

**MINUTES OF THE JOINT MEETING OF THE COSTA MESA HOUSING AUTHORITY,  
COSTA MESA CITY COUNCIL AND THE CITY COUNCIL ACTING AS SUCCESSOR  
AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY**

**June 12, 2012**

**CALL TO ORDER**

The meeting was called to order by the Chair at 6:30 p.m. in the Council Chambers at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

**ROLL CALL**

Members Present: Chair/Mayor Pro Tem Righeimer, Vice-Chair/Council Member Mensinger, Board Member/Mayor Eric Bever, Board/Council Member Wendy Leece, Board/Council Member Gary Monahan

Members Absent: None

Officials Present: Executive Director/Chief Executive Officer Thomas R. Hatch, Director of Economic and Development/Deputy CEO Peter Naghavi, Public Services Director Ernesto Muñoz, Finance and I.T. Bobby Young, Assistant Finance Director Colleen O'Donoghue, Management Analyst Hilda Veturis, Stradling Yocca, Carlson & Rauth Vanessa Locklin, Economic Consultant Kathe Head, and Recording Secretary Martha Rosales.

**CLERKS STATEMENT**

The Agenda and Notice and Call for the Special Joint Meeting of the Costa Mesa Housing Authority, City Council and the City Council Acting as Successor Agency to the Costa Mesa Redevelopment Agency was posted at the City Council Chambers, Adams Postal Office, Headquarters Police Department, Neighborhood Community Center and the Mesa-Verde Public Library on Thursday, June 7, 2012.

**MINUTES**

**MOVED/SECOND:** Chair Righeimer/Member Leece

The motion carried by the following roll call vote:

Ayes: Chair Righeimer, Vice Chair Mensinger, Member Eric Bever, Member Leece, and Member Monahan

Nays: None

Absent: None

Motion carried: 5-0

**ACTION:**

City Council Approved the Minutes of the Costa Mesa Housing Authority of April 3, 2012.

**PUBLIC COMMENTS**

Chair Righeimer opened the session for public comments. There being none, the public comments session was closed.

**BOARD MEMBER' REPORTS, COMMENTS, AND SUGGESTIONS – None**

**NEW BUSINESS**

**1. AGREEMENT FOR PROFESSIONAL LEGAL SERVICES**

Ms. Ullman presented the Staff Report and gave a narrative of the various services Stradling, Yocca, Carlson & Rauth had provided to the City since 1986. Ms. Ullman added that Shareholder and Lead Partner, Celeste Brady, had provided several years of special counsel services in Redevelopment, affordable housing, public finance and other public law matters. Ms. Ullman recommended the Center enter into a professional legal services agreement with Stradling, Yocca, Carlson & Rauth.

**MOVED/SECOND:** Member Monahan/Vice-Chair Mensinger

The motion carried by the following roll call vote:

Ayes: Chair Righeimer, Vice Chair Mensinger, Member Eric Bever, Member Leece, and Member Monahan Nays: None

Absent: None

Motion carried: 5-0

**ACTION:**

Housing Authority, the City Council and the City Council Acting as Successor Agency to the Costa Mesa Redevelopment Agency, approved the agreement for Professional Legal Services with Stradling, Yocca, Carlson & Rauth.

**2. AGREEMENT FOR PROFESSIONAL FINANCIAL CONSULTING SERVICES**

Executive Director Tom Hatch presented the Staff Report and stated the agreement was to continue financial consulting services with Keyser-Marston Associates, Inc., a top-notch financial analysis firm who had provided a variety of services to the City for many years. Mr. Hatch stated the contract (up to \$100,000 annually) was for 1 year with three (3) one year renewals. Mr. Hatch recommended the City approve the contract for financial consulting services with Keyser-Marston Associates, Inc.

**MOVED/SECOND:** Member Monahan/Member Bever

The motion carried by the following roll call vote:

Ayes: Chair Righeimer, Vice Chair Mensinger, Member Eric Bever, Member Leece, and Member Monahan Nays: None

Absent: None

Motion carried: 5-0

**ACTION:**

Housing Authority, the City Council and the City Council Acting as Successor Agency to the Costa Mesa Redevelopment Agency, approved the agreement for Financial Consulting Services with Keyser-Marston Associates, Inc.

**3. UPDATE ON CORRESPONDENCE WITH THE STATE DEPARTMENT OF FINANCE**

Finance and I.T. Director Bobby Young presented the Staff Report. He reported both ROPS (Recognized Obligation Payment Schedules) for the periods of January through June 2012 and July through December 2012 had been approved by the State Department of Finance and commended Staff on a job well done completing the task. The State had also approved the City-Agency loan that was on the Second ROPS (July through December 2012) – Staff was cautiously optimistic that the loan would remain on the ROPS and be paid. Macias Gini & O'Connell (auditors contracted by the State) had completed their audit that included the EOPS (Enforceable Obligation Payment Schedule) and ROPS. An exit conference was scheduled for later in the week and more information would be available at the June 21, 2012 Oversight Board meeting.

Chair Jim Righeimer commended Mr. Young and Staff on doing a phenomenal job compiling the color-coded flow chart for the original 1971 City-Agency loan. At a time when Board Members thought the money would be gone, Staff's efforts saved the City \$10 million dollars.

Board Member Eric Bever echoed Chair Jim Righeimer's comments and thanked Staff for a great job documenting the obligation payment schedules as well.

Board Member Wendy Leece also commended Staff on their phenomenal work. She asked if the ROPS would be submitted to the State Department of Finance twice a year for review. Mr. Young reported that work on the ROPS for the period of January through June 2013 would begin in September 2012. Staff would then update the ROPS every 6 months for each period and address items for reimbursement.

Board Member Leece requested that copies of the Oversight Board's Agendas and Minutes be provided to the Council to keep them informed. Recording Secretary Martha Rosales assured Board Member Leece that her request would be handled accordingly. Board Member Leece asked if the Oversight Board had approved the

EOPS and ROPS. Chair Jim Righeimer (Chair of the Oversight Board) gave a brief summary of what took place at the Oversight Board meetings and confirmed the the EOPS and ROPS had been approved by the Oversight Board. Mr. Young asked if the Board wanted the matter agendized for future meetings or if they preferred receiving correspondence after each Oversight Board meeting. Chair Jim Righeimer opted for receiving correspondence after each Oversight Board meeting.

**MOVED/SECOND:** Member Bever/Vice-Chair Mensinger

The motion carried by the following roll call vote:

Ayes: Chair Righeimer, Vice Chair Mensinger, Member Eric Bever, Member Leece, and Member Monahan Nays: None

Absent: None

Motion carried: 5-0

**ACTION:**

Housing Authority, the City Council and the City Council Acting as Successor Agency to the Costa Mesa Redevelopment Agency, received and filed the update on correspondence with the State Department of Finance.

## ADJOURNMENT

The Chair adjourned the meeting.



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Stephen M. Mensinger, Mayor



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Brenda Green, City Clerk