

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

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

Wednesday, April 16, 2014

10:00 AM

I. CALL TO ORDER

Chair Sanchez called the meeting to order at 10:16 a.m.

II. ROLL CALL

Estevan Padilla, Oversight Board staff, called the roll.

Present: Chair Jesenia Sanchez, Board Member Dr. Keith Curry, Board Member Jose Martinez and Board Member Harold C. Williams

Absent: Vice Chair Sweet Alice Harris and Board Member Alejandro Alvarez

Vacancies: Board Member Los Angeles County Appointee

III. ADMINISTRATIVE MATTERS

1. Approval of minutes from the Special Meeting of September 25, 2013. (14-1695)

By Common Consent, there being no objection (Board Member Alvarez and Vice Chair Harris being absent), the Board tabled the approval of the meeting minutes to the next scheduled meeting.

Attachments: [SUPPORTING DOCUMENT](#)

2. Approval of minutes from the Special Meeting of February 27, 2014. (14-1696)

By Common Consent, there being no objection (Board Member Alvarez and Vice Chair Harris being absent and County appointee being vacant), the Board tabled the approval of the meeting minutes to the next scheduled meeting.

Attachments: [SUPPORTING DOCUMENT](#)

3. Approval of minutes from the Special Meeting of March 12, 2014. (14-1697)

By Common Consent, there being no objection (Board Member Alvarez and Vice Chair Harris being absent and County appointee being vacant), the Board tabled the approval of the meeting minutes to the next scheduled meeting.

Attachments: [SUPPORTING DOCUMENT](#)

IV. DISCUSSION

- 4.** Status update of Successor Agency negotiations with the Department of Finance (DOF) in connection with City/Agency remittance obligations to DOF. (14-1702)

Dr. Kofi Sefa Boakye, Director of Community Development, informed the Oversight Board that the Successor Agency will repay \$5,589,180 to the Department of Finance (DOF) based on the findings from the Due Diligence Review (DDR) audit of the Successor Agency's Low and Moderate Income Housing Fund (LMIHF). The DOF determined that most of Successor Agency's expenditures were valid. However, the DOF requested that the Successor Agency repay the outstanding LMIHF monies through the remaining Recognized Obligation Payment Schedule (ROPS). Dr. Kofi informed the Oversight Board that the Successor Agency had several conversations with the DOF regarding the funds borrowed from the LMIHF which were used to carry out legitimate redevelopment activities.

Dr. Kofi further informed the Oversight Board of the liability insurance payment of \$4,105,700, which the DOF determined was an unallowable transfer of funds by the Former Redevelopment Agency (RDA). The Successor Agency informed the DOF that the liability insurance payment was based on the City of Compton being a self-insured entity. Therefore, the former RDA had to pay the City for liability insurance coverage. Board Member Curry asked how the funds will be paid. Dr. Kofi informed that the amount will be paid via the ROPS and the State will then pay the taxing entities, not the Successor Agency. Dr. Kofi added that the Successor Agency has submitted a proposed plan to pay the entire liability within a five-year period. Board Member Curry asked where the source of funds would come from. Dr. Kofi advised the Oversight Board that the funds would originate from the Compton Lighting and Landscaping Assessment District (LLA District).

Board Member Curry asked if the funds will directly come from the LLA District or if the funds will also be appropriated from the City's General Fund. Dr. Kofi noted the Successor Agency's plan to use funds from the LLA District is only a proposal at this stage. Board Member Curry questioned what the course of action would be in the event the DOF denies the payment plan.

Dr. Kofi informed the Oversight Board that if the DOF denies the payment, the City would cover the cost.

Board Member Williams discussed the memorandum received from Dr. Kofi, and acknowledged the memorandum from the County of Los Angeles Consultants regarding the contents in the Long Range Property Management Plan (LRPMP). Dr. Kofi explained that the LRPMP was being presented to the Oversight Board for review and discussion purposes only, and that the Oversight Board was not being asked to take any action on the LRPMP at this time. Chair Sanchez asked a series of questions pertaining to the amount of funds allocated to the LLA District as well as requesting that the Successor Agency provide the Oversight Board copies of all communication with the DOF regarding the payment plan proposed to the DOF. Moreover, Chair Sanchez asked if the \$5,589,180 remitted to the taxing entities will appear as a lump sum on the next ROPS or will it be paid in payments. Dr. Kofi explained to the Oversight Board that the funds will be distributed to the taxing entities throughout the upcoming ROPS and not a lump sum.

After discussion, by Common Consent, there being no objection (Board Member Alvarez and Vice Chair Harris being absent and County appointment being vacant), the Board received and filed the report.

Attachments: [SUPPORTING DOCUMENT](#)

- 5. Discussion on setting a date for a Public Hearing with the Board to consider disposition of certain Successor Agency-owned parcels to Successor Agency-approved developers in accordance with the winding down of Agency properties. (14-1725)**

By Common Consent, there being no objection (Board Member Alvarez and Vice Chair Harris being absent and County appointee being vacant), the Board tabled the Item without discussion to the next scheduled meeting.

- 6. Discussion of draft Long Range Property Management Plan for acquisition and development of Successor Agency parcels. (14-1724)**

Dr. Kofi Sefa Boakye, Director of Community Development, informed the Oversight Board that the purpose was to provide information regarding the Long Range Property Plan (LRPMP), and of the various key steps the Successor Agency must take before submitting the Recognized Obligation Payment Schedule (ROPS) to the Oversight Board and the Department of Finance (DOF). First, the Successor Agency must address any

outstanding issues with the DOF, second, receive the Finding of Completion (FOC) from the DOF prior to disposing any properties, and lastly adopt the LRPMP.

Board Member Williams asked if the Successor Agency was planning to speak to the County regarding the memorandum. Dr. Kofi informed the Oversight Board that the memorandum is solely for recommendation purposes only.

Barry Schultz, Successor Agency Counsel, advised the Oversight Board that the memorandum is an evaluation of the plan to better serve the Oversight Board. Dr. Kofi noted the memorandum was a reinforcement of what the Successor Agency has been working on. Mr. Schultz noted until the Successor Agency receives their FOC, there cannot be any discussion of specific properties or dispose of any Successor Agency-owned properties. There could only be a general discussion of the properties of the plan and how the properties fit into the four categories given by the DOF.

After discussion, by Common Consent, there being no objection (Board Member Alvarez and Vice Chair Harris being absent and County appointment being vacant), the Board received and filed the report.

Attachments: [SUPPORTING DOCUMENT](#)

V. MISCELLANEOUS

- 7. Public Comments (Opportunity for Members of the Public to Address the Board on Items of Interest that are within the Jurisdiction of the Board). (14-1698)**

There were none.

- 8. Matters not on the Posted Agenda (to be Presented and Placed on the Agenda of a Future Meeting). (14-1699)**

There were none.

- 9. Chair and Board Member Comments. (14-1700)**

There were none.

- 10. Adjournment of the Regular Meeting of April 16, 2014. (14-1701)**

The meeting adjourned at 11:14 a.m.