

**MINUTES
REGULAR MEETING OF THE
ORANGE COUNTYWIDE OVERSIGHT BOARD**

April 19, 2022, 8:30 a.m.

1. CALL TO ORDER

A regular meeting of the Orange Countywide Oversight Board was called to order at 8:31AM on April 19, 2022, via Zoom Webinar by Vice Chairman Jones, presiding officer.

Present:	6	Chairman:	Brian Probolsky (arrived after Item 5)
		Vice Chairman:	Steve Jones
		Board Member:	Dean West
		Board Member:	Phil Yarbrough
		Board Member:	Steve Franks
		Board Member:	Charles Barfield
		Board Member:	Anil Kukreja (arrived after Item 4)

Absent: 0

Also Present: Kathy Tavoularis, Staff and Clerk of the Board; Patrick “Kit” Bobko, Legal Counsel; Chris Nguyen, Consultant; Cameron Wessel, Consultant; Joe Sturges, Staff

2. PLEDGE OF ALLEGIANCE

Board Member Franks led the group in the Pledge of Allegiance.

3. Adopt Resolution Concerning Teleconferenced Meetings During State of Emergency

Vice Chairman Jones moved and Board Member Yarbrough seconded to adopt the Resolution concerning teleconferenced meetings during the state of emergency. Roll call vote.

YES – Jones, Franks, West, Barfield, Yarbrough
NO – N/A
N/A – Probolsky
Absent – Kukreja

4. APPROVAL OF THE MINUTES FROM FEBRUARY 23, 2022 SPECIAL MEETING

Board Member Yarbrough moved and Board Member Barfield seconded to approve the minutes from the February 23, 2022 Special Meeting.

YES – Jones, Franks, West, Barfield, Yarbrough
NO – N/A
N/A – Probolsky
Absent – Kukreja

Board Member Kukreja entered the virtual meeting.

5. ADOPT AMENDMENT TO EXISTING ENFORCABLE OBLIGATION

a. Placentia

Jeanette Ortega from the Placentia Successor Agency shared a PowerPoint presentation. Dan Massiello with Kosmont delivered the presentation on behalf of the Placentia Successor Agency. Their goals with this agenda item are to reduce the interest rate, shorten the term by one full year, and Placentia will benefit by having one of its properties released from lease agreement.

Board Member Yarbrough expressed his appreciation of the report from Mr. Massiello. He then asked if there are there any costs involved and, if so, are they added to the balance.

Mr. Massiello responded that, while there are costs, the savings far outweigh the overall cost. He stated that as he recalled the total costs are \$123,500, but he will need to check that figure to confirm.

Board Member Yarbrough asked if there are further restrictions.

Mr. Massiello stated that the only changes are in the 2022 financing. The 2.35% interest rate remains locked in until June 7.

Board Member Yarbrough commented that a similar approach had been taken by the County of Orange Successor Agency on another project, and it resulted in savings for taxpayers. The reduction in costs due to halving the interest rate is a good solution.

Board Member Yarbrough motioned and Board Member West moved to adopt the Resolution.

Board Member Barfield expressed his appreciation for the efficient presentation.

YES – Jones, Franks, West, Barfield, Kukreja, Yarbrough

NO – N/A

N/A – Probolsky

CLOSED SESSION:

CS-1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – INITIATION OF LITIGATION – Pursuant to Government Code Section 54956.9(d)(4):

Number of Cases: One Case

The Board returned from closed session at 9:15AM. Counsel Bobko announced that there was no reportable action.

DISCUSSION ITEM:

6. Adopt Resolution Regarding Long-Range Property Management Plan (LRPMP) and Agency Parcel and Issue Further Direction Concerning Agency Parcel

a. La Habra

Chairman Probolsky recognized Elizabeth Hull from the law firm Best, Best, and Krieger, representing the La Habra Successor Agency.

Ms. Hull made a presentation regarding the La Habra Successor Agency's proposed long-range property management plan (LRPMP) amendment regarding the final parcel held by the agency.

Ms. Hull noted the parcel has a deed restriction, owner participation agreement with La Habra Associates (owner of the adjacent property), and associated entitlements, all mandating the parcel's continued usage as a parking lot in perpetuity. She stated the agency's belief that the parcel should have been designated for governmental use in the 2015 LRPMP and transferred to the City of La Habra with other agency properties at the time, but it was not for whatever reason.

Ms. Hull stated that La Habra is asking the Oversight Board to approve a redesignation from sale to governmental use and transfer it to the City so that it can remain a parking lot, as required by the entitlements and deed restriction. She noted that La Habra had provided the Oversight Board with a letter from CBRE, stating a broker's opinion of value that the parcel is valued at zero.

