

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

January 25, 2022, 8:30 a.m.

1. CALL TO ORDER

A regular meeting of the Orange Countywide Oversight Board was called to order at 8:34 on January 25, 2022 via Zoom Webinar by Chairman Brian Probolsky, presiding officer.

Present:	6	Chairman:	Brian Probolsky
		Vice Chairman:	Steve Jones
		Board Member:	Steve Franks
		Board Member:	Anil Kukreja
		Board Member:	Dean West
		Board Member:	Phil Yarbrough

Absent:	1	Board Member:	Charles Barfield
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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 Yarbrough led the group in the Pledge of Allegiance.

3. ADOPT RESOLUTION CONCERNING TELECONFERENCED MEETINGS DURING STATE OF EMERGENCY

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

YES – Probolsky, Jones, Franks, Kukreja, West, Yarbrough
NO – None
Absent – Barfield

4. APPROVAL OF THE MINUTES FROM JANUARY 18, 2022 REGULAR MEETING

Board Member Yarbrough moved and Board member Franks seconded to approve the minutes from the January 18, 2022 Regular Meeting. Roll call vote:

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

5. ADOPT RESOLUTION DIRECTING DISPOSITION OF LA HABRA SUCCESSOR AGENCY ASSET

Board Consultant Chris Nguyen commented that of the seven properties which were dissolved into La Habra's Successor Agency, six have been previously disposed of. This remaining property is a portion of the La Habra Marketplace's parking lot, with its usage restricted to being a surface level public parking lot. It does not appear that the Surplus Land Act applies to this property. Staff has not seen any progress from the La Habra Successor Agency in attempts made to sell the property, which was the goal stated in their Department of Finance approved LRPMP.

Board Member Yarbrough commented that La Habra has shown no intention to sell the property. He added that there are no restrictions which prevent placing parking meters on the property and monetizing the land's use. He stated that the Orange Countywide Oversight Board should force the sale of the property. He expressed support for Resolution Option B.

Board Counsel Bobko clarified that the Board's enforcement mechanism for such a move would be a writ of mandate directing the City of La Habra to comply with the Board's resolution.

Board Member Kukreja asked what the Department of Finance's role would be with such an action.

Board Counsel Bobko stated that the Board would need to notify the Department of Finance of the Board's action on the matter.

Board Member Franks asked about timeframe of action if the Orange Countywide Oversight Board adopts Resolution Option B.

Board Counsel Bobko stated that the timeframe would be the Orange Countywide Oversight Board's decision.

Miranda Cole-Corona, Economic Development and Housing Manager for the City of La Habra, provided comments on the Successor Agency's action on the property's sale thus far. Cole-Corona stated that La Habra has been looking into how to sell the property. There are complications in previous agreements on the property's use made in the 1990s. The shopping center had previously been granted use of the property in perpetuity. The City of La Habra has not been able to come to an agreement with the shopping center thus far. At present, the shopping center has access to the parcel for free. La Habra has been attempting to unwind this agreement before moving forward with a sale.

Board Member Yarbrough asked how much the former redevelopment agency paid for the original purchased the property.

Cole-Corona stated the parcel was purchased for \$2.5 million in 1990.

Board Member Yarbrough asked whether La Habra intends to sell the property.

Cole-Corona stated that the city has plans to go to take up the issue at the City Council Meeting scheduled for February 21, 2022.

Board Member Yarbrough urged the Orange Countywide Oversight Board to adopt Resolution Option B.

Chairman Probolsky stated that he is supportive of taking incremental steps. He stated support of Resolution Option A and bringing this item back to the board in six months to see how to

proceed. Chairman Probolsky noted that inaction by the board would be a mistake given the lack of action thus far by the La Habra Successor Agency.

Board Member Franks stated that he would like to revisit this matter in March after the La Habra City Council is able to take up the issue in February.

Chairman Probolsky opened the floor for public comment. There were no public comments.

Board Member Franks moved and Board Member Kukreja seconded to approve Resolution Option A with February 28, 2022 set as the deadline for the La Habra Successor Agency to adopt a plan for the parcel..

Board Member Yarbrough stated he appreciates the motion, and is concerned that nothing has happened for 6 years.

Board Member West stated he agrees with Board Member Yarbrough on the action the board should take. He stated it should be publicly noted of the city's failure to respond to the board on this matter. He stated support of Resolution Option A.

Board Staff Member Tavoularis requested a date from the Orange Countywide Oversight Board to be added to the blank space in Resolution Option A.

