

**SAN GABRIEL SUCCESSOR AGENCY OVERSIGHT BOARD
MINUTES**

Monday, July 23, 2012

Community Development Department Conference Room

410 McGroarty Street

San Gabriel, California 91776

1. CALL TO ORDER/ROLL CALL

Present:

Board Member Hamid Behdad, Appointee, Chancellor of the California Community Colleges

Board Member Frank Cheng, Appointee, Los Angeles County Library

Board Member David R. Gutierrez, Appointee, Mayor City of San Gabriel

Board Member Annie Huang, Appointee, Los Angeles County Board of Supervisors

Board Member Thomas Marston, Appointee, Mayor City of San Gabriel

Absent:

Board Member David Sweeney, Appointee, Los Angeles Board of Supervisors

Vacancy:

Los Angeles County Board of Education Appointment

Also present were:

Robin Scherr, Economic Development Manager, City of San Gabriel

Peter Wallin, Deputy City Attorney, City of San Gabriel

Camille Paton, Deputy City Clerk, City of San Gabriel

Minhkieu Dao, Los Angeles County Commission Services Division

MOTION: Moved by Board Member Gutierrez, seconded by Chair Behdad to excuse Board Member David Sweeney due to personal circumstances from regular board meetings of July 23, 2012 and August 27, 2012. Motion carried 5-0.

2. PUBLIC COMMENT

PUBLIC COMMENT: PURSUANT TO GOVERNMENT CODE SECTION 54954.3, THIS IS THE TIME PROVIDED FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COUNCIL ON ITEMS OF INTEREST THAT ARE NOT ON THE AGENDA WITHIN THE SUBJECT MATTER JURISDICTION OF THE OVERSIGHT BOARD.

There was no one from the audience who wished to speak.

3. MINUTES OF REGULAR BOARD MEETING OF June 25, 2012 MEETING

MOTION: Moved by Vice Chair Marston, seconded by Board Member Gutierrez to approve the minutes of regular board meeting of May 3, 2012. Motion carried 5-0 (Board Member Sweeney was absent).

4. NEW BUSINESS

- a. REPORT ON AB 1484: REDEVELOPMENT DISSOLUTION/UNWIND TRAILER BILL AND TIMELINE OF MILESTONE ACTIONS.

Economic Development Manager Scherr provided the staff report. Deputy Attorney Wallin discussed items most pertinent to the San Gabriel Successor Agency and new deadlines. The report was received and filed.

- b. REPORT ON STATUS OF SUCCESSOR AGENCY JUNE 15 APPEALS TO DEPARTMENT OF FINANCE.

Economic Development Manager Scherr provided the staff report. Discussion included interpretation of AB 1484 and the allowance of disputed items to be included on the Third Recognized Obligations Payment Schedule and how the delay of funding such items will affect the Successor Agency. The report was received and filed.

A consensus was reached that the Successor Agency should be proactive in finding partner cities or organizations to approach the Department of Finance to reconsider its rejection of items on the ROPS pertaining to matching grant funds.

MOTION: Moved by Board Member Gutierrez, seconded by Chair Behdad directing the Successor Agency to pursue collaboration with other cities and/or organizations to champion the preservation of matching grant funds to the Department of Finance. Motion carried 5-0.

- c. APPROVAL OF RESOLUTION NO. OB 12-09 AUTHORIZING THE SUCCESSOR AGENCY TO EXECUTE A CONTRACT FOR LEGAL SERVICES AND AMENDING THE SECOND RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD FROM JULY 1 TO DECEMBER 31, 2012 TO REPROGRAM \$10,000 IN FUNDS FOR INDEPENDENT LEGAL SERVICES, SUBJECT TO SUCCESSOR AGENCY APPROVAL.

Economic Development Manager Scherr provided the staff report. Ad Hoc Committee Chair Frank Cheng presented the Ad Hoc Committee's recommendation of the law firm Colantuono and Levin, PC and their proposed legal fees.

Deputy City Attorney Wallin stated that he had made recommendations to the Successor Agency to join a consortium of cities set to file a lawsuit in Sacramento challenging some aspects of AB 1484. Such action is to be represented by Colantuono and Levin. Discussion included the possible conflict of interest that may arise and the necessity for the Oversight Board to include an amendment waiving any potential conflict of interest Colantuono and Levin may encounter representing a consortium of cities including the City of San Gabriel.

Chair Behdad raised the issue of allowing for additional funds for independent legal services in the administrative budget as the current amount may not be sufficient. It was agreed that an amendment to the resolution be made changing the budget amount \$10,000 to \$15,000 for legal services.

MOTION: Moved by Board Member Cheng, seconded by Chair Behdad to adopt Resolution No. OB 12-09 directing the Successor Agency to contract with the law firm of Colantuono and Levin for provision of legal services to the Oversight Board upon the terms and conditions contained in the first proposal and request an approval for an amendment to the Successor Agency's administrative budget for the second Recognized Obligation Payment Schedule for the period for July 1 to December 31, 2012 to provide \$15,000 for legal services for the Oversight Board and for subsequent ROPS. Additionally, the Oversight Board raises no objections and waives any conflicts arising from Colantuono and Levin's representation in a consortium of the cities challenging certain provisions of AB1484 that may include the City of San Gabriel. Motion carried 5-0.

- d. APPROVAL OF RESOLUTION NO. OB 12-10 APPROVING THE THIRD RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2013.

Economic Development Manager Scherr provided the staff report. Board Members discussed the change in approval procedure by seeking authorization on the ROPS from the Oversight Board prior to Successor Agency. No objections to this change in procedure were made. Chair Behdad expressed that such action is a proactive measure in the event the Successor Agency makes revisions, the Oversight Board can then act prior to the Department of Finance ROPS submittal deadline of September 1, 2012. Board Member Cheng asked about the city loan ROPS item No. 1. Specifically, if the City intends to pay off the loan by June of 2013 and whether there is enough money in the account to make this payment. Vice Chair and City of San Gabriel Finance Director Marston shared the payment would more likely be less than balance of the loan.

MOTION: Moved by Board Member Gutierrez, seconded by Vice Chair Marston to adopt Resolution No. OB 12-10 approving the third Recognized Obligation Payment Schedule for the period from January 1 to June 30, 2013. Motion carried 5-0.

e. REPORT ON TRANSFER OF SAN GABRIEL REDEVELOPMENT AGENCY HOUSING ASSETS AND FUNCTIONS TO THE LOS ANGELES COUNTY HOUSING AUTHORITY.

Economic Development Manager Scherr provided the staff report. Chair Behdad raised the question as to how much is the total amount of housing assets. Staff reported that the amount is \$1,668,900. The report was received and filed.

f. REGULAR MEETING SCHEDULE

Deputy City Clerk Paton polled board members to determine if there will be a quorum for the next regular meeting on August 27, 2012 at 10:00 am. A quorum was reached. Staff intends to cancel these meetings unless agenda items arise.

5. BOARD ITEMS

No items were brought forward for discussion.

6. ADJOURNMENT

Adjournment to the regular Board meeting of August 27, 2012, commencing at 10:00 a.m. in the City of San Gabriel Community Development Department Conference Room, 410 McGroarty Street.

Oversight Board actions are subject to review by the California State Department of Finance. As such, the Oversight Board Actions shall not be effective for three days pending a request for review by the Department of Finance.


Camille Paton, Deputy City Clerk


Hamid Behdad, Chair