



Time: 4:20 p.m.

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

Approved Minutes of the December 17, 2012 Oversight Board Meeting

All agenda items are for Discussion and Possible Action.

1. Roll Call

Present: Decredico, Gerhard and Hoover. Alternate: Brooks (for Keith Carson). Absent: Arreguin, Harper and Riddle. Staff Present: Chang, Cosin and Hardaway. Public: None.

Board Member Joe Decredico was appointed by the Board to chair the meeting in the absence of both the Chair and Vice-Chair.

2. Public Comments

There were none.

3. Approval of Agenda

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

4. Approval of Minutes of October 9, 2012

A motion to approve the October 9, 2012, minutes was unanimously approved. (M/S/C: Brooks/Hoover. Unanimous)

5. Receive Public Comments on the Results of Review of All Other Unobligated Balances of the Berkeley Redevelopment Successor Agency

No one from the public was present for comments. Lucy Xie from the City's Finance Department was present to answer questions regarding the review.

6. Review and Approve Semi-Annual Administrative Budget for January 1, 2013 through June 30, 2013

Danita Hardaway presented the Successor Agency Administrative Budget for the period of January 1, 2013 through June 30, 2013. There were no major changes from the previous period's six-month budget. The budget may need to be amended to include a line item for the Oversight Board legal counsel, which currently is included in the ROPS III (Recognized Obligations Payment Schedule) Staff is awaiting decision from DOF regarding whether legal counsel for the Oversight Board belongs in the ROPS or the Administrative Budget.

A motion to approve the Administrative Budget for January 1, 2013 – June 30, 2013, was approved unanimously. (M/S/C: Hoover/Gerhard. Unanimous)

7. Review and Discuss Selection of New Legal Counsel for the Oversight Board

The Board discussed the two proposals from *Stein and Lubin* and *Renne Sloan Holtzman Sakai*. Since the two legal firms are comparable in terms of experience with redevelopment law, the Dissolution Act/AB1484 and advising oversight boards, the Board agreed its decision would lie on how well the firms engage and respond to issues brought to them by the Oversight Board and how much time they expect to engage their lead counsel and/or paralegals in completing the assignments. The Board asked staff to do reference checks and to follow up with each firm to clarify their role with Berkeley's Oversight Board. Assuming the issues related to the Berkeley Successor Agency would be simpler and less controversial compared to other cities with larger redevelopment budgets, like Oakland and Emeryville, the Board and staff agreed an arrangement where the Oversight Board would call for legal services on an as-needed basis would be optimal. Staff will follow up with the two legal firms and bring back information at the next Oversight Board meeting on January 7th. The Board can make a decision at the meeting or postpone its decision if more information is needed.

8. Information Items

- a) Update on Sale of Real Property at 1654 Fifth Street and the Community Garden located at 1631 Fifth Street – DOF rejected Oversight Board action to authorize the sale of the two properties and advised the Successor Agency could not dispose of any property until DOF issues a finding of completion and approves the long range property management plan.
- b) ROPS III Meet & Confer Meeting with DOF - Wendy Cosin distributed the outline staff prepared for DOF for their Meet and Confer meeting on 11/29/12. DOF denied two items on the ROPS III: (1) Savo Island Loan Payable, a loan made by the City of Berkeley Retiree Medical Trust Fund to the Redevelopment Agency for the purpose of developing affordable housing, and (2) \$1 Million Bond City loan. Staff presented justification for why these two items are enforceable obligations. (At the time of the 12/17/12 Oversight Board meeting, staff was still waiting for a decision from DOF and will report the results of DOF's decision at the January 7th Oversight Board meeting.)
- c) Update on other Oversight Board actions reviewed by DOF - Wendy Cosin distributed a chart of Status of Actions Reviewed by DOF. DOF denied Draft Due

Diligence Report (DDR) of Unobligated Balances of the Low-Moderate Income Housing Fund (LMIHF) A list of housing development loans were included in the DDR. DOF concluded the loans could not be listed in the DDR since the Successor Agency did not list these loans as housing assets. Staff was advised to obtain Oversight Board approval to transfer these housing development loans to the Housing Successor Agency.

9. Announcements

- Next meeting: Monday, January 7, 2013 - Oversight Board approval of results of Review of the unobligated balances of the Successor Agency's Non-LMIHF

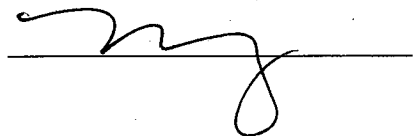
10. Future Agenda Items

- Long-term Property Management Plan
- Transfer housing development loans to Housing Successor Agency

11. Adjourn

The meeting was adjourned at 5:00 p.m. (M/S/C: Brooks/Hoover. Unanimous).

Approved on 01/07/13

 _____, Lourdes Chang, Secretary