

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY  
OF THE WEST COVINA REDEVELOPMENT AGENCY**

**MINUTES**

West Covina City Council Chambers  
1444 West Garvey Avenue, West Covina, CA 91790

**Regular Adjourned Meeting - Thursday, January 10, 2013**

*Audio recording of meeting is available upon request from the West Covina City Clerk's Office.*

**I. CALL TO ORDER:**

Meeting was called to order at 4:05 p.m. by Chairperson Sutkin.

**Roll Call**      Chairperson Sutkin, Vice Chairperson Touhey  
Board Members Chavez, Coghlan (arrived at 4:15 p.m.), Hertzberg, Lee

**Absent:**      Board Member Gregoryk

**Staff:**      City Manager/Executive Director Chung, Finance Director Bachman,  
Oversight Board Secretary Rush, Attorney Harper

Pledge of Allegiance led by Board Member Touhey.

**II. CHANGES TO AGENDA** No changes to the agenda.

**III. PUBLIC COMMENT**

Philip Moreno, West Covina resident, addressed the use of redevelopment funds to fund employee retirements.

**IV. CONSENT CALENDAR**

Chairperson Sutkin requested to remove Item B, *Department of Finance Correspondence*, from the consent calendar for separate discussion.

**A. Approval of Minutes (receive and file)**  
Regular Meeting Minutes of August 23, 2012

*Removed for separate discussion*

**B. Department of Finance Correspondence**  
Recommendation is that the Oversight Board to the Successor Agency of the West Covina Redevelopment Agency receive and file this report.

ACTION ON CONSENT CALENDAR

Motion by Touhey and seconded by Lee to approve all items on the consent calendar as presented except Item B.

Motion carried 5-0.

B. *Department of Finance Correspondence*

Executive Director Chung provided a brief report regarding Department of Finance (DOF) correspondence concerning two items [transfer of assets] that were approved at the meeting of December 6, 2012. Correspondence stated the DOF was currently reviewing the transfers.

Board Member Hertzberg inquired as to what the plans of the Successor Agency are if the DOF does not approve the transfers. Chung stated that the Successor Agency will come back with a long term property management plan. Discussion ensued as to the process.

Board Member Coghlan arrived at 4:15 p.m.

Motion by Lee and seconded by Touhey receive and file this report as recommended by staff.

Motion carried 6-0.

V. **BUSINESS ITEMS:**

A. **Due Diligence Review**

Finance Director Bachman stated three actions are requested, approving the Due Diligence Review (DDR), authorizing the Successor Agency to adjust the amount of the shortfall as identified in the DDR, and to authorize the Executive Director to submit the DDR with adjustment to DOF and County Controller. Bachman proceeded to present a staff report.

Board Member Hertzberg questioned the addition of \$12.2 million in loan repayments made to the City in the DDR stating there is no provision in the law to hold the money. Executive Director Chung and Bachman responded to questions. Board Members engaged in discussion regarding the repayment of funds from the former redevelopment agency to the city. Following discussion the Board took the following action.

Motion by Lee and seconded by Touhey to approve the following:

1. Adopt the following resolution:

RESOLUTION NO. OB-0021 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE WEST COVINA REDEVELOPMENT AGENCY APPROVING THE ALL OTHER FUNDS DUE DILIGENCE REVIEW PURSUANT TO HEALTH AND SAFETY CODE

SECTION 34179.6, SUBJECT TO CERTAIN ADJUSTMENT AND TAKING CERTAIN OTHER ACTS IN CONNECTION THEREWITH

2. Authorize the Successor Agency to adjust the amount of the shortfall available for disbursement to affected taxing agencies as determined by the independent auditors by \$1,324,174 down to a shortfall of \$,083,989.
3. Authorize the Executive Director to submit the Due Diligence Review with the adjustments to the Department of Finance and the County Auditor-Controller on behalf of the Oversight Board.

Motion carried 5-0 (Hertzberg No).

**B. Transfer of Assets at West Covina Parkway Plaza Shopping Center to the City of West Covina**

Executive Director Chung presented a staff report and a PowerPoint presentation. Chung stated staff recommends the transfer of the property to the City of West Covina because the property is currently being used for a public sidewalk, landscaping and easement subject to existing agreements. If the transfer is denied by the DOF, the subject property would be included in the long term property management plan.

Motion by Sutkin and seconded by Hertzberg to adopt the following resolution:

RESOLUTION NO. OB-0020 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE WEST COVINA REDEVELOPMENT AGENCY APPROVING THE TRANSFER OF REAL PROPERTY (ASSET) LOCATED AT THE WEST COVINA PARKWAY PLAZA SHOPPING CENTER (8475-002-904) TO THE CITY OF WEST COVINA

Motion carried 6-0.

**VI. EXECUTIVE DIRECTOR/SUCCESSOR AGENCY REPORTS**

Executive Director Chung provided an update on recent staff changes, being his appointment as the City Manager of West Covina and the appointment of Mike Lee as the Community Development Director. Board Member Michael Touhey has been elected to the Upper San Gabriel Municipal Water District and Mayor Sanderson has reappointed Mike Lee and Michael Touhey as the City's representatives on the Oversight Board.

Board Member Touhey stated he resigned his seat as West Covina Councilmember.

**VII. STUDY SESSION**                      None

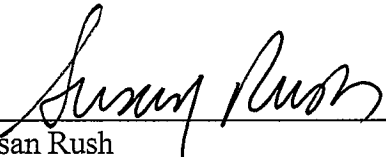
VIII. BOARD MEMBER COMMENTS      None

IX. CLOSED SESSION      None

X. ADJOURNMENT

Chairperson Sutkin adjourned the meeting at 5:00 p.m.

Submitted by

  
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Susan Rush  
Oversight Board Secretary