SUMMARY MINUTES

Oversight Board
Thursday, June 21, 2012
2:00 p.m. – 4:00 p.m.

Redwood Shores Library
399 Marine Parkway
Redwood City, CA 94065
Meeting Room A

Members:
David Holland, Chair - Absent
Mike Roberts, Vice Chair - Present
Steve Abbors - Present
Alicia Aguirre - Present
Blake Lyon - Present
Barbara Christensen - Present
Enrique Navas - Present

City Staff as Successor Agency Attendees:
Bob Bell, City Manager - Present
Bill Ekern, Community Development Director - Absent
Alison Freeman, Finance Manager - Present
Brian Ponty, Finance Director/Assistant City Manager - Present
Veronica Ramirez, Assistant City Attorney - Present
Pamela Thompson, City Attorney - Absent
Silvia Vonderlinden, City Clerk - Present

Craig Labadie, Special Counsel - Present

I. Call to Order

II. Roll Call

There was a discussion about moving items VI and VII to the July meeting. The majority of Board Members concurred.

M/S Abbors/Navas to approve moving agenda items VI and VII to the July meeting. Motion carried unanimously with Chair Holland absent.

III. Public Comments – There was no public comment

NOTE: Speakers are limited to three minutes, unless modified by the Chairperson. The Board cannot take action on any matter raised under this item.

IV. Approval of Minutes

M/S Christensen/Abbors to approve the minutes as presented. Motion carried unanimously with Chair Holland absent.

V. Review and Approval of Revised First Recognized Obligation Payment Schedule (January 1, 2012 – June 30, 2012)
   (Oversight Board Binder Tab No. 5)
Mr. Bell suggested going through attachment two. The issue of retiree medical and retirement liabilities on the ROPS was brought up and Mr. Ponty said that it appears that some cities were successful listing these on the ROPS. Ms. Ramirez provided some context on the matter and possible next steps. Mr. Ponty noted this would be for the prior Redevelopment Agency employees.

The issues of the SERAF repayment and the Legal Aid agreement were brought up by Oversight Board Member Christensen who questioned the disposition of these items. Mr. Labadie and Ms. Ramirez provided additional context explaining how this would be paid. This Board Member further questioned the allocation of such payments. Ms. Ramirez noted that these are receivables. Mr. Labadie explained that the law provides that these funds be returned to the taxing agency.

Ms. Christensen referred to the City transferring 3.6 million dollars in Housing Projects in March. This Board Member opined that these might be questionable fund transfers and Ms. Ramirez and Mr. Ponty noted this was not for discussion on the agenda today, but staff would be glad to return with further information to clarify such actions. There was some discussion about this issue. Chair Roberts said that it looks like a staff report is needed on this. Ms. Christensen said that she just needs more information. Member Navas concurred with getting clarification on this matter and if documents need to be amended that will happen. Mr. Ponty said that the funds in question will be retained and not expended until legal direction is provided. Ms. Christensen concurred with such approach. The Oversight Board direction to staff was to hold these funds in reserve until this is clarified by staff.

Mr. Ponty reviewed the Revised ROPS with the Board and there were questions and comments about the document. Mr. Ponty explained that he spoke to the Controller’s office and the State Department of Finance (DOF) recommended revising the ROPS. Regarding the $680,000 the DOF said this figure is acceptable but the County said the Oversight Board needed to ratify such action. There was a discussion about the amounts. Ms. Ramirez said that if we don’t honor certain financial commitments the City could be liable. Chair Roberts, asked when this will get revised and Mr. Ponty said it has been revised and the State Department of Finance has approved it. One Member asked about the items the State DOF is inquiring about. Mr. Ponty said that one of them was the $807,000 loan repayment that was made to the City.

M/S Abbors/Christensen to approve the revised ROPS. Motion carried 6-0 with Oversight Board Member Holland absent.

MINUTE ORDER 12-01

| VI. Information Only Report: Assets of the Former Redevelopment Agency | Brian Ponty |
| This item was moved to the July meeting. | Bill Ekern |

| VII. Information Only Report: Communications with the Department of Finance | Brian Ponty |
| This item was moved to the July meeting. | |
VIII. Set Date and Agenda for Next Board Meeting  
(Oversight Board Binder Tab No. 3)

The Chair noted that item VIII was the only agenda item left. There was a suggestion to skip the July meeting. Mr. Bell noted it would be important to keep the July meeting. **The consensus was to keep the July meeting.**

Ms. Christensen requested that staff get a response from the DOF on how to handle the Housing Fund of the Successor Agency matter and other transfers and have these matters placed on a future agenda. Ms. Christensen would like clarification on prior transfers. MS. Ramirez said that if we are talking before the Oversight Board was created it was the responsibility of the DOF to review and assess those items. However, if there are items within the ROPS, the ultimate disposition would rest with the Oversight Board. Mr. Labadie offered to review the matter with staff and bring back answers. Ms. Ramirez noted that the asset transfers will be addressed when this matter returns and the goal is to make clear who has or had jurisdiction over what items.

Mr. Ponty said he had nothing on agenda item IX and if he gets a response from the DOF on the above matters he will share it with the Oversight Board. The Chair thanked Mr. Ponty for his hard work.

IX. Oral Communications from the Successor Agency Contact – None

X. Adjourn – the meeting adjourned by general consensus at 2:40 p.m.

Respectfully submitted,

Silvia Vonderliethen, City Clerk

Approved at the July 19, 2012 Oversight Board Meeting.