

CITY OF SANTA MONICA
REDEVELOPMENT SUCCESSOR AGENCY
OVERSIGHT BOARD MINUTES

APRIL 23, 2012

A special meeting of the Santa Monica Redevelopment Successor Agency Oversight Board was called to order by Chair Silvern at 2:03 p.m., on Monday, April 23, 2012, at Council Chambers, 1685 Main St., Santa Monica.

Roll Call: Present: Chair Paul J. Silvern
 Board Member David Dijkstra
 Board Member Melody Kanschat
 Board Member Randal Lawson
 Board Member Lisa Luboff
 Board Member Janece L. Maez
 Vice Chair Robert Moran

 Also Present: Director of Housing & Economic Development Andy Agle
 Director of Finance Gigi Decavalles-Hughes
 Deputy City Attorney Ivan Campbell
 Board Secretary Denise Anderson-Warren

CONVENE On order of Chair, the Oversight Board convened at 2:03 p.m., with all members present.

REGULAR AGENDA 1-A: **Approval of the Amended Recognized Obligation Payment Schedule (ROPS) (February-June 2012)**, was presented by staff. Additional information requested from the previous meeting was provided.

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FEBRUARY 2012 – JUNE 2012 Member of the public Stan Barankiewicz, Counsel for Santa Monica-Malibu Unified School District spoke in favor of the recommendation.

Member of the public Doug Lovejoy, representing L.A. County Counsel expressed concern and was in opposition of the recommendation.

The Chair proposed for discussion purposes grouping the Recognized Obligation Payment Schedule line items into like categories, and voting on the categories by item numbers and then approving the schedule in its entirety. The categories were: Statutory required pass-through payments; Bond reserves and Bond payments; Indebtedness obligations (including loans, promissory notes, and various agreements); and, the Successor Agency administrative cost allowances and the Agency Oversight Board

costs. There was a consensus from all board members to proceed in this manner for voting.

Motion by Board Member Maez, seconded by Board Member Lawson, to adopt Resolution No. 2 (SAS) entitled: "A RESOLUTION OF THE SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING AND ADOPTING THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR FEBRUARY 2012 – JUNE 2012." The motion was tabled to allow the board to proceed with voting on the various categories of the items listed on Exhibit 1 of the Resolution.

Motion by Board Member Kanschat, seconded by Board Member Dijkstra, to approve items listed on Exhibit 1 of the Resolution as Statutory Pass-Thru and Educational Revenue Augmentation Funds (ERAF) payments which are listed as items 15, 16, 17, 18, and Items 19 and 20. The motion was unanimously approved by voice vote, with all members present.

Motion by Board Member Lawson, seconded by Vice Chair Moran, to approve items listed on Exhibit 1 of the Resolution as Bond payments being paid by Bond reserves, rather than being paid by property taxes, which are listed as items 3, 6, 7, and 8. The motion was unanimously approved by voice vote, with all members present.

Motion by Board Member Dijkstra, seconded by Board Member Luboff, to approve items listed on Exhibit 1 of the Resolution as Bond payments paid from property tax revenues, which are listed as items 2, 4, and 5. The motion was unanimously approved by voice vote, with all members present.

Motion by Board Member Luboff, seconded by Board Member Kanschat, to approve items listed on Exhibit 1 of the Resolution as loan agreements entered into by the former Redevelopment Agency with a very specific repayment schedule and other terms and conditions, which are listed as items 1 and 10. The motion was unanimously approved by voice vote, with all members present.

Discussion ensued on approving Promissory Notes item listed on Exhibit 1 of the Resolution as Item 14. The board unanimously agreed to table the discussion until later in the meeting when the Director of Finance is available to respond to the Board Members' questions.

Motion by Board Member Maez, seconded by Board Member Luboff, to approve items listed on Exhibit 1 of the Resolution as agreements with payment schedules, which are listed as Items 9 and 11. The motion was approved by the following vote:

AYES: Board Members Kanschat, Lawson, Luboff, Maez,
Chair Silvern
NOES: Board Members Dijkstra, Vice Chair Moran
ABSENT: None

Motion by Board Member Lawson, seconded by Vice Chair Moran, to approve the item listed as item 12 on Exhibit 1 of the Resolution as the Successor Agency Administrative Cost allowance. The motion was unanimously approved by voice vote, with all members present.

Motion by Board Member Kanschat, seconded by Board Member Dijkstra, to approve the item listed 13 on Exhibit 1 of the Resolution as the Successor Agency Oversight Board cost. The motion was unanimously approved by voice vote, with all members present.

Motion by Board Member Kanschat, seconded by Board Member Maez, to un-table the discussion on the item listed on Exhibit 1 of the Resolution as item 14, upon arrival of the Director of Finance. The motion was unanimously approved by voice vote, with all members present.

Questions were raised of staff about Promissory Notes payments, listed as item 14 on Exhibit 1 of the Resolution. Staff responded to questions raised by the Board.

Motion by Chair Silvern, seconded by Board Member Maez, to approve Promissory Notes, listed as Item 14. The motion was approved by the following vote:

AYES: Board Members Lawson, Luboff, Maez, Chair Silvern
NOES: Board Members Dijkstra, Kanschat, Vice Chair Moran
ABSENT: None

Motion by Board Member Maez, seconded by Board Member Luboff, to un-table and approve the main motion made earlier, and to adopt Resolution No. 2 (SAS) entitled: "A RESOLUTION OF THE SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING AND ADOPTING THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR FEBRUARY 2012 – JUNE 2012," reading by title only and waiving further reading thereof. The motion was approved by the following vote:

AYES: Board Members Maez, Luboff, Lawson, Chair Silvern
NOES: Board Members Kanschat, Dijkstra, Vice Chair Moran
ABSENT: None

1-B: Approval of the Recognized Obligation Payment Schedule (ROPS) (July-December 2012), was presented.

