

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

MINUTES

Regular Meeting - Thursday, October 4, 2012

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 4:01 p.m. by Chairperson Sutkin, followed by the Pledge of Allegiance.

Roll Call Chairperson Sutkin, Vice Chairperson Touhey
Board Members Chavez (arrived at 4:12 p.m.), Gregoryk, Hertzberg, Lee

Absent: Board Member Coghlan

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

II. CHANGES TO AGENDA No changes to the agenda.

III. PUBLIC COMMENT

Philip Moreno, West Covina resident, requested that the parking lots owned by the redevelopment agency at the Eastland Shopping Center should be sold stating that the tax payers should not be paying for parking lots for multi-million dollar businesses; and requested that the Oversight Board request an independent audit of the West Covina redevelopment agency and submitted news articles which supported his request, which included articles referencing the City of Bell auditing firm and Councilmembers trip to China

Ryan Leaderman, attorney representing Gateway Crescent, addressed the Lakes property in which Caltrans is proposing to condemn and stated his firm would like to work with all appropriate agencies involved to have a mutually beneficial outcome for all parties.

Mr. Leaderman responded to questions by board members. Chair Sutkin suggested that Mr. Leaderman's concerns be directed to the City Manager as the issue is currently not under the purview of the Oversight Board.

Carolyn Arndt, West Covina resident, addressed injunction filed regarding proposed development at the library Civic Center property.

IV. CONSENT CALENDAR

A. Approval of Minutes (receive and file)

Regular Meeting Minutes of July 5, 2013

B. Oversight Board Conflict of Interest Code

Recommendation to adopt the following resolution adopting a Conflict of Interest Code for the Oversight Board.

RESOLUTION NO. OB-0014 – A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF WEST COVINA REDEVELOPMENT AGENCY ADOPTING THE CONFLICT OF INTEREST CODE FOR THE OVERSIGHT BOARD

ACTION ON CONSENT CALENDAR

Motion by Gregoryk and seconded by Touhey to approve all items on the consent calendar as presented.

Motion carried 6-0.

V. BUSINESS ITEMS:

A. Due Diligence Review

Chair Sutkin and Oversight Board Attorney Harper stated that this portion of the meeting is for the board to formally receive the Due Diligence Review (DDR) of the Low and Moderate Income Housing Fund and to receive public comment. The Board has scheduled a special meeting for October 11, 2012 to formally adopt the DDR.

Finance Director Tom Bachman presented a report and stated AB 1484 required that each Successor Agency must employ a licensed account to conduct a due diligence review to determine the net balance of the low and moderate income housing fund and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities as of June 30, 2012. The accounting firm of White Nelson Diehl Evans was retained by the Successor Agency to conduct this DDR. Mr. Bachman outlined the review process. A revised copy of Exhibit 3 of the DDR was distributed to the board members. The revision is due to the County providing the corrected pass through obligation amount after the agenda and report was provided to the board members.

The Oversight Board engaged in discussion and Mr. Bachman responded to questions.

Chair Sutkin convened the public comment session to receive public comments. The following addressed the Board.

Lloyd Johnson, West Covina resident, stated he has a home loan through the city and explained to the board how the loans are handled.

Philip Moreno, West Covina resident, inquired into whether the developer who was provided funds for the development of senior housing retained the property, and why did we fund the project.

Mr. Bachman stated to make the units affordable over an extended period of time. Board Member Touhey further explained the 99 year affordability convent.

No further public comments were offered.

Motion by Gregoryk and seconded by Touhey to approve the following resolution:

RESOLUTION NO. OB-0015 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE WEST COVINA REDEVELOPMENT AGENCY ACKNOWLEDGING RECEIPT OF THE DUE DILIGENCE REVIEW OF THE LOW AND MODERATE INCOME HOUSING FUND PURSUANT TO HEALTH AND SAFETY CODE SECTION 34179.5

Motion carried 6-0.

VI. EXECUTIVE DIRECTOR/SUCCESSOR AGENCY REPORTS

A. Updates on Communications between Successor Agency and Department of Finance

Finance Director Bachman provided a verbal report on communication between the City and the Department of Finance (DOF). Correspondence is as follows:

- 09/18/12 – Letter from DOF relating to Housing Asset Transfer Form submitted on August 1.
- 10/01/12 – Correspondence from City regarding the City meeting compliance with 34179.6 regarding the submittal of the ROPS III along with DDR to the DOF.
- 10/01/12 correspondence from the County Auditor-Controller to the Successor Agency, Oversight Board and DOF with their findings on the ROPS III.

Board engaged in discussion regarding the County Auditor-Controller letter on the ROPS III and their findings. Mr. Bachman reiterated as to what the line items are as identified in the letter.

VII. STUDY SESSION

No items.

VIII. BOARD MEMBER COMMENTS

Board Member Touhey responded to speaker's comment regarding trip to view MAGLEV train in China and stated the trip was a joint venture with SCAG and other

valley cities and the related expenses. Touhey also commented on the Lakes property and CALTRANS condemnation.

Board Member Lee expressed his displeasure with Caltrans's actions at the last meeting and their being allowed to provide a presentation and speak for 45 minutes. Lee reminded the board members that the By-laws adopted by the board allow for a limited speaking time.

Board Member Hertzberg continued with comments regarding the presence of Caltrans at the previous meeting and his concern with the possibility of losing funding over the unresolved issues.

Board Member Gregoryk stated he would like to adhere to the speaking limitations.

Board Members continued expressing concerns regarding Caltrans presentation at the previous meeting.

IX. CLOSED SESSION No items.

X. ADJOURNMENT

Motion by Gregoryk and seconded by Sutkin to adjourn the meeting 5:30 p.m.

Submitted by

Susan Rush
Oversight Board Secretary