

**REGULAR MEETING OF THE
COSTA MESA REDEVELOPMENT AGENCY**

June 14, 2011

The Costa Mesa Redevelopment Agency met in a regular meeting held on Tuesday, June 14, 2011, in the Council Chambers of City Hall, 77 Fair Drive, Costa Mesa. Agency Chairperson Righeimer waived the Pledge of Allegiance and called the meeting to order at 8:53 p.m.

I. ROLL CALL

Members Present: Agency Chair Jim Righeimer
Agency Vice-Chair Stephen Mensinger
Agency Member Wendy Leece
Agency Member Gary Monahan

Members Absent: Agency Member Eric Bever

Officials Present: Chief Executive Officer Thomas R. Hatch
Interim Executive Director Khanh Nguyen
Agency Attorney Tom Duarte
Neighborhood Improvement Manager Muriel Ullman
Budget & Research Officer Bobby Young
Management Analyst Hilda Veturis
Management Analyst Alma Penalosa
City Clerk Julie Folcik

II. CLERK'S STATEMENT

The Redevelopment Agency Agenda was posted at the City Council Chambers, Adams Postal Office, Headquarters Police Department, the Neighborhood Community Center and the Mesa Verde Public Library on Thursday, June 9, 2011.

III. MINUTES

Special Joint Meeting of May 10, 2011.

MOTION: Approve. Moved by Agency Chair Jim Righeimer, seconded by Agency Member Wendy Leece.

The motion carried by the following roll call vote:

Ayes: Agency Chair Jim Righeimer, Agency Vice Chair Stephen Mensinger,
Agency Member Wendy Leece, Agency Member Gary Monahan

Noes: None.

Absent: Agency Member Eric Bever

IV. PUBLIC COMMENTS – None

V. AGENCY/COUNCIL MEMBERS' COMMENTS AND SUGGESTIONS - None

VI. WARRANT RESOLUTION

MOTION: Approve CMRA-407. Moved by Agency Chair Jim Righeimer, seconded by Agency Member Gary Monahan

The motion carried by the following roll call vote:

Ayes: Agency Chair Jim Righeimer, Agency Vice Chair Stephen Mensinger,
Agency Member Wendy Leece, Agency Member Gary Monahan

Noes: None.

Absent: Agency Member Eric Bever

VII. NEW BUSINESS

1. Amendment to Agency Bylaws related to designation of Chief Executive Officer as Executive Director in addition to other minor changes

Interim Executive Director Khanh Nguyen thanked the Agency and committed to assisting C.E.O. Hatch in any way he could.

Management Analyst Hilda Veturis presented the staff report. She reported that Article 6 of the Amendment of the Bylaws required staff to provide Agency Members with written notification 7 days in advance. Hence, staff sent an email to Agency Members containing black-lined changes to the Agency Bylaws (designation of the Chief Executive Officer to serve as Agency Executive Director and other minor changes).

Agency Vice Chair Stephen Mensinger exited the meeting at 8:56 p.m.

Agency Chair Jim Righeimer opened the session for public comment; there being none, he closed the public comment session.

MOTION: Approve Amendment to Agency Bylaws and designate the Chief Executive Officer as the Executive Director. Moved by Agency Chair Jim Righeimer, seconded by Agency Member Gary Monahan.

The motion carried by the following roll call vote:

Ayes: Agency Chair Jim Righeimer, Agency Member Wendy Leece, Agency Member Gary Monahan

Noes: None.

Absent: Agency Member Eric Bever and Agency Vice Chair Stephen Mensinger

Agency Vice Chair Stephen Mensinger re-entered the meeting at 8:57 p.m.

2. Consideration of Budget Adoption for Fiscal Year 2011-2012

Budget & Research Officer Bobby Young presented the staff report. He pointed out excess available fund balances in the Low-Mod Housing and Downtown Project funds due to situations that staff would be bringing to the Agency in July, and could impact both funds (i.e. Harper's Pointe project). Staff was also waiting to hear the State's impacts against Redevelopment agencies (if any), as those too could impact the available fund balance in the Downtown Project fund. He recommended adopting the proposed budget with the intent that staff would be returning in July to talk more exclusively about items that may increase or affect the Agency's Budget next year.

Agency Member Gary Monahan asked if the Redevelopment projects that were being presented in July were the projects the Agency had reviewed a couple of months ago (Lions Park, etc.). Mr. Young confirmed it would be the same projects and said staff would have a clearer determination regarding the Harper's Pointe project that could affect additional projects the Agency can do. Staff would be providing a list of all the projects in July.

Agency Member Wendy Leece said the lights for the Lions Park lighting project had been purchased and the design work completed. She asked if the last phase of the project (construction) was part of the \$628,00 or if the construction was a different amount. Mr. Young explained the \$628,000 was the full amount necessary to complete the Lions Park lighting project - it had been funded and designated in previous years specifically for that project.

Agency Member Wendy Leece asked if the Agency could decide not to go forward with the Lions Park lighting project. Mr. Young said the Agency could elect not to go forward with the Lions Park lighting project but since the project was moving forward, the Agency would have to decide whether to shelve the project.

Agency Member Wendy Leece inquired about the Harper's Pointe project and asked if staff would have an update this month and determine how it would affect the Agency. Ms. Ullman reported that Harper's Pointe was working with the County because they had decided to go for another round of tax credits. Staff was having a conference call to see how much additional funds would be needed. Staff was planning on returning in July with the Harper's Pointe project for the Agency to review

or perhaps reserve the funds (HOME Low-Mod and Redevelopment) for future projects. A status report would be presented to the Agency in July.

A conversation regarding the Harper's Pointe project took place. Ms. Ullman and Mr. Young answered Agency Member Wendy Leece's questions.

Ms. Ullman mentioned if the Harper's Pointe project was not funded, Downtown Redevelopment funds were available for other projects that did not necessarily have to be housing projects.

Agency Member Wendy Leece asked if the funds designated for the Harper's Pointe Project could be transferred to the General Fund. Ms. Ullman stated staff's agreement was to go through two funds of tax credits and that agreement would be ending in June. At that time, the Agency could decide to reallocate the funds (\$700,000). Agency Member Wendy Leece stated Harper's Pointe had been a problematic project – it was a good project that was in the wrong place.

MOTION: Approve proposed Redevelopment Agency Budget for Fiscal Year 2011-2012. Moved by Agency Member Gary Monahan, seconded by Agency Vice Chair Stephen Mensinger.

Agency Chair Jim Righeimer made a request that staff inquire if Harper's Pointe was looking for Bond financing and if they received a cut in the land price.

The motion carried by the following roll call vote:

Ayes: Agency Chair Jim Righeimer, Agency Member Wendy Leece, Agency Member Gary Monahan, Agency Vice Chair Stephen Mensinger

Noes: None.

Absent: Agency Member Eric Bever

VIII. REPORTS

1. Agency Attorney - None
2. Executive Director – None

IX. ADJOURN

Agency Chair Jim Righeimer adjourned the Redevelopment Agency meeting at 9:08 p.m. to the next regularly scheduled meeting on July 12, 2011.