGENDA

CONSENT CALENDAR

4. APPROVAL OF PRIOR MINUTES - (ATTACHMENT - ACTION MAY BE TAKEN)

The Board of Directors will be asked to approve the draft minutes for the meeting of June 4, 2019.

5. CASH REPORT - (ATTACHMENT - ACTION MAY BE TAKEN)

The Board of Directors will be asked to review and approve the Cash Reports from May 25, 2019, through June 7, 2019.

THIS CONCLUDES THE CONSENT CALENDAR

6. PUBLIC COMMENT

Members of the public may address the Board of Directors on items within the jurisdiction of the Board that are not scheduled for public hearing. The time allotted per speaker will be at the discretion of the Board Chair. If you wish to address the Board under this item number, please complete and deliver to the MTD Board Clerk a "Request to Speak" form that includes both a description of the subject you wish to address and, if applicable, the agenda item number for which you would like to comment. Additional public comment will be allowed during each agenda item, including closed session items. Forms are available at www.sbmtd.gov and at MTD Administrative offices.

BOARD OF DIRECTORS AGENDA

7. **AT-LARGE BOARD MEMBER POSITION - (ACTION MAY BE TAKEN)**
Staff will request that the Board consider reappointment of Bill Shelor for an additional four year term as MTD's "At-large" Director, effective July 21, 2019.
8. **RENEWAL OF FLOOD INSURANCE - JULY 10, 2019 THROUGH JULY 10, 2020 - (ACTION MAY BE TAKEN)**
Staff will recommend that the Board authorize renewal of the Flood Insurance coverage with Wright National Flood Insurance Company.

TIME CERTAIN 9:00 AM

9. **TO AUTHORIZE THE GENERAL MANAGER OR HIS DESIGNEE TO ENTER INTO AN EXCLUSIVE NEGOTIATING AGREEMENT (ENA) WITH THE DEVELOPMENT TEAM COMPRISED OF FPA MULTIFAMILY AND HOUSING AUTHORITY OF SANTA BARBARA COUNTY TO ADVANCE THE DEVELOPMENT OF THE CALLE REAL PROPERTY OWNED BY THE SANTA BARBARA METROPOLITAN TRANSIT DISTRICT - (ATTACHMENT - ACTION MAY BE TAKEN)**
Staff will ask that the Board of Directors receive the ad hoc committee's unanimous recommendation and, through adoption of the attached Resolution 2019-03, authorize MTD's General Manager to negotiate and enter into an Exclusive Negotiating Agreement (ENA) with the development team comprised of FPA Multifamily and Housing Authority of the County of Santa Barbara.
10. **TRANSIT CENTER RENOVATIONS PROJECT UPDATE - (INFORMATIONAL)**
Staff will provide a presentation on the scope and status of the Transit Center Renovations project. Staff will also give an update on planned outreach activities to brief bus riders, neighboring businesses, and the general public on the phases and components of the project.
11. **OTHER BUSINESS AND REPORTS - (INFORMATIONAL)**
The Board will report on other related public transit issues and committee meetings.
12. **RECESS TO CLOSED SESSION: CONFERENCE WITH LABOR NEGOTIATOR(S) (GOVERNMENT CODE SECTION 54957.6) – (ACTION MAY BE TAKEN)**
Agency-designated representatives: MTD General Manager Jerry Estrada and Human Resources and Risk Manager Mary Gregg.

Employee organization: International Brotherhood of Teamsters Union, Local 186.

PUBLIC COMMENT RELATED TO CLOSED SESSION ITEM(S) WILL BE ALLOWED BEFORE THE RECESS

13. **ADJOURNMENT**

AMERICANS WITH DISABILITIES ACT: If you need special assistance to participate in this meeting, please contact the MTD Administrative Office at 805.963.3364 at least **48 hours in advance** of the meeting to allow time for MTD to attempt a reasonable accommodation.



BOARD OF DIRECTORS DRAFT MINUTES

REGULAR MEETING
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
A Public Agency
Tuesday, June 4, 2019
8:30 AM
John G. Britton Auditorium
550 Olive Street, Santa Barbara, CA 93101

- 1. CALL TO ORDER**
Chair Dave Davis called the meeting to order at 8:30 AM.
- 2. ROLL CALL OF THE BOARD MEMBERS**
Chair Davis reported that all members were present with the exceptions of Directors Dick Weinberg and Paula Perotte.
- 3. REPORT REGARDING POSTING OF AGENDA**
Christina Perry, Administrative Assistant Lead, reported that the agenda was posted on Thursday, May 30, 2019, at MTD's Administrative office, mailed and emailed to those on the agenda list, and posted on MTD's website.

CONSENT CALENDAR

- 4. APPROVAL OF PRIOR MINUTES - (ATTACHMENT - ACTION MAY BE TAKEN)**
The Board was asked to approve the draft minutes for the meeting of May 21, 2019.

Vice Chair Dave Tabor moved to approve the prior minutes. Secretary Bill Shelor seconded the motion. The motion passed unanimously with abstentions from Director Olivia Rodriguez and Director Chuck McQuary.
- 5. CASH REPORT - (ATTACHMENT - ACTION MAY BE TAKEN)**
The Board was asked to review and approve the Cash Reports from May 11, 2019, through May 24, 2019.

Secretary Shelor moved to approve the prior minutes. Chair Davis seconded the motion. The motion passed unanimously.

THIS CONCLUDES THE CONSENT CALENDAR

- 6. PUBLIC COMMENT**
Judith Ishkanian, candidate in the runoff election for the Local Agency Formation Commission (LAFCO), introduced herself to the Board.

BOARD OF DIRECTORS DRAFT MINUTES

7. OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2019-20 - (ATTACHMENT - ACTION MAY BE TAKEN)

Assistant General Manager and Controller Brad Davis presented the revised draft of the Operating and Capital Budget for Fiscal Year 2019-20 and requested that the Board review and consider its adoption.

Director Olivia Rodriguez requested that the Organizational Chart be modified to reflect positions filled by temporary staff.

The Board thanked Assistant Controller Thais Sayat and the Finance, Human Resources, and Risk Committee for contributions to drafts of this budget. The Board also complimented Assistant General Manager Davis' budget summary and updated presentation format.

Director McQuary moved to adopt the Operating and Capital Budget for Fiscal Year 2019-20. Director Rodriguez seconded the motion. The motion passed unanimously.

8. FISCAL YEAR 2018-19 THIRD QUARTER PERFORMANCE REPORTS - (INFORMATIONAL)

Interim Planning and Marketing Manager Hillary Blackerby presented Performance Reports for the third quarter and nine-month period ending March 31, 2019 of Fiscal Year 2018-19.

