

**STATEMENT OF PROCEEDINGS FOR THE  
SPECIAL MEETING OF THE  
CITY OF COMPTON OVERSIGHT BOARD**

**CITY OF COMPTON  
CITY COUNCIL CHAMBERS  
205 SOUTH WILLOWBROOK AVENUE,  
COMPTON, CA 90220**

**Tuesday, January 15, 2013**

**10:00 AM**

**I. CALL TO ORDER**

**Rhonda Rangel, Secretary, called the meeting order at 10:09 a.m.**

**II. ROLL CALL**

**Rhonda Rangel, Secretary, called the roll.**

**Present:** Chair Jesenia Sanchez, Vice Chair "Sweet" Alice Harris, Board Member Harold C. Williams, Board Member Dr. Keith Curry, Board Member Jose Martinez and Board Member Aubrey Craig

**Absent:** Board Member Jesus Escandón

**III. ADMINISTRATIVE MATTERS**

- 1. Approval of minutes from the Regular Meeting of December 19, 2012. (13-0360)**

**On motion of Board Member Craig, seconded by Board Member Curry, duly carried by the following vote, the Board approved the December 19, 2012 Regular Meeting Minutes:**

**Ayes:** 5 - Chair Sanchez, Vice Chair Harris, Board Member Curry, Board Member Martinez and Board Member Craig

**Abstentions:** 1 - Board Member Williams

**Absent:** 1 - Board Member Escandón

**Attachments:** [SUPPORTING DOCUMENT](#)

- 2. Approval and Transmittal of the Due Diligence Review for Non-Housing Fund and Account Balances of the Former Community Redevelopment Agency of the City of Compton in Accordance with Health and Safety Code Section 34179.5. (13-0358)**

Chair Sanchez opened the discussion by informing all members of the Board that the public comment session was continued from the January 8, 2013 meeting. Board Member Curry requested clarification on whether or not there was going to be an overview of the report, close the public comment period, and/or vote on the Due Diligence Review (DDR) report for the Non Housing Funds. Chair Sanchez confirmed all of Board Member Curry's concerns will be addressed.

Eden Casareno, Eadie and Payne, provided a detailed presentation on the final DDR report for the Non Housing Fund and Account Balances including an overview of the procedures and the attached exhibits. She explained that the two part DDR process required by AB 1484 covers the Low Moderate Income Housing Fund (LMIHF), which was due on October 2012 and All Other Funds, which is due on January 15, 2013.

Ms. Casareno added that after performing all the procedures directed by AB 1484 it was determined that the Successor Agency has no cash available to remit to the County for distribution. Ms. Casareno discussed the 10 procedures that were utilized to complete the DDR and stated that the issues discussed at the January 8, 2013 meeting regarding have been resolved. She assured the Board that additional information was gathered and the final numbers being presented were reliable numbers from the City Controller's Office.

Ms. Casareno reiterated that although the total amount of assets is relatively high, the majority of the assets are receivables and most of the cash is restricted. In addition, based on the information from the report the Successor Agency will have a shortage of funds as demonstrated on exhibit 1 under line item Insufficient Funds. The Successor Agency is in a deficit of 1.4 million dollars therefore does not have any funds for distribution to the taxing entities.

Ms. Barbara Calhoun, member of the public, expressed her concerns relating to the Successor Agency's funds and stated that in the majority of the City Council meetings, the public was informed that the Successor Agency has funds at their disposal. However, the DDR is showing that there are no funds. Ms. Calhoun also requested clarification regarding the funds in the DDR that were not considered transfers. Chair Sanchez indicated that the \$97,500 shown in Exhibit 4 are not considered transfers.

Ms. Lynn Boone, member of the public, voiced concerns regarding several resolutions that were not listed in the DDR and questioned the use or lack of use of funds for Alondra Park. Ms. Boone also requested clarification on whether or not the Successor Agency provided complete or selective information to the accounting firm. Dr. Kofi Sefa Boakye, Director of Redevelopment, informed the Oversight Board the City cannot audit itself and must call on the services of an approved licensed auditor. He added that no improvements for Alondra Park were to be funded through tax increment monies.

