

RESOLUTION NO. 12-09

RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE
COMMUNITY IMPROVEMENT COMMISSION OF THE CITY OF ALAMEDA ADOPTING
MINUTES OF THE SPECIAL MEETING, OCTOBER 18, 2012

WHEREAS, the Oversight Board for the Successor Agency to the Community Improvement Commission of the City of Alameda organized itself pursuant to Chapter 4 (commencing with Section 34179) of Part 1.85 of Division 24 of the Health and Safety Code (the "Board"); and

WHEREAS, it is necessary for said Board to adopt minutes of public meetings;

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE COMMUNITY IMPROVEMENT COMMISSION OF THE CITY OF ALAMEDA DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The approval of meeting minutes of the special meeting on October 18, 2012, of the Oversight Board for the Successor Agency to the Community Improvement Commission of the City of Alameda, attached hereto as Exhibit A and incorporated herein by this reference.

PASSED AND ADOPTED this 17th day of December, 2012, by the following vote:

AYES: 5

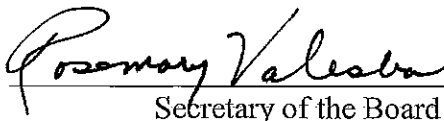
NOES: 0

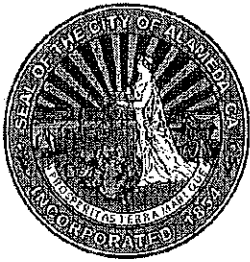
ABSENT: 2 (Chen & Gerhard)



Chair

ATTEST:


Secretary of the Board



MINUTES

City of Alameda
Successor Agency Oversight Board
Special Meeting
Thursday, October 18, 2012, 6:00 p.m.
City Hall, 2263 Santa Clara Avenue
Conference Room 360

1. CALL TO ORDER & ROLL CALL

The Chair called the meeting to order at 6:00 p.m., with the following Board Members present: Chair Russo, Vice Chair Biggs, McMahon, and Potter. Board Members absent at time of roll: Chan, Gerhard, and Ortiz (arrived at 6:10 p.m.) Board staff in attendance: Assistant General Counsel Garrabrant-Sierra and Secretary Valeska. Successor Agency consultants in attendance: David Doezeema, Keyser Marston Associates, Inc.; Bob Staedler, Aperature Consulting; and Katherine Yuen, Maze & Associates.

2. CONSENT AGENDA

- a. Resolution Adopting the Minutes of the August 27, 2012 Special Meeting:
Action

(Resolution No. 12-04) The Resolution was passed by unanimous consent (4-0-3)

3. UNFINISHED BUSINESS

4. NEW BUSINESS

- a. Resolution Approving the Revised Administrative Budget for the Second Recognized Obligation Payment Schedule Period, July 1 – December 31, 2012: **Action**

(Resolution No. 12-05) The Vice Chair inquired if the increased legal costs were due to AB1484. Member Potter responded in the affirmative; more analysis is needed as a result of the new legislation. Motion and second (McMahon and Biggs) to pass the Resolution. Motion passed unanimously (4-0-3).

- b. Resolution Authorizing the Successor Agency to Enter into the First Amendment to the Agreement with Keyser Marston Associates, Inc. for Financial Services through June 30, 2013, Expanding the Scope of Work and Adding \$44,500 for a Total Budget Amount of \$74,000: **Action**

(Resolution No. 12-06) Member Potter stated that the adoption of the previous Resolution allowed the Board to consider this amendment to the KMA contract. The Chair inquired as to why the need for the increase. Member Potter responded that KMA's scope of work needed to be expanded for assistance with the Due Diligence Reviews, the cash flow analysis, and the long term property management plan. Mr. Doezeema of KMA stated that

more detailed reporting is now required by the State. Motion and second (Biggs and McMahon) to pass the Resolution. Motion passed unanimously (4-0-3).

c. Resolution Approving the Administrative Budget for the Third Recognized Obligation Payment Schedule Period, January 1 – June 30, 2013: **Action**