9. AT-LARGE BOARD MEMBER POSITION - (INFORMATIONAL)

At 10:24 AM, Bill Shelor exited the meeting for the duration of the Board's discussion.

The Board discussed the status of MTD's "At-large" Director position, currently filled by Bill Shelor. Mr. Shelor's current term is set to end on July 21, 2019.

Mr. Shelor reentered the meeting at 10:29 AM.

10. GENERAL MANAGER'S REPORT - (INFORMATIONAL)

General Manager Jerry Estrada provided an update on district activities, including: BYD bus summary; Transit Center construction delay due to Southern California Edison's (SCE) Downtown Santa Barbara Reliability Project; the upcoming Board meeting on June 18, 2019, General Manager Estrada's jury duty summons; and MTD's application process in SCE's Charge Ready program.

11. OTHER BUSINESS AND REPORTS - (INFORMATIONAL)

Chair Davis noted that no date has been set for the LAFCO runoff election.

12. RECESS TO CLOSED SESSION: CONFERENCE WITH LABOR NEGOTIATOR(S) (GOVERNMENT CODE SECTION 54957.6) – (ACTION MAY BE TAKEN)

Agency-designated representatives: MTD General Manager Jerry Estrada and Human Resources and Risk Manager Mary Gregg.

Employee organization: International Brotherhood of Teamsters Union, Local 186.

BOARD OF DIRECTORS DRAFT MINUTES

PUBLIC COMMENT RELATED TO CLOSED SESSION ITEM(S) WILL BE ALLOWED BEFORE THE RECESS

No public comments regarding the Closed Session item were made prior to recess.

Chair Davis recessed the Board to Closed Session at 10:36 AM.

The Board reconvened from Closed Session at 10:42 AM. Chair Davis reported that no action was taken.

13. ADJOURNMENT

Director Rodriguez moved to adjourn the meeting at 10:43 AM. Vice Chair Tabor seconded the motion. The motion passed unanimously.

Santa Barbara Metropolitan Transit District
Cash Report
Board Meeting of June 18, 2019
For the Period May 25, 2019 through June 7, 2019

MONEY MARKET

Beginning Balance May 25, 2019 **\$2,057,417.71**

Accounts Receivable	923,556.98
Prop 1B Cap Revenue	204,799.03
Passenger Fares	116,895.64
Prepays & Advertising	2,100.00
Miscellaneous Income	177.23
Measure A Transfer	.00
Total Deposits	1,247,528.88

Miscellaneous Transfers	(1,239.78)
401(k)/Pension Transfer	(38,735.48)
Payroll Taxes	(166,518.33)
Payroll	(370,572.68)
Accounts Payable	(444,003.87)
Total Disbursements	(1,021,070.14)

Ending Balance **\$2,283,876.45**

CASH INVESTMENTS

LAIF Account	\$8,608,034.51
Money Market Account	2,283,876.45

Total Cash Balance **\$10,891,910.96**

SELF INSURED LIABILITY ACCOUNTS

WC / Liability Reserves	(\$3,896,410.08)
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Working Capital **\$6,995,500.88**

**Santa Barbara Metropolitan Transit District
Cash Receipts of Accounts Receivable**

Date	Company	Description	Amount
5/29/2019	City of S.B. Waterfront Department	Waterfront Shuttle-Cruise Ship 4/25/19	3,272.08
5/29/2019	City of SB - Public Works Director	Downtown Shuttle - May '19	100,088.67
5/29/2019	SB School District	Passes/Token Sales	41,250.00
6/3/2019	Jill Grisham	Retiree - Vision - Jun '19	12.45
6/3/2019	Local Transportation Fund	SB 325 - May '19	567,836.04
6/3/2019	Measure A, Section 3 LSTI	Measure A Funds-May '19 Operating	154,021.02
6/3/2019	Montecito Bank & Trust	Advertising on Buses	3,281.00
6/3/2019	Wells Marketing, LLC	Advertising on Buses	853.20
6/4/2019	City of S.B. Waterfront Department	Waterfront Shuttle-Cruise Ship 4/29/19	3,272.08
6/4/2019	Department of Rehabilitation	Passes/Passports Sales	1,316.00
6/4/2019	Jim Haggerty	Retiree - Vision - Jun '19	12.20
6/4/2019	UCSB	Advertising on Buses	1,245.00
6/6/2019	ASTI Holding Company, LLC	Overpass Property Lease - Jun '19	9,197.34
6/6/2019	Goodwin & Thyne Properties	Advertising on Buses	2,340.00
6/7/2019	Kyles Kitchen	Advertising on Buses	951.00
6/7/2019	Kyles Kitchen	Advertising on Buses	951.00
6/7/2019	Measure A, Section 3 LSTI	Measure A Funds-FY19 Q3 Capital	33,657.90
Total Accounts Receivable Paid During Period			\$923,556.98

