



Time: 4:10 p.m.

Douglas Fir Room
Permit Service Center
2120 Milvia Street – Berkeley, CA
Secretary – Lourdes Chang, (510) 981-5419

Approved Minutes of the October 9, 2012 Oversight Board Meeting

All agenda items are for Discussion and Possible Action.

1. Roll Call

Present: Riddle (Chair), Decredico and Hoover. Alternate: Brooks (for Keith Carson).

Absent: Arreguin, Gerhard and Harper. Staff Present: Chang and Hardaway. Public: None.

2. Public Comments

There were none.

3. Approval of Agenda

The agenda was approved unanimously. (M/S/C: Hoover/Decredico. Unanimous)

4. Approval of Minutes of October 1, 2012

A motion to approve the October 1, 2012, minutes was unanimously approved. (M/S/C: Brooks/Hoover. Unanimous)

5. Approve Results of Review of Unobligated Balances of the Low and Moderate Income Housing Fund of the Berkeley Redevelopment Successor Agency

Staff noted the Successor Agency did not receive a Final Draft of the Review in time for distribution at the meeting. As Badawi & Associates confirmed no changes were made to the final draft except for typographical errors, staff requested the Board approve the results of the Review as presented in the Draft Review so that the Successor Agency may submit the Review by the October 15th deadline, as required by AB 1484. The Secretary will distribute the Final Review when it is available. A motion to approve the results of the Review of the LMIHF was approved unanimously. (Hoover/Brooks. Unanimous)

6. Information Items

Staff provided a memorandum from Meyers Nave, the Oversight Board's legal counsel, and Golfarb & Lipman, the Successor Agency's outside legal counsel, in which both counsels concluded Items No. 2 and No. 3 on the ROPS III are enforceable obligations. In the case of Item No. 2 (Savo Island Loan Payable), the loan is a binding agreement between the City Retiree Medical Trust Fund and the former Redevelopment Agency. The City is the Trust Administrator but is not the owner of the funds loaned to the former Redevelopment Agency to undertake the redevelopment project in the Savo Island Redevelopment Project Area. The beneficiary of the loan payments is not the City but rather the former employees who benefit from the Retiree Medical Benefit Plan. With regard to Item No. 3 (\$1 million bond – City Loan), both counsels concluded the bond is an enforceable obligation. The bonds satisfy the definition of "indebtedness obligation" under Section 34171 in that they were issued by the Redevelopment Agency to the bondholders and were used to finance redevelopment projects undertaken by the redevelopment agency in compliance. More detailed explanation is given in the correspondence from each counsel.

7. Administrative Items

Meyers Nave, the Oversight Board legal counsel, notified staff it can no longer represent the Oversight Board because the firm represents taxing agencies that can benefit from the dissolution of the Successor Agency and this presents a conflict of interest. Staff will begin its search for a new attorney and will ask the Board to provide suggestions on legal firms. The Board recommended surveying other Oversight Boards to get a list of attorneys. Staff will bring back the proposals from legal firms at the next Oversight Board meeting. At that time, the Board can review and provide a recommendation for the new legal counsel.

8. Announcements

- a) The next Oversight Board meeting is scheduled for Monday, November 26, 2012. The Board will hold a public comment session on the Review of the Unencumbered Non-Low Moderate Income Housing Fund as required by AB 1484 (Review). A follow up meeting on December 3, 2012 will be held to get Oversight Board approval of the results of the Review.

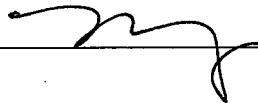
9. Future Agenda Items

- Review and approval of the semi-annual Administrative Budget covering the period, January 1, 2013 through June 30, 2013
- Update on the sale of 1654 Fifth Street and the community garden at 1631 Fifth Street.

10. Adjourn

The meeting was adjourned at 4:24 p.m. (M/S/C: Hoover/Decredico. Unanimous).

Approved on 12/17/2012

 _____, Lourdes Chang, Secretary