Member of the public Ceclia Estolano expressed concerns about some of the obligations.

Motion by Board Member Maez, seconded by Board Member Lawson, to adopt Resolution No. 3 (SAS) entitled: “A RESOLUTION OF THE SANTA MONICA REDEVELOPMENT SUCCESOR AGENCY OVERSIGHT BOARD APPROVING AND ADOPTING THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 2012 – DECEMBER 2012.” The motion was tabled to allow the board to proceed with voting on the various categories listed on Exhibit 1 of the Resolution.

Motion by Board Member Dijkstra, seconded by Board Member Maez, to approve items listed on Exhibit 1 of the Resolution as ERAF payments, which are listed as items 24 and 25. The motion was unanimously approved by voice vote, with all members present.

Motion by Board Member Kanschat, seconded by Board Member Luboff, to approve items listed on Exhibit 1 of the Resolution as Bond payments being paid by Bonds reserve, rather than being paid by property taxes, which are listed as items 4, 11 and 12. The motion was unanimously approved by voice vote, with all members present.

Motion by Vice Chair Moran, seconded by Board Member Dijkstra, to approve items listed on Exhibit 1 of the Resolution as Bond payments paid from property tax revenues, which are listed as items 3, 5, 6, 7, 8, 9,10, and 13. The motion was unanimously approved by voice vote, with all members present.

Motion by Board Member Kanschat, seconded by Board Member Luboff, to approve items listed on Exhibit 1 of the Resolution as loan agreements entered into by the former Redevelopment Agency with a very specific repayment schedule and other terms and conditions, which are listed as items 1, 2, 14, and 15, and requested additional information from staff on two housing loan agreements that were executed after June 28, 2011. The motion was unanimously approved by voice vote, with all members present.

After much discussion, it was the consensus of the Board, to approve the payment for Promissory Notes for 4th and Arizona transaction, listed as Item 16 on Exhibit 1 of the Resolution. The vote was unanimously approved by voice vote, with all members present.

Motion by Board Member Lawson, seconded by Vice Chair Moran, to approve items listed on Exhibit 1 of the Resolution as the Administrative Shared Obligation Cost, which are listed as items 17 and 18. The motion was unanimously approved by voice vote, with all members present.

Motion by Board Member Maez, seconded by Board Member Lawson, to un-table the main motion made earlier, and to adopt Resolution No. 3 (SAS) entitled: "A RESOLUTION OF THE SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING AND ADOPTING THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 2012 – DECEMBER 2012," including the Statutory Pass-through payments, which are listed as items 20, 21, 22, and 23 on Exhibit 1 of the Resolution, reading by title only and waiving further reading thereof. The motion was approved by the following vote:

AYES: Board Members Maez, Luboff, Lawson, Kanschat, Dijkstra,
Vice Chair Moran, Chair Silvern
NOES: None
ABSENT: None

RECESS

On order of the Chair, the Board recessed at 3:51 p.m., and reconvened at 4:08 p.m., with all members present.

**APPROVAL OF BUDGET
OF SUCCESSOR
AGENCY 7/2012 – 12/2012**

1-C: Approval of the Administrative Budget of the Santa Monica Redevelopment Successor Agency (July-December 2012), was presented.

Motion by Board Member Dijkstra, seconded by Board Member Lawson, to un-table this item from the April 16th meeting to be discussed. The vote was unanimously approved by voice vote, with all members present.

Motion by Board Member Lawson, seconded by Vice Chair Moran, to adopt Resolution No. 4 (SAS) entitled: "A RESOLUTION OF THE SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING AND ADOPTING THE ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 2012 – DECEMBER 2012, INCLUSIVE," reading by title only and waiving further reading thereof. The motion was approved by the following vote:

AYES: Board Members, Maez, Luboff, Lawson, Kanschat, Dijkstra,
Vice Chair Moran, Chair Silvern
NOES: None
ABSENT: None

**AD-HOC COMMITTEE
REPORT ON LEGAL
COUNSEL**

1-D: **Report from the Legal Counsel Selection Ad-Hoc Committee,** was presented.

Ad-Hoc Committee members Kanschat and Luboff gave a status report and gave suggestions on the scope of work to be included in the Request for Proposal (RFP) for Legal Counsel which includes, but is not limited to: Counsel giving advice on the board's duties under AB26; draft procedures on Conflict of Interest and disqualification matters; advice on matters before the Board on ROPS; advise about interaction with the Successor Agency; review request of documents from staff and give opinions; ensure that all agenda materials and correspondence are in accordance with the Brown Act; attend all meetings and ad-hoc meetings; to confer as needed with County and Successor Agency Counsel; and other duties as assigned.

Direction was given to staff to start the process; to prepare and issue an RFP following the guidelines by April 27th; proposals to be submitted to staff by May 10th; staff to review the proposals, and give to the ad-hoc committee the top five candidates; have the ad-hoc committee narrow the selection down to two firms, then have the two firms come back to be interviewed at a special meeting by the full Oversight Board, with the idea that interviews could be conducted on Monday, May 21st, before the next scheduled meeting.

On order of the Chair, the information was received and filed.

ADJOURNMENT


On order of the Chair, the Oversight Board meeting was adjourned at 4:32 p.m. to a special meeting on the last week of May.

ATTEST:



Denise Anderson-Warren
Board Secretary

APPROVED:


Paul J. Silvern
Chair