**Santa Barbara Metropolitan Transit District
Accounts Payable**

Check #	Date	Company	Description	Amount	Voids
121059	5/30/2019	ABC BUS COMPANIES INC	BUS PARTS	1,372.18	
121060	5/30/2019	AMERICAN MOVING PARTS, LLC	BUS PARTS	284.75	
121061	5/30/2019	ALL PHASE ELECTRIC SUPPLY DB	B&G SUPPLIES	71.94	
121062	5/30/2019	ASBURY ENVIRONMENTAL	WASTE OIL RECYCLER	120.00	
121063	5/30/2019	BIG BRAND TIRES, BRANDCO BILL	SERVICE VEHICLE MAINTENANCE	1,199.66	
121064	5/30/2019	BLACK GOLD INDUSTRIES, CORP	HAZMAT DISPOSAL	3,024.50	
121065	5/30/2019	BUENA TOOL, INC.	SHOP/B&G SUPPLIES	325.16	
121066	5/30/2019	CALIFORNIA ELECTRIC SUPPLY, I	SHOP/B&G SUPPLIES	76.00	
121067	5/30/2019	CARQUEST AUTO PARTS	BUS PARTS & SUPPLIES	312.87	
121068	5/30/2019	CELTIS VENTURES, INC.	MARKETING SERVICES	4,085.00	
121069	5/30/2019	CINTAS CORPORATION	FIRST AID SUPPLIES	895.44	
121070	5/30/2019	COX COMMUNICATIONS, CORP.	INTERNET & CABLE TV	433.47	
121071	5/30/2019	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	8,060.37	
121072	5/30/2019	DAVID RZEPINSKI & ASSOCIATES	PROCUREMENT SERVICES	1,268.75	
121073	5/30/2019	ERGOMETRICS, INC.	DRIVER TEST SCORING	54.00	
121074	5/30/2019	ESP LOCKSMITH DBA	B&G REPAIRS & SUPPLIES	95.00	
121075	5/30/2019	JEFFREY K. FISHER CONSULTING	PROFESSIONAL SERVICES	1,450.00	
121076	5/30/2019	FLEET SERVICES, INC.	BUS PARTS	1,193.46	
121077	5/30/2019	JIMENEZ GARCIA, ALMA	DMV/VTT RENEWAL	56.00	
121078	5/30/2019	GIBBS INTERNATIONAL INC	BUS PARTS	2,340.57	
121079	5/30/2019	GILLIG LLC	BUS PARTS	10,332.87	
121080	5/30/2019	GLOBAL TOWING, INC.	TOWING SERVICES	2,400.00	
121081	5/30/2019	GOLD COAST TRANSPORT REFRIG	BUS A/C MAINTENANCE	624.31	
121082	5/30/2019	GOODYEAR TIRE & RUBBER CO	BUS TIRE LEASE	536.38	
121083	5/30/2019	GRAINGER, INC.	SHOP/B&G SUPPLIES	727.63	
121084	5/30/2019	STEPHEN HAHN	REIMBURSEMENT	60.00	
121085	5/30/2019	HAYNES SALES DBA	B&G REPAIRS & SUPPLIES	535.31	
121086	5/30/2019	HI-LINE ELECTRIC COMPANY, INC	BUS PARTS	174.80	
121087	5/30/2019	HIGH IMPACT INC.	FORKLIFT SAFETY TRAINING	1,691.00	
121088	5/30/2019	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	206.26	
121089	5/30/2019	HR AUTOGLASS DBA	BUS PARTS/REPAIRS	460.00	
121090	5/30/2019	HYDRAULIC CONTROLS, INC.	BUS PARTS	75.50	
121091	5/30/2019	INTEGRATED SOFTWARE SYSTEM	WEB SITE CONSULTING	55.00	
121092	5/30/2019	JANEK CORP	BUS PARTS	1,141.88	
121093	5/30/2019	KIRKS AUTOMOTIVE, INC	BUS/AUTO PARTS	239.25	
121094	5/30/2019	KLIPPEL TOOL REPAIR DBA	COMPRESSORS MAINT/BUS PARTS	400.55	
121095	5/30/2019	LANSPEED DBA	IT SERVICES	562.50	
121096	5/30/2019	LAWSON PRODUCTS INC	SHOP SUPPLIES	36.52	

Check #	Date	Company	Description	Amount	Voids
121097	5/30/2019	LMA ARCHITECTS, CORP.	TC ARCHITECTURAL SERVICES	7,119.46	
121098	5/30/2019	LORI'S MOBILE NOTARY&FINGERP	MOBILE NOTARY	585.00	
121099	5/30/2019	MC CORMIX CORP. (OIL)	LUBRICANTS	3,385.52	
121100	5/30/2019	MC CORMIX CORP. (GAS)	FUEL-SERVICE VEHICLES	3,043.41	
121101	5/30/2019	MCMASTER-CARR SUPPLY CO.	SHOP/B&G SUPPLIES	430.71	
121102	5/30/2019	MILPAS RENTAL INC.	EQUIPMENT RENTAL	347.05	
121103	5/30/2019	MOHAWK MFG. AND SUPPLY CO.	BUS PARTS	130.61	
121104	5/30/2019	WILLIAM MORRIS	REIMBURSEMENT	4.17	
121105	5/30/2019	MULLEN & HENZELL	CALLE REAL LEGAL SERVICES	12,412.97	
121106	5/30/2019	NATIONAL INTERSTATE INS INC.	LIABILITY INSURANCE	27,111.20	
121107	5/30/2019	NEOPART TRANSIT LLC	BUS PARTS	165.16	
121108	5/30/2019	NEWEGG, INC	IT EQUIPMENT & SUPPLIES	1,068.23	
121109	5/30/2019	NFI PARTS DBA	BUS PARTS	168.49	
121110	5/30/2019	NU-COOL REDI GREEN, INC	COOLANTS & SHOP SUPPLIES	902.29	
121111	5/30/2019	PREVOST CAR INC.- CREDIT DEPT.	BUS PARTS	276.89	
121112	5/30/2019	POWERSTRIDE BATTERY CO.	EV BATTERIES	11.95	
121113	5/30/2019	PROFORMA COLOR PRESS DBA	PRINTING SERVICES	722.63	
121114	5/30/2019	RAMSEY ASPHALT CONSTRUCTIO	B&G REPAIRS & SUPPLIES	850.00	
121115	5/30/2019	SANSUM CLINIC	MEDICAL EXAMS	1,075.00	
121116	5/30/2019	SANTA BARBARA FASTENERS, INC	SHOP SUPPLIES	6.09	
121117	5/30/2019	SANTA BARBARA HOSE & SUPPLY,	BUS PARTS	26.16	
121118	5/30/2019	SILVAS OIL CO., INC.	LUBRICANTS	540.27	
121119	5/30/2019	SERVPRO OF SANTA BARBARA D	BUS CLEANING	182.00	
121120	5/30/2019	SELECT STAFFING DBA	CONTRACT SERVICES	2,857.60	
121121	5/30/2019	SM TIRE, CORP.	BUS TIRE MOUNTING	1,889.48	
121122	5/30/2019	SOAP MAN DISTRIBUTIN DBA	CLEANING SUPPLIES	70.14	
121123	5/30/2019	STAPLES CONTRACT & COMMERC	OFFICE SUPPLIES	610.50	
121124	5/30/2019	STEWART'S DE-ROOTING & PLUM	PLUMBING REPAIRS	390.00	
121125	5/30/2019	SB CITY OF-REFUSE/WATER	UTILITIES	1,075.43	
121126	5/30/2019	THE MEDCENTER	MEDICAL EXAMS	255.00	
121127	5/30/2019	TOOL DISCOUNTER.COM DBA	SHOP SUPPLIES	239.54	
121128	5/30/2019	TRUMAN ARNOLD COMPANIES (T	DIESEL FUEL	66,757.80	
121129	5/30/2019	UNITED REFRIGERATION INC.	BUS AIR CONDITIONING SUPPLIES	462.19	
121130	5/30/2019	J.C. M. AND ASSOCIATES INC.	UNIFORMS	1,387.65	
121131	5/30/2019	VALLEY POWER SYSTEMS, INC.	BUS PARTS	17,607.08	
121132	5/30/2019	VALLEY POWER SYSTEMS, INC.	BUS PARTS	1,951.49	
121133	5/30/2019	WAXIE SANITARY SUPPLY DBA	JANITORIAL SUPPLIES	1,312.56	
121134	5/30/2019	WURTH USA WEST INC.	SHOP SUPPLIES	607.05	
121135	5/30/2019	YELLOW (YRC) TRANSPORTATION	FREIGHT CHARGES	149.93	
121136	6/7/2019	ABC BUS COMPANIES INC	BUS PARTS	1,002.76	
121137	6/7/2019	JESUS AGUILAR	TRANSLATION SERVICES	75.00	