Board Member Yarbrough asked why La Habra did not make a different designation in 2016.

Ms. Hull stated it appeared to be an oversight, but neither she nor any of the current La Habra staff were involved in the process at that time.

Board Member West asked about the origin of Attachment 1 (the LRPMP sheet) to the Resolution and whether it was a current document or a historical document.

Miranda Cole-Corona from the City of La Habra stated that staff had taken the original LRPMP and made the amendment which was highlighted in yellow to demonstrate the change to the Oversight Board.

Board Member West asked if the document was altered for purposes of the proposed amendment.

Ms. Cole-Corona stated staff took the Excel sheet she found for the original LRPMP and updated it.

Board Member West asked Ms. Cole-Corona to confirm that it was an Excel document, not a Word document.

Ms. Cole-Corona expressed her belief that she had found an Excel document.

Board Member West asked La Habra to read line 4 on the document.

Ms. Hull interjected that the document is a reflection of what La Habra would like the Board to adopt.

Board Member West stated that was the same thing that Ms. Cole-Corona had said and that the altered document was the proposal, which Ms. Hull confirmed. He then asked what changes were made on line 4 of the document.

Ms. Hull believed the change was to replace “sale” with “transfer to city” instead but deferred to Ms. Cole-Corona for the answer.

Ms. Cole-Corona stated that under the “value basis” column, she added “letter of value” and a proposed value of zero under the “estimated current value” column. She apologized that she did not enter the date of May 26, 2021 under the “date of estimated current value” column. She changed the entry to “transfer to City” under the “proposed sale date” column.

Board Member West asked for confirmation that the acquisition date was correct on the document as to when the former redevelopment agency acquired the property.

Ms. Cole-Corona believed that was the original date of the deed recording.

Board Member West asked what the value of the parcel at the time was.

Ms. Cole-Corona stated that was the cost the agency paid for the parcel at the time.

Board Member West asked what the cost was.

Ms. Cole-Corona stated the cost was \$2.5 million.

Board Member West asked if \$2.5 million was what was put in the “value at time of purchase” column.

Ms. Cole-Corona stated she did, but Ms. Hull interjected to tell Ms. Cole-Corona that she was missing a zero.

Board Member West asked if Microsoft Excel dropped a zero.

Ms. Cole-Corona stated it was missing a zero.

Board Member West expressed his strong familiarity with Excel and how he had never had an Excel document drop a zero before.

Ms. Cole-Corona apologized stating that she did not know why, but it was missing a zero.

Board Member West stated he had no further questions. Chairman Probolsky asked if there were any other questions from Board Members.

Board Member Yarbrough moved and Board Member Barfield seconded to reject La Habra’s resolution and substitute it with a resolution to dispose of the property.

Board Member West asked if the substitute resolution would be brought back to the Board at a later date to address. Chairman Probolsky clarified that this would be direction to staff to do what Board Member West described. Board Member West departed the meeting.

Counsel Bobko suggested it might be better to bifurcate the motion: one motion to reject La Habra's proposal and another motion to direct staff to bring a resolution to direct disposition of the property.

Board Member Yarbrough and Board Member Barfield agreed to amend their motion to what Counsel Bobko suggested.

On the motion to reject La Habra's proposal:

YES – Probolsky, Jones, Franks, Barfield, Kukreja, Yarbrough
NO – N/A
Absent – West

Clerk Tavoularis asked Chairman Probolsky to hold a separate vote on the second motion. Counsel Bobko asked Board Member Yarbrough to restate the second motion.

Board Member Yarbrough moved and Board Member Barfield seconded to direct staff to prepare a resolution to dispose of the La Habra property.

YES – Probolsky, Jones, Franks, Barfield, Kukreja, Yarbrough
NO – N/A
Absent – West

COMMENTS & ADJOURNMENT:

Chairman Probolsky asked Counsel Bobko if the second closed session was necessary.

Counsel Bobko stated it was not, but that there would probably need to be a special meeting before the July 19 regular meeting.

PUBLIC COMMENTS:

None.

STAFF COMMENTS:

Clerk Tavoularis reported that the next scheduled regular meeting is on July 19, 2022.

BOARD COMMENTS:

Chairman Probolsky noted the regular meeting on July 19 and stated that it is likely there will be inquiries for members' schedules about availability for a special meeting prior to that date.

ADJOURNMENT

Board Member Yarbrough moved and Board Member Kukreja seconded to adjourn the meeting.

BRIAN PROBOLSKY
CHAIRMAN OF THE COUNTYWIDE OVERSIGHT BOARD

KATHY TAVOULARIS
CLERK OF THE BOARD

DATE