(Resolution No. 12-07) Member Ortiz arrived at this time (6:10 p.m.). In response to a question by the Vice Chair, Member Potter stated that the proposed Administrative Budget for the Third ROPS did include the increased contract amount for KMA. Motion and second (McMahon and Biggs) to pass the Resolution. Motion passed unanimously (5-0-2).

d. Public Comment Session on the Due Diligence Review of the Low/Moderate-Income Housing Fund: **Public Comment**

Katherine Yuen of Maze & Associates made the presentation. AB 1484 requires two Due Diligence Reviews: Housing (20%) funds and Non-Housing (80%) funds as part of the process to identify cash assets that can be distributed to the taxing agencies. Ms. Yuen recapped highlights of the report that was provided in the agenda packet. Member Ortiz inquired what period of time did Maze use to get to June 30, 2012, and what kind of information went into the calculations. She added that a source at the State DOF told her that they wanted to see the period between 2009 and 2012. Ms. Yuen responded that different reports in the review cover different time periods, but that DOF would see the entire picture for the period of January 1, 2011 to June 1, 2012. Member Ortiz stated concern that the Board did not have a legal analysis of the auditor's findings. The Chair stated that the audit was prepared by an independent, professional accounting firm. Member Potter stated that the County had to approve the Successor Agency's choice of auditor. Ms. Yuen stated that this was a Due Diligence Review and not an audit. Maze & Associates followed a set of procedures provided by the State. The Chair asked the Secretary if any public comment slips had been submitted and the Secretary responded that there were none. Member Potter stated that this item was being presented for public comment, only. The Board will be asked to vote on the approval of this Due Diligence Review at its October 29, 2012 meeting.

5. PUBLIC COMMENT (non-agenda items)

6. WRITTEN COMMUNICATIONS

a. October 12, 2012 Letter from Department of Finance regarding ROPS III

Mr. Doezenia recapped the letter that was provided in the agenda packet regarding ROPS III. Member Ortiz inquired as to what criteria were being used by State DOF when it rejects items on the ROPS. Mr. Doezenia responded that there are "red flag" items and the easiest thing to do is for DOF to deny as an initial response. The Chair stated that the Meet and Confer process would be the opportunity for the Successor Agency to show

DOF its reasons. He added that the DOF consultant in charge of this effort, a former Alameda County Administrator, was reaching out to city managers to talk about these issues and that he would be meeting with him on November 8. He stated that he would report back to the Board with his findings from this meeting. Member Potter stated that DOF has been going after everyone regarding Inclusionary Housing. She added that she had recently attended a housing conference and she learned that HCD has no funds to administer the successor housing agencies it is inheriting. Counsel stated she also attended this same conference and learned that cities all over the state are filing lawsuits related to inclusionary housing. Board Member McMahon inquired if Meet and Confers were being bundled. Member Potter responded that a Meet and Confer could be scheduled for each separate ROPS schedule. Counsel stated that Meet and Confers were being scheduled further out due to the increased demand for the sessions. The concern is that ROPS III enforceable obligations must be determined by January 2, 2013, in order to meet the County Auditor's deadline for distribution of Redevelopment Property Tax Trust Funds to the successor agencies. This item was presented for information and discussion only. No Board action was requested.

7. ORAL COMMUNICATIONS – BOARD MEMBERS AND STAFF

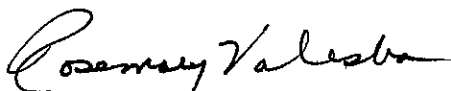
a. Staff update on Independent Counsel for Oversight Board

Counsel distributed copies of a sample RFQ to the Board Members. A formal report regarding Oversight Board counsel will be submitted to the Board for its consideration at the October 29 meeting.

8. ADJOURNMENT

At this time, the Chair entertained a motion for adjournment. Motion and second (Ortiz and McMahon). The meeting was unanimously adjourned at 6:47 p.m.

Respectfully submitted,


Rosemary Valeska
Secretary

Approved as submitted on December 17, 2012
Resolution No. 12-09