

**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 Meeting
Thursday, July 5, 2012
4:00 p.m.

I. CALL TO ORDER:

Meeting was called to order at 4:01 p.m. by Executive Director Pasmant, followed by the Pledge of Allegiance.

Assistant City Clerk Rush administered the Oath of Office to newly appointed Board Members Gerry Hertzberg and Carrie Sutkin.

Roll Call

Board Members Present: Chavez, Gregoryk (arrived at 4:19 p.m.) Hertzberg, Lee, Sutkin, Touhey

Staff: City Manager/Executive Director Andrew Pasmant, Finance Director Tom Bachman, Successor Agency Staff Member Chris Chung, Oversight Board Secretary Sue Rush

Election of Chairperson and Vice Chairperson

Mr. Pasmant announced that due to the resignation of Chairman Oliveros and Vice Chairman Escobedo, a new Chairman and Vice Chairman will need to be selected with a minimum of four affirmative votes.

Motion by Hertzberg and seconded by Chavez to nominate Board Member Sutkin as Chairperson. Motion failed with only two affirmative votes.

Motion by Lee to nominate Board Member Touhey as Chairperson.

Board Member Hertzberg expressed his concerns with the perception of an Oversight Board having the City/Successor Agency chairing the Oversight Board and stated he could not support the nomination.

Motion by Hertzberg and seconded by Touhey to nomination Sutkin as Chairperson and Touhey as Vice Chairperson. Motion carried 5-0.

Mr. Pasmant requested the County appointed Board Members identify who they represent. Representation as follows: Public-at-large, Luzmaria Chavez; Largest Special District in Jurisdiction-Library, Carrie Sutkin; County of Los Angeles, Gerry Hertzberg.

II. CHANGES TO AGENDA:

No changes to the agenda.

III. PUBLIC COMMENT:

Philip Moreno, West Covina resident, addressed the golf course project requesting information regarding the issuance of bond; addressed the debt to the redevelopment agency requesting the total redevelopment loan/bond debt; and asked if the City is going to default on any bond payments due to the denial of certain obligations denied by the state.

Lloyd Johnson, West Covina resident, inquired as to general fund loans to the redevelopment agency and whether any repayment will be made.

Francis Park, from the law firm of Park and Velayos representing Westfield, owner and manager of the Westfield West Covina shopping center, addressed the former redevelopment agency property and the properties restrictions and long standing agreements and concurred with the staff's recommendation to transfer the property to the City's Parking Authority.

IV. CONSENT AGENDA:

A. Approval of Minutes (receive and file)

Discussion ensued that there is not a majority of board members who attended the meetings of April 19 and May 3 currently present and not a majority who attended the April 19 meeting even currently on the board due to resignations. The Board concurred to carry the minutes to the following meeting.

Board Member Gregoryk arrived 4:19 p.m.

With a majority of the members present who were in attendance at the May 3 meeting, the approval to receive and file the minutes is reconsidered for action.

Motion by Hertzberg and seconded by Touhey to receive and file the minutes of May 3, 2012. Motion carried 4-0 with Hertzberg and Sutkin abstaining. Minutes of April 19 will be carried to the next meeting.

V. EXECUTIVE DIRECTOR/SUCCESSOR AGENCY REPORTS

A. Update of the State of California Department of Finance Approvals/Denials of Schedules of Distribution of Future Tax Revenues (also known as the Recognized Obligation Payment Schedules "ROPS")

Staff report presented by Finance Director Bachman. Report provided an update of the State of California Department of Finance's (DOF) denial of items contained on the ROPS for January 1 – June 12, 2012 and July 1 – December 31, 2012.

Mr. Bachman described each denial item and stated the City responded with an appeal to the DOF with an explanation as to why certain items are enforceable obligations. Mr. Bachman also brought up new legislation in AB 1484 and some of its effects.

Board Members engaged in discussion and made comments regarding obligations and Mr. Bachman responded to questions.

Hertzberg made an informal request to receive communications (i.e. significant or DOF requests) between the DOF and City on a flow basis and to include on the agenda for a report, if any such communication occurred.

B. Assembly Bill 1484 (AB 1484)

Chairperson Sutkin stated Assembly Bill 1484 (AB 1484) was included in previous discussion.