Check #	Date	Company	Description	Amount	Voids
121138	6/7/2019	AMERICAN MOVING PARTS, LLC	BUS PARTS	494.59	
121139	6/7/2019	ASBURY ENVIRONMENTAL	WASTE OIL RECYCLER	65.00	
121140	6/7/2019	BIG BRAND TIRES, BRANDCO BILL	SERVICE VEHICLE MAINTENANCE	422.49	
121141	6/7/2019	BYD COACH & BUS LLC	BUS PARTS	129.53	
121142	6/7/2019	CALIFORNIA ELECTRIC SUPPLY, I	SHOP/B&G SUPPLIES	839.19	
121143	6/7/2019	MIKE CARDONA	REIMBURSEMENT	24.74	
121144	6/7/2019	CARQUEST AUTO PARTS	BUS PARTS & SUPPLIES	5.35	
121145	6/7/2019	CITY OF CARPINTERIA	CHARGING STATION ELECTRICITY	1,869.80	
121146	6/7/2019	CITY OF SANTA BARBARA	CSR PARKING PERMITS	40.00	
121147	6/7/2019	CENTRAL COAST CIRCULATION, L	BUS BOOK DISTRIBUTION	575.00	
121148	6/7/2019	COUNTY OF SANTA BARBARA	COUNTY FILING FEE	50.00	
121149	6/7/2019	CSAC/CPEIA	WORKERS COMP INSURANCE	3,948.00	
121150	6/7/2019	CUMMINS PACIFIC, LLC	BUS PARTS & REPAIRS	7,419.91	
121151	6/7/2019	DAVID DAVIS JR.	DIRECTOR FEES	180.00	
121152	6/7/2019	DIESEL FORWARD, INC.	BUS PARTS	5,664.24	
121153	6/7/2019	ECO-T TIRE & RETREADING, LLC	BUS TIRE DISPOSAL	425.89	
121154	6/7/2019	FLEET SERVICES, INC.	BUS PARTS	631.19	
121155	6/7/2019	STATE OF CALIFORNIA	PAYROLL RELATED	365.00	
121156	6/7/2019	GIBBS INTERNATIONAL INC	BUS PARTS	419.99	
121157	6/7/2019	GILLIG LLC	BUS PARTS	4,611.93	
121158	6/7/2019	GOLD COAST TRANSPORT REFRIG	BUS A/C MAINTENANCE	666.75	
121159	6/7/2019	HOME IMPROVEMENT CTR.	SHOP/B&G SUPPLIES	392.78	
121160	6/7/2019	HR AUTOGLASS DBA	BUS PARTS/REPAIRS	1,600.00	
121161	6/7/2019	JANEK CORP	BUS PARTS	445.88	
121162	6/7/2019	KIMBALL MIDWEST	SHOP SUPPLIES	463.54	
121163	6/7/2019	HOGAN MFG., INC. LIFT-U DIV.	BUS PARTS	309.18	
121164	6/7/2019	MC CORMIX CORP. (OIL)	LUBRICANTS	4,069.78	
121165	6/7/2019	MCMaster-CARR SUPPLY CO.	SHOP/B&G SUPPLIES	396.37	
121166	6/7/2019	MILPAS RENTAL INC.	EQUIPMENT RENTAL	1,444.13	
121167	6/7/2019	MISSION LINEN SUPPLY, INC	UNIFORM & LINEN SERVICE	7,044.58	
121168	6/7/2019	MOUNTAIN SPRING WATER	SHOP & OFFICE SUPPLIES	1,327.15	
121169	6/7/2019	PREVOST CAR INC.- CREDIT DEPT.	BUS PARTS	45.17	
121170	6/7/2019	PAULA A. PEROTTE	DIRECTOR FEES	60.00	
121171	6/7/2019	PETTY CASH- HAHN, STEVE	MISC SHOP NEEDS	77.87	
121172	6/7/2019	PETTY CASH- PERRY, CHRISTINA	MISC. PURCHASES	251.56	
121173	6/7/2019	LETICIA RAMIREZ	PAYROLL RELATED	800.00	
121174	6/7/2019	SB COUNTY FEDERAL CREDIT UNI	PAYROLL DEDUCTION	260.00	
121175	6/7/2019	SANTA BARBARA HOSE & SUPPLY,	BUS PARTS	30.77	
121176	6/7/2019	SILVAS OIL CO., INC.	LUBRICANTS	353.92	
121177	6/7/2019	SERVPRO OF SANTA BARBARA D	BUS CLEANING	430.00	
121178	6/7/2019	SANTA BARBARA SHERIFF'S DEPT	PAYROLL RELATED	50.00	

Check #	Date	Company	Description	Amount	Voids
121179	6/7/2019	WILLIAM JOHN SHELOR	DIRECTOR FEES	180.00	
121180	6/7/2019	SO. CAL. EDISON CO.	UTILITIES	4,572.58	
121181	6/7/2019	SOAP MAN DISTRIBUTIN DBA	CLEANING SUPPLIES	342.45	
121182	6/7/2019	SPECIALTY TOOL & BOLT, LTD	SHOP SUPPLIES	561.78	
121183	6/7/2019	STAPLES CONTRACT & COMMERC	OFFICE SUPPLIES	832.77	
121184	6/7/2019	STATE BOARD OF EQUALIZATION	PAYROLL RELATED	250.00	
121185	6/7/2019	SB CITY OF-REFUSE/WATER	UTILITIES	3,909.33	
121186	6/7/2019	DAVID T. TABOR	DIRECTOR FEES	180.00	
121187	6/7/2019	TANK TEAM INC.	TANK TESTS	123.00	
121188	6/7/2019	TEAMSTERS PENSION TRUST	UNION PENSION	99,080.41	
121189	6/7/2019	TEAMSTERS UNION LOCAL NO. 18	UNION DUES	11,083.52	
121190	6/7/2019	TRUMAN ARNOLD COMPANIES (T	DIESEL FUEL	44,583.50	
121191	6/7/2019	J.C. M. AND ASSOCIATES INC.	UNIFORMS	401.63	
121192	6/7/2019	U.S. BANK CORP. PAYMENT SYSTE	CREDIT CARD PURCHASES	15,072.15	
121193	6/7/2019	VALLEY POWER SYSTEMS, INC.	BUS PARTS	7,704.14	
121194	6/7/2019	RICHARD WEINBERG	DIRECTOR FEES	180.00	
				444,003.87	
				Current Cash Report Voided Checks:	0.00
				Prior Cash Report Voided Checks:	0.00
				Grand Total:	\$444,003.87



