

SPECIAL MEETING OF THE SUCCESSOR AGENCY TO THE  
COSTA MESA REDEVELOPMENT AGENCY

**September 27, 2012**

The City Council of the City of Costa Mesa, California met in a Special Adjourned meeting of the City of Costa Mesa City Council as Successor Agency to the Costa Mesa Redevelopment Agency on Thursday, September 27, 2012 at 4:00 p.m. in Conference Room 1A at City Hall, 77 Fair Drive, Costa Mesa.

The Agency Vice-Chair called the meeting to order.

**ROLL CALL:**

Members Present:            Agency Vice-Chair James M. Righeimer  
                                 Agency Member Wendy Leece  
                                 Agency Member Stephen M. Mensinger  
                                 Agency Member Gary Monahan

Members Absent:            Agency Chair Eric R. Bever

Officials Present:            Assistant CEO Rick Francis  
                                 City Attorney Thomas Duarte  
                                 Deputy CEO/Economic Development Director Peter Naghavi  
                                 Finance/IT Director Bobby Young  
                                 Assistant Finance Director Colleen O'Donoghue  
                                 Agency Financial Consultant Celeste Brady

**Public Comments**

None

**NEW BUSINESS (01:06)**

1. Independent Accountant's Report of the Housing Due Diligence Review of the Low and Moderate Income Housing Fund Pursuant to Sections 34179.5 and 34179.6 of the Dissolution Act.

Finance/IT Director Bobby Young provided the staff report and explained that the special meeting was necessary due to the October 1<sup>st</sup> deadline for the Housing Due Diligence Review. Mr. Young provided background on the audit of the Successor Agency and the anticipated demand from the State.

Agency Member Leece inquired on Schedule 2 regarding transfer of property to the Costa Mesa Housing Authority (CMHA). Assistant Finance Director Colleen O'Donoghue provided an explanation of the land and assets held by the Redevelopment Agency and efforts by staff to discover the records. Agency Financial Consultant Celeste Brady provided further details and confirmed that the ground leases on three properties held by the Agency have been recorded.

Ms. Brady also provided background on the Neighborhood Stabilization Program (NSP) money that the City received, of which a portion was committed for affordable housing and two loans became assets to the Agency. Ms. Brady advised that the State had disallowed the two loans and she was working with staff at the Housing and Urban Development office to help the Agency keep the two loans.

Agency Member Leece inquired on the status of the Tru-Up payment. Ms. Brady stated that the Agency made the payment under protest and the California League of Cities had filed a lawsuit challenging the process for collecting these payments and referenced AB 1484.

**MOTION/SECOND: VICE CHAIR RIGHEIMER/AGENCY MEMBER LEECE:** TO APPROVE A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY APPROVING THE INDEPENDENT ACCOUNTANT'S REPORT REGARDING THE HOUSING DUE DILIGENCE REVIEW CONDUCTED PURSUANT TO SECTION 34179.5 FOR THE LOW AND MODERATE INCOME HOUSING FUND AND AUTHORIZING STAFF TO TRANSMIT THE REPORT, ALONG WITH THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE, TO THE OVERSIGHT BOARD AND TO THE COUNTY AUDITOR-CONTROLLER, STATE CONTROLLER'S OFFICE, AND DEPARTMENT OF FINANCE PURSUANT TO SECTION 34179.6 OF THE DISSOLUTION ACT.

**The motion carried by the following roll call vote:**

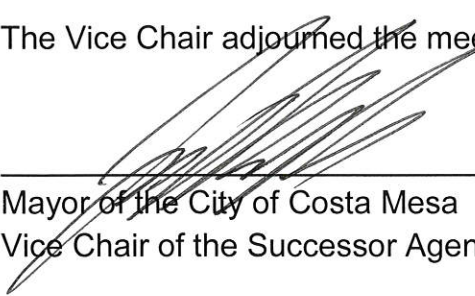
Ayes: Vice Chair Righeimer, Agency Member Mensinger, Agency Member Leece, Agency Member Monahan  
Noes: None  
Absent: Agency Member Bever

**CITY COUNCIL/SUCCESSOR AGENCY MEMBERS' COMMENTS AND SUGGESTIONS**


None

**ADJOURNMENT**

The Vice Chair adjourned the meeting at 4:15 p.m.

  
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Mayor of the City of Costa Mesa  
Vice Chair of the Successor Agency

ATTEST:

  
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City Clerk of the City of Costa Mesa  
Secretary of the Successor Agency