Board Member Curry requested clarification on the Insufficient Funds listed in Exhibit 1: Summary of Balances Available for Allocation to Affected Taxing Entities and how the deficit will be addressed. Dr. Kofi Sefa Boakye informed the Board that certain adjustments and cutbacks on services, activities, and programs will have to be considered in order to address the deficit.

Ms. Casareno clarified that the DDR was not an audit or a review. However, they are agreed upon procedures based on professional standards and are not as comprehensive as an actual audit or review.

On motion of Vice Chair Harris, seconded by Board Member Craig, duly carried by the following vote (Board Member Escandón bring absent), the Board approved and will transmit the Due Diligence Review for Non Housing Fund and Account Balances of the Former Community Redevelopment Agency of the City of Compton in Accordance with Health and Safety Code Section 34179.5.

**Ayes:** 6 - Chair Sanchez, Vice Chair Harris, Board Member Williams, Board Member Curry, Board Member Martinez and Board Member Craig

**Absent:** 1 - Board Member Escandón

**Attachments:** [SUPPORTING DOCUMENT](#)

#### **IV. DISCUSSION**

3. Verbal Update on Department of Finance (DOF) Communications. (13-0359)

Dr. Kofi Sefa Boakye, Director of Redevelopment, informed the Board that the Successor Agency is awaiting a response regarding the Meet and Confer that was held with the Department of Finance regarding the Recognized Obligation Payment Schedule (ROPS III) and the Low and Moderate Income Housing Fund Due Diligence Review. Dr. Kofi Sefa Boakye will report back at a future Board meeting.

**V. MISCELLANEOUS****4. Chair and Board Member Comments. (13-0362)**

**Chair Sanchez indicated that there were a couple of outstanding issues in the previous meeting which had to be addressed. She requested that the property on 950 Alondra Avenue had many unresolved concerns from the Oversight Board and requested a status update on the property. Dr. Kofi Sefa Boakye, Director of Redevelopment informed the Board that the Successor Agency is in the preliminary phase with Public Works for contracting services and he will provide additional information at the next Board meeting.**

**Harold Duffy, Executive Director, addressed the Oversight Board regarding a potential lease agreement for the Boat restoration program. Mr. Duffy notified the Board that the property located at 250 Central Avenue will be included in the Long Range Property Management Plan (LRPMP). He added that there is currently no lease in place to occupy the building and the building has been deemed as substandard. Mr. Duffy further stated that in order to occupy the building; certain minimum requirements have to be met. He also indicated that the Oversight Board has not agreed to nor has it entered into any agreement regarding the property.**

**Chair Sanchez asked if the Oversight Board can lease a property that will be disposed of. Mr. Duffy clarified that substantial work must be done to the property prior to the Successor Agency moving forward with a long term lease. However, a six month short term lease was a possibility.**

**Board Member Curry inquired which party would be responsible for the cost of remodeling in efforts to meet regulations. Mr. Duffy explained that the Successor Agency would be responsible for the cost of repairs and maintenance of the property.**

**Neilja Harewood, member of the public and representative from the California Center for Economic Initiatives, voiced her interest to enter into a long term agreement with the Successor Agency and the City for the project. She informed the Board that there was a draft lease between all parties, with a five year term and a three termination notice, after the first 36 months the City of the lessee can terminate the lease without cause. Mr. Duffy recommended that a business plan be presented.**

**Lynn Boone, member of the public, voiced her concerns and added that the Board is responsible for relocating occupants currently occupying 250 Central Avenue.**

**Barbara Calhoun, member of the public, presented copies obtained from the City Clerk's office regarding a resolution approved by the City Council authorizing funding for a regional park project and she requested clarification on the use of the funds and requested the Board to review the document.**

5. Matters not on the Posted Agenda (to be Presented and Placed on the Agenda of a Future Meeting). (13-0363)

**The next Oversight Board meeting is scheduled for February 20, 2013.**

6. Public Comments (Opportunity for Members of the Public to Address the Board on Items of Interest that are Within the Jurisdiction of the Board). (13-0364)

**There were none.**

7. Adjournment of the Special Meeting of January 15, 2013. (13-0365)

**The meeting adjourned at 11:32 a.m.**