BOARD OF DIRECTORS REPORT

MEETING DATE:	JUNE 18, 2019	AGENDA ITEM: #7
DEPARTMENT:	OFFICE ADMINISTRATION	
TYPE:	ACTION ITEM	
PREPARED BY:	JERRY ESTRADA	_____
		<i>Signature</i>
REVIEWED BY:	GENERAL MANAGER	_____
		<i>Signature</i>
SUBJECT:	AT-LARGE BOARD MEMBER POSITION	

RECOMMENDATION:

Staff requests that the Board consider reappointment of Bill Shelor for an additional four year term as MTD's "At-large" Director, effective July 21, 2019.

DISCUSSION:

The Board held a discussion regarding the status of MTD's "At-large" Director position, currently filled by Bill Shelor, at the board meeting of June 4, 2019. Staff was instructed by the Board to bring this matter back as an action item at the next regularly scheduled board meeting.



BOARD OF DIRECTORS REPORT

MEETING DATE: JUNE 18, 2019 **AGENDA ITEM: #8**
DEPARTMENT: RISK
TYPE: ACTION ITEM
PREPARED BY: MARY GREGG _____
Signature
REVIEWED BY: GENERAL MANAGER _____
Signature
SUBJECT: RENEWAL OF FLOOD INSURANCE - JULY 10, 2019 THROUGH
 JULY 10, 2020

RECOMMENDATION:

Staff recommends that the Board of Directors authorize renewal of the Flood Insurance coverage with Wright National Flood Insurance Company effective July 10, 2018, at a total premium of \$28,801, with a deductible of \$25,000 per coverage.

DISCUSSION:

The policy covers all buildings and their contents at 550 Olive Street as follows: administrative, fuel service island, bus wash, carport, and maintenance. Coverage complies with the FTA requirement that grantees with federally-funded buildings located in a flood zone must purchase flood insurance for those properties. Flood coverage and underwriting rules are established by the National Flood Insurance Program (NFIP). Insurance companies are contracted to underwrite the flood policies and base pricing for flood zones is set by FEMA.

Per the City of Santa Barbara’s Flood Insurance Rate Maps (FIRMS), MTD is in Zone AH, defined as “Areas subject to inundation by 1-percent-annual chance shallow flooding (usually areas of ponding) where average depths are between one and three feet. Base Flood Elevations (BFEs) derived from detailed hydraulic analyses are shown in this zone.”

BUDGET/FINANCIAL:

	Renewal 2019-2020	Expiring 2018-2019	Prior 2017-2018	Prior 2016-2017
Administration	\$ 7,154	\$ 6,993	\$ 6,880	\$ 6,762
Fuel Service Island	\$ 6,280	\$ 6,188	\$ 6,145	\$ 6,085
Bus Wash	\$ 3,817	\$ 3,725	\$ 3,703	\$ 3,657
Carport	\$ 4,396	\$ 4,231	\$ 4,135	\$ 4,028
Maintenance	\$ 7,154	\$ 6,993	\$ 6,880	\$ 6,762
Total	\$ 28,801	\$ 28,130	\$ 27,743	\$ 27,294



BOARD OF DIRECTORS REPORT

MEETING DATE: JUNE 18, 2019 **AGENDA ITEM: #9**

DEPARTMENT: ADMINISTRATION

TYPE: ACTION ITEM

PREPARED BY: JERRY ESTRADA

Signature

REVIEWED BY: GENERAL MANAGER

Signature

SUBJECT: TO AUTHORIZE THE GENERAL MANAGER OR HIS DESIGNEE TO ENTER INTO AN EXCLUSIVE NEGOTIATING AGREEMENT (ENA) WITH THE DEVELOPMENT TEAM COMPRISED OF FPA MULTIFAMILY AND HOUSING AUTHORITY OF SANTA BARBARA COUNTY TO ADVANCE THE DEVELOPMENT OF THE CALLE REAL PROPERTY OWNED BY THE SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

RECOMMENDATION:

Staff asks that the Board of Directors receive the *ad hoc* committee's unanimous recommendation and, through adoption of the attached Resolution 2019-03, authorize MTD's General Manager to negotiate and enter into an Exclusive Negotiating Agreement (ENA) with the development team comprised of FPA Multifamily and Housing Authority of the County of Santa Barbara.

SUMMARY:

After conducting an extensive review process, the *ad hoc* committee recommends MTD pursue an ENA with the development team comprised of FPA Multifamily and Housing Authority of the County of Santa Barbara (Team #2). Team #2's development proposal provides a more secure and reliable source of financing and results in a higher total rent amount to MTD over the life of the lease. While the development team comprised of TGI and People's Self Help Housing Corporation (Team #1) demonstrated more experience developing and managing projects on the South Coast, both development teams demonstrated sufficient familiarity with the South Coast to satisfy this requirement. Furthermore, the *ad hoc* committee was very impressed with Team #2's comprehensive presentation during the interview process. Team #2's experience operating under long-term ground leases with public agencies, extensive portfolio of apartment communities, access to capital, and the coordination between the development team partners and the master general contractor separated Team #2 from Team #1.

Ultimately, the *ad hoc* committee determined that Team #2 had demonstrated the knowledge, capacity, community awareness, and financial strength to deliver the proposed project. Based on this determination, the *ad hoc* committee is recommending adoption of the attached Resolution 2019-03.

DISCUSSION:

Purpose of an Exclusive Negotiating Agreement

An Exclusive Negotiating Agreement is a written agreement between two parties specifying a period of time in which the parties will negotiate exclusively on the terms and conditions of a development project. Here, an ENA will allow MTD and the development team to negotiate exclusively for a specified period of time regarding the terms and condition under which MTD will permit the development team to develop, operate and manage the Calle Real Property. Because both parties contemplate entering into a long-term ground lease, the ENA will also allow the parties to negotiate an acceptable ground lease. If the parties cannot reach an agreement during the ENA time period, the parties may either extend the ENA or terminate negotiations. If MTD is unable to reach an agreement with the development team during the term of the ENA, MTD may select another development team to enter into negotiations. If an agreement cannot be reached with FPA Multifamily and Housing Authority of the County of Santa Barbara, the *ad hoc* committee would recommend entering into negotiations with the development team comprised of TGI and People’s Self Help Housing Corporation.

