

1. Call to Order/Roll Call

The meeting was called to order at 5:08 p.m.

Present: Jeff Levin, Elsa Ortiz, Mayor Jean Quan,
Ronald Gerhard (in at 5:33pm), Tony Smith, Derrick Bulls,
Supervisor Keith Carson

Absent:

Staff: Fred Blackwell, Sarah Schlenk, Dan Rossi

2. Approval of minutes for September 17, 2012 meeting

A motion was made by Elsa Ortiz, seconded by Tony Smith to accept the minutes from the meeting held September 17, 2012. The motion passed with a vote of 6 Ayes, 1 Absent – Gerhard

3. Presentation and Public Comment Session Regarding the Due Diligence Review of the Low and Moderate Income Housing Fund (LMIHF)

A presentation of the due diligence review was made by David Bullock of Macias, Gini and O’Connell. Mr. Bullock provided a brief overview of the due diligence review, expectation and findings for the Board. Mr. Bullock stated that the results of the review were that the Oakland Redevelopment Successor Agency has no unencumbered cash to return to the state. Laurie Gustafson of Stein and Lubin, LLC addressed the board and voiced some concerns that she has in regards to the due diligence review. Ms. Gustafson was concerned that the review did not contain enough information and supporting detail and may be subject to deeper scrutiny by the Department of Finance. The auditors assured the Board that they reviewed all relevant documentation in preparation of the review and confirmed that the reviews findings are accurate. Ms. Gustafson emphasized the use of the terms “dedicated and restricted” mentioned in Procedure 8 and the time frame of current fiscal year mentioned in Procedure 9, and said that she feels the report provided by the auditors seems to fall short of following the directions provided in these procedures. The Board directed staff to work with Outside Counsel and the independent auditors to improve the descriptions and provide more information in the review for the next meeting of the Oversight Board.

At 6:50 Roll Call was modified to show Vice Chair Quan and Board Member Smith absent.

4. Informational report of recent communication with the Department of Finance

Oakland Successor Agency staff member Sarah Schlenk provided a report of her recent communication with the Department of Finance. Ms. Schlenk indicated that they Agency is waiting for information on the Foothill-Seminary land transfer.

5. Informational report from Stein & Lubin on recent activities and amount invoiced to date

Ms. Gustafson presented the current invoice to the board. Chair Carson stated that he had provided approval of the invoice and asked staff if there were any concerns regarding going over budget. Staff stated that over 1/2 of funds budgeted for outside counsel have been expended. Ms. Gustafson replied that she expects activity to decrease once the due diligence reviews are complete.

6. Legislation and Litigation Update (Stein & Lubin)

Stein & Lubin informed the Board that the League of Cities has filed a lawsuit claiming that AB 1484 violates the California Constitution.

7. Open Forum

There were no speakers during Open Forum.

8. Adjournment

The meeting was adjourned at 6:57 pm.