Chairperson Sutkin initiated discussion regarding hiring outside legal counsel to advise the Oversight Board and to include the budget for legal counsel in the Successor Agency administrative budget included on the ROPS.

Discussion ensued regarding the value of outside counsel to advise the Oversight Board and exhausting budgeted funds with potential of litigation.

Motion by Hertzberg and seconded by Gregoryk to agendize on the next agenda the selection of outside counsel and budget for counsel, and have Chairperson Sutkin appoint a committee to make the suggestion.

Successor Agency staff Chung stated that this item is not on the agenda to take action and reiterated the rules for adding items to the agenda as outlined in the adopted Oversight Board By-laws.

It was the consensus of the Board to bring the item to the next meeting.

Chung requested a motion to receive and file items V-A and V-B.

Motion Motion by Touhey and seconded by Hertzberg to receive and file both V-A and V-B reports. Motion carried 6-0.

VIII. BOARD MEMBER COMMENTS

Chairperson Sutkin requested to move Board Member Comment (Item VIII.) forward to reiterate the requests for the following meeting. Board Secretary restated the motion to agendaize for the next meeting a budget for outside counsel and discussion to select outside counsel.

The Board engaged in discussion as to the process for the selection of outside counsel with the consensus of an ad-hoc committee to interview firms and make a recommendation to the Board as a whole at the next meeting.

Motion by Touhey and seconded by Gregoryk to add to the agenda as an emergency item, need to take action arose after the posting of the agenda and needing action prior to the next meeting, the ability to direct staff to send out an RFQ for outside legal counsel for the Oversight Board, have ad-hoc committee review proposals to bring recommendation to the Board at the next meeting and delegate to the Chairperson the forming of an ad-hoc committee.

Motion to add as an emergency item carried 6-0.

Chairperson Sutkin appointed Vice Chairperson Touhey, Board Member Lee and her as the ad-hoc committee.

VI. BUSINESS ITEM(S)

A. Review of Assets for Eastland Shopping Center, Lakes Office Development and Westfield Plaza (Mall)

Chairperson Sutkin inquired as to a study session off-site. Pasmant stated that first there will be a PowerPoint presentation of the sites, which can be followed by a tour if the Board wished to do so.

Report presented by Successor Agency staff Chung. Chung stated the report is to review assets that are currently owned by the former Redevelopment Agency. Chung further stated that one of the primary duties of the Successor Agency to the former Redevelopment Agency is to dispose of assets. Report included ownership of the properties and the use of the properties.

Report and PowerPoint reviewed the parcels which are comprised of four different developments.

Board engaged in discussion with staff regarding properties, current agreements and restrictions within the agreements, use of the property and the provisions of AB1484 including the interpretation of the bill.

Board Member Touhey initiated discussion regarding a park and ride structure being proposed by Foothill Transit at Westfield shopping center on property that is owned by Westfield and a portion owned by the Successor Agency.

Chairperson Sutkin asked Westfield [sitting in audience] their opinion to the issue with a proposal from Foothill Transit for a parking structure.

John Goodwin, Vice President of Development for Westfield, stated that Westfields Board would not likely approve an agreement with Foothill Transit with property ownership not resolved.

Discussion continued regarding the proposed parking structure. Executive Director Pasmant stated the City would complete their [City's negotiations] discussions with Foothill and bring the issue back to the Oversight Board.

Executive Director Pasmant suggested recessing the meeting to tour the properties.

Board Member Gregoryk suggested the next meeting starts with a tour of the sites at 4:00 p.m. Hertzberg also suggested the Board Members to tour the sites at their leisure. Pasmant suggested to coordinate tours with Boards Members outside of a scheduled meeting.

VII. STUDY SESSION

No items.

VIII. BOARD MEMBER COMMENTS

Board Member comments moved forward earlier in the evening.

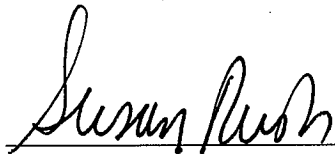
IX. CLOSED SESSION

No items.

X. ADJOURNMENT

Meeting adjourned at 6:00 p.m.

Submitted by



Susan Rush
Oversight Board Secretary