

MINUTES OF A REGULAR MEETING OF THE
OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
TO THE DISSOLVED CYPRESS REDEVELOPMENT AGENCY

HELD

October 2, 2012

A regular meeting of the Oversight Board to the Successor Agency to the Dissolved Cypress Redevelopment Agency was called to order at 5:30 p.m. by Board Chair Bailey in the Executive Board Room, 5275 Orange Avenue, Cypress, California.

Board Members present:

Board Chair Doug Bailey
Board Vice Chair Leroy Mills
Board Member Matt Burton
Board Member Charles Mealey
Board Member Bruce Saltz
Board Member Fred Williams
Board Member Mariellen Yarc

Staff present:

City Manager John Bahorski (Successor Agency)
Successor Agency Counsel Dan Slater
Successor Agency Treasurer Richard Storey
Redevelopment Project Manager Steve Clarke (Successor Agency)
City Clerk/Secretary Denise Basham (Successor Agency)

ORAL COMMUNICATIONS:

None.

NEW BUSINESS:

Item No. 1: APPROVAL OF MINUTES – MEETING OF AUGUST 21, 2012.

It was moved by Board Member Yarc and seconded by Board Member Williams, to adopt Resolution No. OB-9 approving the meeting minutes of August 21, 2012.

The motion was unanimously carried by the following vote:

AYES: 7 BOARD MEMBERS: Burton, Mealey, Saltz, Williams, Yarc, Mills, and Bailey
NOES: 0 BOARD MEMBERS: None
ABSENT: 0 BOARD MEMBERS: None

OVERSIGHT BOARD RESOLUTION NO. OB-9

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
TO THE DISSOLVED CYPRESS REDEVELOPMENT AGENCY
APPROVING THE MINUTES OF THE OVERSIGHT BOARD
MEETING OF AUGUST 21, 2012

Item No. 2: CONVENING OF A PUBLIC COMMENT SESSION ON THE INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES ON THE CYPRESS REDEVELOPMENT AGENCY'S AND THE SUCCESSOR AGENCY TO THE CYPRESS REDEVELOPMENT AGENCY'S LOW AND MODERATE INCOME HOUSING FUND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34179.5.

The Successor Agency Treasurer provided background information on this item.

The public comments period was opened.

Board Chair Bailey asked if there was anyone who wished to speak in favor of the item.

Board Chair Bailey asked if there was anyone who wished to speak against the item.

The public comments period was closed.

Board Member Saltz requested clarification on the transfers to the Housing Successor as indicated in Schedule 2.

The Successor Agency Treasurer stated that as part of AB 1484, cash and cash equivalents would be transferred to the County of Orange and spread over the taxing agencies, and that all of the other assets and property remains with the Housing Successor.

The City Manager stated that the Department of Finance is requiring a housing asset form and that the City is now engaged in a meet and confer process.

The Successor Agency Counsel indicated that 20% of the tax increment that the Cypress Redevelopment Agency received went into the low and moderate income housing fund. He stated that soon thereafter the City became the Housing Successor and received assets.

Board Member Williams commented on the \$10.7 million low and moderate income housing fund loan and asked about the process when the loans are paid back.

The Successor Agency Counsel stated that money from the housing assets stay with the Housing Successor for affordable housing and that the money paid back goes into an account for affordable housing and would be a one-time transfer.

The Successor Agency Treasurer responded that most of the low and moderate income housing fund loans are in the form of forgivable notes and will never be required to be repaid.

Board Member Williams clarified that the Oversight Board's only interest is the cash balance and the transfer of the cash balance.

Board Chair Bailey commented that trailer legislation took cash from the Housing Agency and the intent of the legislation was to keep existing low income housing alive.

The Successor Agency Counsel stated that AB 1484 clarified what constituted a housing asset and set-up the process for a due diligence review.

Board Member Yarc asked about the meet and confer letters.

The City Manager stated that the State has agreed that the land is a meet and confer issue to be done telephonically with a date to be determined.

Board Member Saltz asked about the timeframe for money to be transferred to the County of Orange.

The Successor Agency Counsel indicated that the Department of Finance must approve all of the Oversight Board's submittals by November 9, 2012, and that the County Auditor-Controller will notify the Successor Agency with a payment demand by December 1, 2012.

The Successor Agency Counsel informed of another due diligence review process for non-housing funds to begin in December 2012. The Successor Agency Counsel further discussed the Oversight Board process.

OVERSIGHT BOARD ITEMS:

No items.

ADJOURNMENT: Board Chair Bailey adjourned the meeting at 5:47 p.m. to Tuesday, October 9, 2012, beginning at 4:00 p.m. in the Executive Board Room.


OVERSIGHT BOARD CHAIR

ATTEST:


CITY CLERK AS SECRETARY
TO THE OVERSIGHT BOARD