Property History

MTD owns four legal parcels totaling approximately 18.93 acres in the County of Santa Barbara (“Property”). MTD purchased the Property in 1985 for the purpose of developing a potential bus terminal; however another site was acquired for that purpose and the Property became available for alternative uses. Through a series of planning efforts by the County of Santa Barbara, the Property is currently designated as one of two primary housing opportunity sites in the Eastern Goleta Valley Community Plan and is zoned as follows: 10.2 acres (DR-20), 6.8 acres (DR-0.2) and the slightly less than two acre western-most parcel is zoned DR-20.

Formation of *Ad Hoc* Committee

The MTD Board of Directors determined that the highest and best use of the Property was development, and likely some form of residential development given the underlying zoning and the Property’s designation as a primary housing opportunity site by the County of Santa Barbara. The MTD Board of Directors formed the *ad hoc* committee for the specific and limited purpose of reviewing development proposals for the Property and recommending to the Board a development team for MTD to enter negotiations of an exclusive negotiating agreement (ENA). Since its formation by the Board, the *ad hoc* committee has directed the solicitation of development proposals for the Property and has retained a team of consultants to assist in the review of development proposals. As discussed below, the *ad hoc* committee has completed its solicitation of development team proposals and conducted a series of interviews with each development team in conjunction with the *ad hoc* committee’s consultants. Based on these actions, the *ad hoc* committee has prepared a recommendation for the Board.

RFQ Process

On June 14, 2018, MTD issued a Request for Qualifications/Request for Proposals (RFQ/RFP) to identify a potential development team to develop and construct a residential project at the Property that would provide housing and public benefits consistent with the Eastern Goleta Valley Community Plan. MTD’s intent in selecting a development team was to minimize financial risk to MTD and maximize long term financial return to support MTD’s operations.

BOARD OF DIRECTORS REPORT

MTD received three submittals in the initial RFQ phase: (1) The Towbes Group and People's Self Help Housing Corporation (TGI/PSHHC or Team #1); (2) FPA Multifamily and Housing Authority of the County of Santa Barbara (FPA/HACSB or Team #2); and (3) Western National Properties. Based on a review of the three RFQ submittals, the proposal evaluation committee determined that the Western National Properties proposal was not responsive to the RFQ requirements, and therefore, Western National Properties was not invited to participate in the RFP phase.

RFP Process

At the conclusion of the RFQ phase, TGI/PSHHC and FPA/HACSB were invited to participate in the RFP phase and to submit development proposals for the Property. Both teams submitted development proposals, which were reviewed by the *ad hoc* committee and its consultants. A side-by-side comparison of the two proposals is provided below:

	Development Team #1(TGI/PSHHC)	Development Team #2 (FPA/HACSB)
Number of Units		
Market Rate Units	233	180
Workforce Units	0	40
Low-Income Units	43	59
Total Units	276	279
Parking	531 spaces	395 spaces
Gross Square Feet of Structures	239,250 sq.ft	272,524 sq.ft
Projected Water Use	55.84 AFY	Approx. 51 AFY
Predevelopment Period	30 Months	26 Months
Construction Term	30 Months	28 Months
Ground Rent During Construction	No	Yes
Lease Up Period	6 Months	4 Months
100% Occupancy (date)	12/1/2026	4/1/2026
Ground Rent Adjustment Provisions		
Frequency	Each 60 Months	Each 12 Months
Minimum Limit	CPI with 7.5% Floor / 60 Months	CPI, No Floor
Maximum Limit	CPI with 15% CAP / 60 Months	CPI with 3% CAP
Additional Ground Lease Rent	1% of Effective Gross Income	Optional Percentage of Total Income Received
Lease Term	99 Years	99 Years

Based on the review by the *ad hoc* committee and its consultants, each development team was asked a series of follow up questions related to their respective development proposals. After each development team had the opportunity to respond to the follow up questions from the *ad hoc* committee and its consultants, the teams were invited to participate in in-person interviews with the *ad hoc* committee and its consultants. Each team was given two hours to present its proposal and to answer questions from the *ad hoc* committee and its consultants. At the conclusion of the interviews, the *ad hoc* committee briefly met and provided a list of additional

questions to be answered by each development team. The *ad hoc* committee's consultants then contacted each development team and asked that they respond to the *ad hoc* committee's additional questions. Each development team responded.

Criteria for Recommendation to the Board

The RFP anticipated that the *ad hoc* committee would review all RFP submittals and provide recommendations to the MTD Board of Directors. Pursuant to the RFP, the *ad hoc* committee was to review the RFP submittals based on the below-listed criteria:

- Evaluation of MTD financial return and risk.
- Financial capability and access to financing.
- Experience with housing projects on the South Coast of Santa Barbara County.
- Evaluation of development team.
- Evaluation of conceptual plan.
- Experience with community involvement.

While the evaluation of the above criteria is not intended to be the sole determining factor in MTD's selection of a development team, it is intended to assist the *ad hoc* committee and the Board of Directors in selecting a development team to enter into an ENA.

A. Evaluation of MTD Financial Return and Risk

Ground Lease: Both development teams proposed non-subordinated ground leases of 99 years. The *ad hoc* committee considered MTD's stated goal of achieving a long-term financial return while minimizing risk and determined that a non-subordinated long-term ground lease is the best form of agreement to achieve these goals. An outright sale of the Property could minimize risk to MTD, although the sale price would be subject to the current market value of the Property (which could require MTD to "time the market" for the optimal sale price), but would not achieve MTD's stated goal of achieving a long-term return. Similarly, a joint venture with a development team could result in a long-term return to MTD; however, MTD would likely be required to take on significant financial risk as a "partner" in the development and operation of the project. A non-subordinated ground lease allows MTD to receive a long-term return through the receipt of lease payments over 99 years, while minimizing risk to MTD as it is not a partner or investor in the project. Therefore, the *ad hoc* committee believes a non-subordinated long-term ground lease is the best form of agreement to achieve MTD's stated goals for the Property.

