

UNOFFICIAL UNTIL APPROVED

**SPECIAL JOINT MEETING OF THE COSTA MESA HOUSING AUTHORITY,
COSTA MESA CITY COUNCIL AND THE CITY COUNCIL ACTING
AS SUCCESSOR AGENCY TO THE COSTA MESA
REDEVELOPMENT AGENCY**

JUNE 12, 2012

These meeting minutes represent an "action minute" format. A copy of the meeting can be obtained at Costa Mesa Housing Authority Office located on the 2nd floor of the Costa Mesa City Hall.

The Costa Mesa Housing Authority, City Council and City Council Acting as Successor Agency to the Costa Mesa Redevelopment Agency met in a Special Joint Meeting held on Tuesday, June 12, 2012, in the Costa Mesa Council Chambers of City Hall, 77 Fair Drive, Costa Mesa.

Chair Jim Righeimer called the meeting to order at 6:30 p.m.

I. ROLL CALL

Members Present: Chair/Mayor Pro Tem Jim Righeimer
Vice-Chair/Council Member Stephen Mensinger
Board Member/Mayor Eric Bever
Board/Council Member Wendy Leece
Board/Council Member Gary Monahan

Officials Present: Tom Hatch, Executive Director/CEO
Peter Naghavi, Director of Economic and
Development / Deputy CEO
Ernesto Munoz, Public Services Director
Bobby Young, Finance and I.T. Director
Colleen O'Donogue, Assistant Finance Director
Hilda Veturis, Management Analyst
Vanessa Locklin, Stradling Yocca Carlson & Rauth
Kathe Head, Economic Consultant
Martha Rosales, Recording Secretary

II. CLERK'S STATMENT

The Agenda and Notice and Call for the Special Joint Meeting of the Costa Mesa Housing Authority, City Council and the City Council Acting as Successor Agency to the Costa Mesa Redevelopment Agency was posted at the City Council Chambers, Adams Postal Office, Headquarters Police Department, Neighborhood Community Center and the Mesa-Verde Public Library on Thursday, June 7, 2012.

III. MINUTES

1. Regular meeting of the Costa Mesa Housing Authority of April 3, 2012

MOTION: Approve the Minutes from the April 3, 2012 Housing Authority meeting. Moved by Chair Jim Righeimer, second by Board Member Wendy Leece.

The motion carried by the following vote:

Ayes: Chair Jim Righeimer, Vice Chair Stephen Mensinger, Board Member Eric Bever, Board Member Wendy Leece, Board Member Gary Monahan
Noes: None
Absent: None

IV. PUBLIC COMMENTS

Chair Jim Righeimer opened the session for public comments. There being none, the public comments session was closed.

V. BOARD MEMBER'S COMMENTS AND SUGGESTIONS - None

VI. NEW BUSINESS

1. Agreement for Professional Legal Services

Ms. Ullman presented the staff report and gave a narrative of the various services Stradling, Yocca, Carlson & Rauth had provided to the City since 1986. Ms. Ullman added that Shareholder and Lead Partner, Celeste Brady, had provided several years of special counsel services in Redevelopment, affordable housing, public finance and other public law matters. Ms. Ullman recommended the City enter into a professional legal services agreement with Stradling, Yocca, Carlson & Rauth.

MOTION: Voting as the Housing Authority, the City Council and the City Council Acting as Successor Agency to the Costa Mesa Redevelopment Agency, approve Agreement for Professional Legal Services with Stradling, Yocca, Carlson & Rauth. Moved by Board Member Gary Monahan, second by Vice-Chair Stephen Mensinger.

The motion carried by the following vote:

Ayes: Chair Jim Righeimer, Vice Chair Stephen Mensinger, Board Member Eric Bever, Board Member Wendy Leece, Board Member Gary Monahan
Noes: None
Absent: None

2. Agreement for Professional Financial Consulting Services

Executive Director Tom Hatch presented the staff report and stated the agreement was to continue financial consulting services with Keyser-Marston Associates, Inc., a top-notch financial analysis firm who had provided a variety of services to the City for many years. Mr. Hatch stated the contract (up to \$100,000 annually) was for 1 year with three (3) one year renewals. Mr. Hatch recommended the City approve the contract for financial consulting services with Keyser-Marston Associates, Inc.

MOTION: Voting as the Housing Authority, the City Council and the City Council Acting as Successor Agency to the Costa Mesa Redevelopment Agency, approve Agreement for Financial Consulting Services with Keyser-Marston Associates, Inc. Moved by Board Member Gary Monahan, second by Board Member Eric Bever.

The motion carried by the following vote:

Ayes: Chair Jim Righeimer, Vice Chair Stephen Mensinger, Board Member Eric Bever, Board Member Wendy Leece, Board Member Gary Monahan

Noes: None

Absent: None

3. Update on Correspondence with the State Department of Finance

Finance and I.T. Director Bobby Young presented the staff report. He reported both ROPS (Recognized Obligation Payment Schedules) for the periods of January through June 2012 and July through December 2012 had been approved by the State Department of Finance and commended staff on a job well done completing the task. The State had also approved the City-Agency loan that was on the Second ROPS (July through December 2012) - staff was cautiously optimistic that the loan would remain on the ROPS and be paid. Macias Gini & O'Connell (auditors contracted by the State) had completed their audit that included the EOPS (Enforceable Obligation Payment Schedule) and ROPS. An exit conference was scheduled for later in the week and more information would be available at the June 21, 2012 Oversight Board meeting.

Chair Jim Righeimer commended Mr. Young and staff on doing a phenomenal job compiling the color-coded flow chart for the original 1971 City-Agency loan. At a time when Board Members thought the money would be gone, staff's efforts saved the City \$10 million dollars.

Board Member Eric Bever echoed Chair Jim Righeimer's comments and thanked staff for a great job documenting the obligation payment schedules as well.

Board Member Wendy Leece also commended staff on their phenomenal work. She asked if the ROPS would be submitted to the State Department of Finance twice a year for review. Mr. Young reported that work on the ROPS for the period of January through June 2013 would begin in September 2012. Staff would then update the ROPS every 6 months for each period and address items for reimbursement.

Board Member Wendy Leece requested that copies of the Oversight Board's Agendas and Minutes be provided to the Council to keep them informed. Recording Secretary Martha Rosales assured Board Member Leece that her request would be handled accordingly. Board Member Wendy Leece asked if the Oversight Board had approved the EOPS and ROPS. Chair Jim Righeimer (Chair of the Oversight Board) gave a brief summary of what took place at the Oversight Board meetings and confirmed that the EOPS and ROPS had been approved by the Oversight Board. Mr. Young asked if the Board wanted the matter agendaized for future meetings or if they preferred receiving correspondence after each Oversight Board meeting. Chair Jim Righeimer opted for receiving correspondence after each Oversight Board meeting.

MOTION: Voting as the Housing Authority, the City Council and the City Council Acting as Successor Agency to the Costa Mesa Redevelopment Agency, receive and file the Update on Correspondence with the State Department of Finance. Moved by Board Member Eric Bever, second by Vice-Chair Stephen Mensinger.

The motion carried by the following vote:

Ayes: Chair Jim Righeimer, Vice Chair Stephen Mensinger, Board Member Eric Bever, Board Member Wendy Leece, Board Member Gary Monahan

Noes: None

Absent: None

**ADJOURN THE CITY OF COSTA MESA ACTING AS SUCCESSOR AGENCY
MEETING AND CONTINUE SPECIAL JOINT MEETING OF THE COSTA MESA
CTY COUNCIL AND COSTA MESA HOUSING AUTHORITY**