

**Meeting of the
Oversight Board for the Successor Agency
To the Redevelopment Agency of the
City of Fresno**

**Meeting Minutes
February 27, 2014**

The Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Fresno met at 1:30 p.m. in Meeting Room 2120 (Meeting Room C), City Hall on February 27, 2014.

Present were:

Terry Bradley, appointed by Fresno County Superintendent of Schools
Michael Lima, appointed by Mayor of Fresno
Debbie Poochigan, appointed by Fresno County Board of Supervisors
Doug Vagim, appointed by Fresno County Board of Supervisors
Bob Van Wyk, appointed by Metropolitan Flood Control District (Special District)
Larry Westerlund, appointed by Mayor of Fresno
Larry Hodges, appointed by State Center Community College District (arrived late)

- I. Call to Order
 1. Roll Call (Larry Hodges) arrived late
 2. Pledge of Allegiance

The meeting was called to order by Mr. Bradley at 1:35 p.m. Roll Call was taken and the Pledge of Allegiance was conducted.

- II. Administer Oath of Office. The Oath of Office was administered to Michael Lima as a new board member appointed by Mayor Ashley Swearengin to replace George Smith. The oath was given and Mr. Lima was sworn in.
- III. Approval of the Minutes of September 16, 2013. Mr. Vagim made a motion to approve the minutes; Ms. Poochigan made a motion to second after she pointed out two corrections that needed to be made. The motion passed on a vote of 7-0 as corrected.
- IV. Report Regarding Court Ruling. Ms. Murphy reported on the court ruling to the board members. The order and determinations at issue are the following:
 1. An Order of the State Controller dated March 14, 2013, directing the City to return housing assets, including cash that had been transferred to the City as the designated housing successor to the former Redevelopment Agency.

2. Two related determinations by DOF dated January 11, 2013 and June 27, 2013. The first determination found that a balance of \$168,534 in the Successor Agency's Low and Moderate Income Housing Fund ("LMIHF") was available for transfer to taxing entities. The second determination found that a balance of \$4,933,178 in the Successor Agency's Other funds and Accounts was available for transfer to taxing entities. The two determinations addressed cash housing assets previously transferred to the city as the designated housing successor to the former Redevelopment Agency, and effectively directed the City and the Successor Agency to transfer the cash (totaling \$5,101,712) to the Successor Agency.
3. A determination by DOF dated June 27, 2013 that an account receivable payable from Utility Trailer Sales ("UTS") to the former Redevelopment Agency to be considered payable on the demand and therefore is considered "cash" or a "cash equivalent" for purposes for the Due Diligence Review.
4. A determination by DOF dated March 19, 2013 that a payment to the City under an agreement entered into between the City and the former Redevelopment Agency in 2000, referred to in this ruling as the "Downtown Stadium Agreement", is not an enforceable obligation that may be paid with funds from the Redevelopment Property Tax Trust Fund ("RPTTF").

The Court found in favor of petitioner and granted their requests for declaratory, injunctive and writ of mandate relief with regard to the State Controller's order, the DOF determinations regarding cash housing assets transferred to the City as housing successor, and the DOF's determination regarding the UTS receivable. The Court found in favor of respondents and denied petitions' claims for relief with regard to DOF's determination regarding the Downtown Stadium Agreement.

V. Recognized Obligation Payment Schedules (ROPS)

Doug Vagim asked questions regarding the items on the ROPS highlighted in red. Ms. Murphey responded that those have been denied by DOF, they are put on the list by DOF and can't be removed because the DOF form is locked. Mr. Vagim made it clear that he did not support these items highlighted in red and did not want to vote on them and Ms. Murphey stated they would not vote on these item today.

Mr. Vagim also asked about an opinion Mr. Behrens wrote which he called an Attorney-Client Privilege and wondered how much of an attorney client privilege it was. Mr. Behrens explained that the document was called an attorney client privilege because the board is his client. Mr. Vagim expressed concerned that the document had not been discussed and the board hasn't met since September 16, 2013. Mr. Behrens stated that the board could clear the room and discuss the document today. Mr. Bradley mentioned that the item was not on the agenda for discussion. Mr. Vagim suggested that the board take a vote to put it on the agenda. Mr. Behrens stated that if it is

imperative to hear the item at this meeting you can take a motion to hear the item in closed session but you have to make the argument to that. Mr. Vagim stated he was surprised the item was not on the agenda. There was discussion about putting the item on an upcoming meeting. Mr. Vagim asked that the item be put on the next meeting and Mr. Sloan suggested that the item be put on the closed session before it is discussed in open session.