In order for a ground lease to make sense from a financial perspective, the lease payments over time should exceed what MTD could receive if it were to sell the Property today and invest the sales price in a secure, guaranteed invest, such as a 30-year US Treasury bond. Both development teams' proposals far exceed the financial return MTD could expect if it were to sell the property and invest the sale proceeds in a secure treasury bond.

Development Team #1 (TGI/PSHHC):

Team #1 proposes a rent that combines a base rent amount plus a percentage of total income received through the operation of the project. The base rent amount would increase every five years based on any increases in the Consumer Price Index (CPI), subject to a cap of 15%, with a minimum increase of 7.5%.

Development Team #2 (FPA/HACSB):

Team #2 proposes two options: (1) a base rent amount that increases annually based on any increases in the CPI, subject to a cap of 3%, or (2) the greater of (a) a percentage of total income received through the operation of the project, and (b) a base rent amount that increases annually.

Based on the ad hoc committee's review of the formulas used by each development team to calculate rent amounts over the entire term of the 99-year lease, the ad hoc committee believes Team #2's proposal will result in a higher total rent amount to MTD over the life of the lease.

B. Financial Capability and Access to Financing

Development Team #1 (TGI/PSHHC):

TGI anticipates that third party investors will provide the required equity investment to develop the market rate portion of the project; however, the project has not been presented to any investors at this time.

PSHHC is relying on significant amounts of highly-competitive State funding in order to finance its low-income portion of the project.

Development Team #2 (FPA/HACSB):

FPA represents that 100% of the required equity investment will come from FPA Equity, LLC, an affiliate of FPA. FPA states that the required equity investment has already been allocated by FPA Equity, LLC for this project and it is "ready to deploy" when funding commences.

As a governmental body, HACSB is relying on its strength with Project-Based Section 8 and its healthy balance sheet, in order to carry significant permanent debt to finance its portion of the project.

Based on the ad hoc committee's review of the development teams' financing sources, the ad hoc committee believes Team #2's proposal provides a more secure and reliable source of financing.

C. Experience with Housing Projects on the South Coast of Santa Barbara County

Development Team #1(TGI/PSHHC):

TGI has developed and currently manages approximately 200 apartments in the City of Goleta (Sumida Gardens) and anticipates an additional 529 units by 2021 with the completion of Cortona Apartments and Heritage Ridge Apartments. TGI also developed Willow Springs (235 units) and Knollwood Village (195) condominium units in the City of Goleta and County of Santa Barbara respectively.

PSHHC currently manages approximately 1,950 rental units, 634 of which are on the South Coast of Santa Barbara County. Projects in the Goleta and Isla Vista areas include, Casas de las Carneros (70 units), Isla Vista (56 units), Storke Ranch (36 units), and Ellwood (8 units).

Development Team #2 (FPA/HACSB):

FPA recently delivered 74 units of market rate apartments in Goleta and is scheduled to deliver an additional 88 units in 2019 at Los Carneros Village.

HACSB has acquired, developed and manages 1,326 units that serve the extremely low, very low, and low income community in Santa Barbara County. Projects in the Goleta and Isla Vista

BOARD OF DIRECTORS REPORT

areas include Pescadaro Lofts (33 units), Positano Apartments (118 units), Aparicio Apartments (54 units), L.C. Grossman Homes (14 units), Parkview Apartments (20 units), Sandpiper Apartments (68 units), and Villa del Sol (4 units for adults with developmental disabilities).

Based on the ad hoc committee's review of the development teams' proposals, the ad hoc committee believes Team #1 has more experience developing and managing projects on the South Coast.

D. Evaluation of Development Team

Development Team #1(TGI/PSHHC):

TGI is a fully integrated real estate investment, development and property management company with more than 60 years of experience in the Tri-County area. TGI has developed more than 6,000 residential units and currently manages approximately 2,800 residential units. TGI would be responsible for the financing, development, leasing and management of the market-rate units within the development.

TGI has built three residential development projects subject to long-term ground leases. In each instance, the ground lease is subordinate to the mortgages. A subordinated ground lease is not contemplated with this project, as it would create significantly greater risk to MTD.

PSHHC was founded in 1970 and operates 52 neighborhoods in over 25 communities in San Luis Obispo, Santa Barbara, and Ventura counties. PSHHC specializes in rental housing at or below 80% or AMI and is divided into several departments including, Multi-Family Housing Development, Construction, Fiscal, Property Management, Education, Resident Services, Information Technology, Human Resources, Communications and Resource Development. PSHHC plans to serve as the General Contractor for its portion of the project; however it will contract with construction professionals to complete the project.

PSHHC has one development, Casa las Granadas, built on a long-term ground lease with the City of Santa Barbara.

TGI and PSHHC intend to use the same architectural team to design the overall project. It is unclear at this time how TGI and PSHHC would coordinate construction and the overall project but it appears each entity would hire and be responsible for its own consultants and contractors to construct their respective portions of the project.

Development Team #2(FPA/HACSB):

FPA has acquired and developed over 120,000 units, over 600 properties totaling approximately \$12 billion across 17 states. FPA ranked 39th in the National Multifamily Housing Council's Top 50 largest owners in the U.S. in 2017. FPA is a fully integrated company that through its related companies and subsidiaries would be responsible for the development, construction, financing, marketing, leasing, and property management of the market rate units.

FPA indicates that it has completed development projects on unsubordinated ground leases, including multiple ground leases with public agencies in California and that this structure has been discussed with and approved by prospective lenders for this project.

HACSB has acquired, developed and manages 1,326 units in Santa Barbara County. HACSB exclusively serves the extremely low, very low, and low-income communities. HACSB in

coordination with Surf Development, its non-profit partner, would be responsible for the financing, construction, marketing, leasing and property management of the affordable units.

FPA and HACSB plan to form a single management entity, Calle Real Development LLC, which would be the primary, single point contact for MTD through the entitlement, development, construction and leasing period. FPA and HACSB intend to utilize Redwood Construction, Inc., a FPA affiliate, as the general contractor and for master site development of the entire project. FPA and HACSB also intend to use the same architect and design consultants for the entire project site.

The ad hoc committee believes Team #2 provides a superior development team due to: FPA's experience operating under long-term ground leases with public agencies, FPA's extensive portfolio of apartment communities, and the coordination between FPA and HACSB through the formation of Calle Real Development, LLC and the joint use of Redwood Construction, Inc.

