

MINUTES

REGULAR MEETING OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

January 29, 2019, 8:30 a.m.

1. CALL TO ORDER

The regular meeting of the Orange Countywide Oversight Board was called to order at 8:33 a.m. on January 29, 2019 at 2323 N. Broadway, Santa Ana, California by Chairman Brian Probolsky, presiding officer.

Present:	5	Chairman:	Brian Probolsky
		Vice Chairman:	Steve Jones
		Board Member:	Chris Gaarder
		Board Member:	Dean West
		Board Member:	Charles Barfield

Absent:	2	Board Member:	Phillip E. Yarbrough
		Board Member:	Steve Franks

Also present were Chris Nguyen, Staff; Patrick Bobko, Counsel; Kathy Tavoularis, Clerk of the Board, and Clare Venegas, Consultant.

2. PLEDGE OF ALLEGIANCE

Led by Board Member Gaarder

3. APPROVAL OF MINUTES FROM JANUARY 22, 2019

Minutes from the January 22, 2019 Board meeting. On the motion of Vice Chair Jones, seconded by Board Member West with a correction to the reference to Vice Chair Jones as Mayor of Garden Grove, rather than Board Member West as Mayor, in the staff comments, the minutes were unanimously approved.

4. RECEIVE AND FILE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) AND ADMINISTRATIVE BUDGET

- Brea
- Lake Forest
- San Clemente
- Tustin
- Yorba Linda

5. ADOPT RESOLUTIONS REGARDING REQUESTS BY SUCCESSOR AGENCIES FOR ANNUAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS)

A. Anaheim

Board Member Gaarder made a motion to approve the resolution, seconded by Board Member Barfield. Board Member West asked about the final writ from the Superior Court. John Woodhead, Director of Community and Economic Development for the City of Anaheim, addressed the question, noting that it is expected before the meet-and-confer with the State Department of Finance (DOF). Board Member West asked about the determination letter on administrative costs. Woodhead noted administrative costs are going down, but there are still several complex items that the Successor Agency continues to oversee. The motion was unanimously approved.

B. Buena Park

Board Member West made a motion to approve the resolution, seconded by Board Member Gaarder. Board Member Gaarder asked if a Buena Park representative could provide background for Line Item 6 on the ROPS. Ruben Lopez, Economic Development Administrator for City of Buena Park, addressed the question, discussing a lawsuit by housing advocates. Board Member West asked about the determination letter on administrative costs. Lopez expects the administrative costs to go down, but they are still working with three properties. The motion was unanimously approved.

C. Huntington Beach

Board Member Gaarder made a motion to approve the resolution, seconded by Board Member West. Board Member Gaarder asked if staff can include the contact person for agenda items so Board Members can contact them with questions directly. Staff Member Nguyen said the template can be modified to do so. Board Members Gaarder and West questioned the appropriateness of including unfunded pension liabilities in the ROPS. Sunny Rief, a Project Manager for the City of Huntington Beach, replied that Huntington Beach has placed the unfunded liabilities ever since its first ROPS, with several approved by the DOF, and Huntington Beach has pending litigation at the State Supreme Court on this very issue. Board Member West asked how the agency intends to reduce its administrative costs. Rief replied that as some of the projects' debt is reduced over time, administrative costs will also be reduced. Chairman Probolsky asked about unfunded pension liabilities. Board Member West urged all Cities to ensure a true wind down of their respective Successor Agencies, not simply using Successor Agency funds for general City expenses. The motion was unanimously approved.

D. La Habra

On the motion of Board Member Barfield, seconded by Board Member West, the resolution was unanimously approved.

E. Placentia

Board Member West made a motion to approve the resolution, seconded by Board Member Gaarder. Board Member West questioning how 8 people all had exactly 270 hours (15%) of their time billed from the Successor Agency's administrative costs,. Brian Moncrief with Kosmont Companies, representing Placentia, addressed the administrative budget, noting that the eight individuals are all finance people and will work to wind down the administrative expenses. The motion was unanimously approved.

E. Santa Ana

Vice Chair Jones made a motion to approve the resolution, seconded by Board Member Gaarder. Board Member West asked about whether the Successor Agency shared DOF determination letters with the former local Oversight Board, and he asked about administrative costs. Susan Gorospe, a Senior Management Analyst for the City of Santa Ana, addressed the administrative costs, noting they have been significantly reduced over the past three years, however there will still be administrative costs related to the three properties in their Long Range Management Plan. The motion was unanimously approved.

PUBLIC COMMENTS:

None

STAFF COMMENTS:

Staff Member Nguyen congratulated Board Member Gaarder on becoming Chair of the Fullerton Planning Commission.

BOARD COMMENTS:

Chairman Probolsky asked Counsel Bobko to provide guidance to the Board about its authority and duties with regard to the ROPS, such as on specific line-items rather than the whole ROPS, the Board's authority over administrative costs, and the ability to separate out items within a ROPS. He also requested clarity regarding the inclusion of unfunded liabilities in future ROPS. Board Members Gaarder and West noted they would like to provide Successor Agencies with as much direction as possible for future Successor Agency ROPS and to provide direction far in advance of the February 1 filing deadline. Board Member West also suggested possibility of holding an Oversight Board meeting earlier in January.

ADJOURNMENT

Chairman Probolsky adjourned the meeting at 9:13 a.m. and noted the next regular meeting of the Countywide Oversight Board is scheduled for April 30, 2019.

BRIAN PROBOLSKY
CHAIRMAN OF THE COUNTYWIDE OVERSIGHT BOARD

CLERK OF THE BOARD

DATE