Mr. Hodges asked for a point of clarification regarding Ms. Murphey's presentation on the Court Ruling. Mr. Hodges asked what the ruling means to him and his constituents. He asked her to go over it one more time, which she did.

After discussion on items 3, 8, 22, 24, 25, 26, 27, 30, and 33-41 Mr. Hodges made a motion to approve these items with a second by Mr. Van Wyk. Mr. Bradley asked if there were any comments from the board, there were none. Mr. Bradley asked if there were any comments by the public, there was none. The motion passed on a 7-0 vote.

There was discussion on item 1. Mr. Lima asked questions about items 1 and 6. Mr. Lima made a motion to approve line 1 for ROPS 6 which was seconded by Mr. Westerlund. Mr. Bradley asked if there were any questions or comments from the board, there were none. Mr. Bradley asked if there were any comments from the public and there were none. The motion passed on a vote of 7-0.

Mr. Vagim discussed line 6, Apple Valley. He asked several questions and Enrique Bruque responded. Mr. Vagim made a motion to approve line 6 which was seconded by Mr. Van Wyk. Mr. Bradley asked if there were any comments by the board, there were none. Mr. Bradley asked if there were any comments by the public and there were not. The motion passed on a 7-0 vote.

Ms. Poochigan stated that she must leave at 4pm and she will need to recuse herself from items 5, 9, 10 and 11. Mr. Bradley asked if before Ms. Poochigan leaves or recuses herself if anyone is intending to bring up items 4 or 12? Mr. Vagim stated that he wanted to discuss the whole packet and discuss why it should be removed from our ROPS

Mr. Bradley stated that the items under discussion now are items 5, 9, 10, and 11. Mr. Westerlund made a motion to approve all of them. Mr. Vagim stated he wanted to discuss the individual ones, but I thought we could discuss the PBIDs and get them out of the way. Mr. Bradley said we do have a motion on the floor to approve all four of them by Mr. Westerlund. Do I have a second? I do not have a second.

Mr. Vagim made a motion to approve items 5 and 11 together; there was a second by Larry Hodges. Mr. Bradley asked if there were any comments by the members of the board. There were none. Mr. Bradley asked if there were any comments from the public, there were none. The motion passed on a motion of 6-0 with Ms. Poochigan recused.

Mr. Bradley stated that we are now down to items 9 and 10. Mr. Westerlund made a motion to approve item 9 and Mr. Lima made a second for item 9 Convention Center Development – Old Armenian Town LLC. Mr. Vagim stated that he will not support this motion because the second amended agreement the time limited should have been amended to May 1, 2008. It shows the developers were way past their deadline.

Ms. Murphey reviewed the historical homes. Presently we are near completion of the total historic homes project. The historic homes requirements were guided by the court order that we restored the exteriors and put away side exhibits etc. The homes have been moved, exteriors have been put into place, landscaping is in and two things remain: the way side exhibit, and the fencing. The plans have been prepared and submitted for the City.

Mr. Vagim said for the mitigation I know there is a ticking order, Ms. Murphey stated that for the mitigation there is a ticking order that says that whatever the offer is, the original owners have the first right of refusal to meet those terms. Mr. Vagim followed up with additional questions which Ms. Murphey responded to.

Mr. Bradley stated that there was a motion and a second on Line 9. Is there any question or comment from the board, there was none. Is there any question or comments from the public, there was none. A roll call vote was taken the motion passed on a vote of 5-1 with Mr. Vagim voting No and Ms. Poochigan recusing herself.

Mr. Bradley stated the board was moving on to Line 10. Mr. Westerlund made a motion to approve Line 10 with Mr. Lima making the seconded. Mr. Bradley asked if there were any other questions or comments from the board, there were none. Mr. Bradley asked if there were any questions or comments from the public and there were none. The motion passed on a vote of 6-0 with Ms. Poochigan rescuing herself.

After some discussion about the Housing Assets, Mr. Westerlund made a motion to approve the Resolution for July – December 2014. Mr. Van Wyk seconded the motion. Mr. Bradley asked if there were any questions or comments from the board, there were none. Mr. Bradley asked if there were any questions or comments from the public, there were none. The motion passed on a vote of 6-0 with Ms. Poochigan recusing.

Public Comment – None

Mr. Bradley stated that the board is in consensus on not spending any money to send a letter to the Department of Finance with the exception of Mr. Vagim. Mr. Vagim stated that he would write his own letter.

The meeting adjourned at 3:47p.m.

The minutes of February 27, 2014 were approved at the July 7, 2014 meeting on a motion by Mr. Vagim and a second by Mr. Van Wyk. The motion passed on a vote of 7-0.