E. Evaluation of Conceptual Plan

Development Team #1 (TGI/PSHHC):

Team #1 proposes a 276-unit apartment project consisting of 233 market rate units (159 one-bedroom, 50 two-bedroom, 24 three-bedroom) and 43 affordable units (18 one-bedroom, 14 two-bedroom, and 11 three-bedroom). The project would have two main development locations: 10.2 acres on the eastern side for the market-rate units and 1.42 acres on the western side for the affordable units. 6.8 acres in the middle of the property would remain undeveloped to support resource conservation and storm water management. Within the developable areas, the project includes a collection of 6 clustered building groups interconnected by pathways and vehicle parking areas, along with a small office building for MTD. Community amenities include a centrally located 4,000-sf clubhouse, patio, children's play area, and a community garden to serve the eastern residential uses, as well as a 2,500-sf community center with a play area and patio serving the western residential uses. Parking would be provided by surface lots with carports.

Development Team #2 (FPA/HACSB):

Team #2 proposes a 279-unit apartment project consisting of 220 market rate units (72 one-bedroom, 112 two-bedroom, and 36 three-bedroom) and 59 affordable units (9 one-bedroom, 35 two-bedroom, and 15 three-bedroom). Of the 220 market rate units, 40 will target the workforce-level income range. The project would be divided into two primary development areas separated by an open space and detention basin. The two project areas would be connected by walking trails. Amenities for the market rate development include a pool and cabana area; bbq area; dog wash station; community garden; tot lot; common central green; and package storage area. Amenities for the affordable development include community room; bicycle parking; common central green; tot lot; and walking trails. Parking would be provided by surface lots with covered and uncovered spaces.

Based on its review of the two conceptual plans, the ad hoc committee believes both development teams have satisfied MTD's stated criteria.

F. Experience with Community Involvement

Development Team #1 (TGI/PSHHC):

Team #1 has extensive experience working with public agencies and local community groups to develop successful apartment communities. Team #1's extensive portfolio of apartment communities suggests that both TGI and PSHHC are capable of obtaining the necessary approvals and community support to develop and operate the proposed project.

Development Team #2 (FPA/HACSB):

Team #2 also has extensive experience with public agencies and local community groups to develop successful apartment communities. Like Team #1, both FPA and HACSB have extensive portfolios of apartment communities that suggest Team #2 is capable of obtaining the necessary approvals and community support to develop and operate its proposed project.

The ad hoc committee believes both teams equally demonstrated sufficient experience working with communities to achieve the desired project.

ATTACHMENT:

- Resolution No. 2019-03

RESOLUTION
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

IN THE MATTER OF ENTERING INTO AN EXCLUSIVE NEGOTIATING AGREEMENT

RESOLUTION NO. 2019-03

TO AUTHORIZE THE GENERAL MANAGER OR HIS DESIGNEE TO ENTER INTO AN EXCLUSIVE NEGOTIATING AGREEMENT (ENA) WITH THE DEVELOPMENT TEAM COMPRISED OF FPA MULTIFAMILY AND HOUSING AUTHORITY OF SANTA BARBARA COUNTY TO ADVANCE THE DEVELOPMENT OF THE CALLE REAL PROPERTY OWNED BY THE SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

WHEREAS, the Santa Barbara Metropolitan Transit District (“District”) acquired that certain real property located in the County of Santa Barbara at Calle Real comprised of four legal parcels totaling approximately 18.93 acres (the “Property”) in 1985 for the purpose of constructing a bus terminal or transit site;

WHEREAS, after acquisition of the Property, the District identified and acquired an alternative site for its bus terminal;

WHEREAS, through a series of planning efforts by the County of Santa Barbara, the Property is currently designated as one of two primary housing opportunity sites in the Eastern Goleta Valley Community Plan;

WHEREAS, the Property represents a valuable asset with income potential that the District wishes to utilize to further its purpose of providing transit services to the greater Santa Barbara community;

WHEREAS, the District determined the highest and best use of the Property is residential development;

WHEREAS, the District Board of Directors formed an *ad hoc* committee for the specific and limited purpose of reviewing possible development proposals for the Property and recommending to the Board of Directors a development team to enter into an Exclusive Negotiating Agreement (“ENA”);

WHEREAS, the District issued a Request for Qualifications/Request for Proposals (RFQ/RFP) to identify a development team to develop and construct a residential project at the Property that would provide housing and public benefits consistent with the Eastern Goleta Valley Community Plan and minimize financial risk and maximize long-term financial return to the District to support its operations;

WHEREAS, the District received three submittals during the RFQ stage, two of which were determined to be qualified to participate in the RFP stage;

WHEREAS, the *ad hoc* committee retained qualified consultants to assist in the evaluation of the RFP submittals and received and reviewed comprehensive proposals from both development teams, as well as presentations from each development team;

WHEREAS, both development teams proposed a non-subordinated 99-year ground lease by which the development team would entitle, develop, construct, lease, operate and manage an apartment project consisting of market-rate and affordable rental units;

WHEREAS, based on the *ad hoc* committee's review of both development team proposals, the committee determined the development team comprised of FPA Multifamily and the Housing Authority of the County for Santa Barbara offered a superior proposal based on its access to equity, overall financial strength, experience in developing and operating residential projects pursuant to an non-subordinated ground lease, and projected rent payments to MTD over the term of the contemplated ground lease; and

WHEREAS, the *ad hoc* committee has recommended to the Board of Directors that it authorize the general manager or his designee to enter into an Exclusive Negotiating Agreement with the development team comprised of FPA Multifamily and the Housing Authority of the County for Santa Barbara,

NOW, THEREFORE, BE IT RESOLVED that the District desires to accept the *ad hoc* committee's recommendation and authorize the general manager or his designee to enter into an Exclusive Negotiating Agreement with the development team comprised of FPA Multifamily and the Housing Authority of the County for Santa Barbara for a term of 120 days, with authorization to extend the term of the ENA for an additional 120 days.

PASSED AND ADOPTED by the Board of Directors of the Santa Barbara Metropolitan Transit District this 18th day of June, 2019 by the following vote:

AYES: _____

NAYS: _____

ABSENT: _____

Chair, Board of Directors

ATTEST:

Secretary, Board of Directors



BOARD OF DIRECTORS REPORT

MEETING DATE: JUNE 18, 2019 **AGENDA ITEM: #10**
DEPARTMENT: CAPITAL PROJECTS
TYPE: INFORMATIONAL ITEM
PREPARED BY: RYAN GRIPP _____
Signature
REVIEWED BY: GENERAL MANAGER _____
Signature
SUBJECT: TRANSIT CENTER RENOVATIONS PROJECT UPDATE

DISCUSSION:

Staff will provide a presentation on the scope and status of the Transit Center Renovations project.

Staff will also give an update on planned outreach activities to brief bus riders, neighboring businesses, and the general public on the phases and components of the project.