Board Counsel Bobko offered that the date could coincide with the Orange Countywide Oversight Board's next meeting on February 23, 2022 that should be scheduled to discuss Teleconferenced Meetings in the future.

Chairman Probolsky affirmed that this would be acceptable given the La Habra City Council's next meeting taking place on February 21, 2022.

Board Consultant Nguyen stated concern about the proximity of the La Habra City Council's next meeting in the evening on February 21 and the Orange Countywide Oversight Board's next meeting at 8:30 am on February 23.

Board Member Yarbrough stated that the Oversight Board could agendaize revisiting the issue after seeing what action the La Habra City Council takes on February 21, 2022.

Chairman Probolsky would like to give a deadline to the La Habra Successor Agency of February 28, 2022, and allowing the Orange Countywide Oversight Board to meet on the matter within the first two weeks of March.

Roll call vote:

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

NO – N/A

Absent – Barfield

6. ADOPT RESOLUTIONS REGARDING REQUESTS BY SUCCESSOR AGENCIES FOR ANNUAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) AND ADMINISTRATIVE BUDGET

- a. Anaheim
- b. Costa Mesa
- c. County of Orange
- d. Cypress
- e. Fullerton
- f. Huntington Beach
- g. La Habra
- h. Placentia
- i. San Juan Capistrano
- j. Santa Ana
- k. Westminster

Board Member Yarbrough moved and Board Member Kukreja seconded to adopt the resolutions regarding requests by successor agencies for annual recognized obligation payment schedules (ROPS) and administrative budgets for items a through k.

County of Orange Successor Agency Representative Michelle Bass provided comments on behalf of County of Orange Successor Agency Staff Member Jeff Kirkpatrick who was unable to join today's Zoom. In June 2009, the Board of Supervisors, acting as the Board of Directors for Orange County Development Agency (the "Agency") approved an agreement (Agreement) with the City of Newport to provide funding for the undergrounding of certain utility lines within the former Santa Ana Heights Project Area. As part of the Agreement, the Agency provided the City with \$1,250,000 to address any tax liability arising from the Income Tax Component of Contribution (ITCC) imposed by United States Internal Revenue Service Code Section 118(b) (the "ITCC Funds").

Construction of the Project was completed in June 2014 and the ITCC funds were returned to the County's Successor Agency in June 2021.

Based on recommendations from both County Counsel and Bond Counsel, the funds are being used to pay down existing debt service obligations related to the former Santa Ana Heights Project Area. As such, the County of Orange has identified to use these funds to pay for Santa Ana Heights related expenditures in the "Other" column on the ROPS. This has been discussed with the Department of Finance, and the Successor Agency wanted to let the Oversight Board know the source of the "Other" funds.

Roll call vote:

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

7. ADOPT RESOLUTION REGARDING APPROVING THE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE (L&F ROPS)

- a. Westminster

Board Member Yarbrough moved and Board Member Franks seconded to adopt the resolution regarding the approval of the last and final recognized obligation payment schedule (L&F ROPS) for the Westminster Successor Agency. Roll call vote:

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

COMMENTS & ADJOURNMENT:

PUBLIC COMMENTS:

There were no public comments.

STAFF COMMENTS:

Staff Member Tavoularis stated that each Orange Countywide Oversight Board Member is required to submit a Form 700 by April 1, 2022.

Staff Member Nguyen clarified that each Orange Countywide Oversight Board Member can file the Form 700 electronically.

Staff Member Tavoularis announced that the next regular meeting is scheduled for April 19, 2022. A determination will take place later whether that meeting will occur in person or online.

BOARD COMMENTS:

Board Member Yarbrough stated his appreciation for the Board's participation regarding the La Habra Successor Agency. He stated his preference that the Orange Countywide Oversight Board to wrap up its work. He is concerned that if the Orange Countywide Oversight Board does not wrap up its work quickly, then it could take another 6 years.

Board Member West stated that he would like to see the La Habra Resolution re-agendized by June or July if no movement is seen from the Successor Agency.

Chairman Probolsky announced that the Board would adjourn to closed session.

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: Three Cases

There was no reportable action.

ADJOURNMENT

Returning from Closed Session, Chairman Probolsky moved to adjourn the meeting at 9:15 a.m.

BRIAN PROBOLSKY
CHAIRMAN OF THE COUNTYWIDE OVERSIGHT BOARD

KATHY TAVOULARIS
CLERK OF THE BOARD

DATE