

1. Call to Order/Roll Call

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

Present: Tony Smith, Chair Carson (in at 5:58 p.m.), Vice Chair Quan, Jeffrey Levin, Ronald Gerhard, Frank Tucker

Excused: Elsa Ortiz

Staff: Sarah Schlenk, Jens Hilmer, Dan Rossi, Patrick Lane

2. Approval of minutes for February 25, 2013 meeting

A motion was made by Jeffrey Levin, seconded by Tony Smith to approve the minutes. The motion passed with a vote of 5 Ayes, 1 Excused – Ortiz, 1 Absent - Carson

3. Adoption of a resolution approving an amendment to an Owner Participation Agreement Between the Oakland Redevelopment Successor Agency and SKS Broadway, LLC to extend Development Deadlines for Mixed – Use project at 1100 Broadway

This item was continued from the February 4, 2013 Oakland Oversight Board Meeting. A motion was made by Jeffrey Levin, seconded by Ronald Gerard to adopt the resolution approving the amendment to an Owner Participation Agreement between ORSA and SKS Broadway. The motion passed with a vote of 5 Ayes, 1 Absent – Carson, 1 Excused – Ortiz.

There were 2 speakers on this item.

4. a. Adoption of a Resolution approving the transfer of Governmental Purpose Properties to the City of Oakland

This item was continued from the February 25, 2013 Oakland Oversight Board Meeting. A motion was made by Jeffrey Levin, seconded by Vice Chair Quan to approve the resolution approving the transfer of Governmental Purpose Properties to the City of Oakland. The motion failed with a vote of 3 Ayes, 2 Noes – Carson, Smith, 1 Abstain – Gerhard, 1 Excused – Ortiz

b. Adoption of a Resolution Approving the Transfer of Properties Used to fulfill Enforceable Obligations

This item was continued from the February 25, 2013 Oakland Oversight Board Meeting. A motion was made by Tony Smith, seconded by Ronald Gerard to approve the Resolution. The motion passed with a vote of 6 Ayes, 1 Recused – Tucker, 1 Excused – Ortiz.

5. Adoption of a Resolution approving Resubordination of an Existing Commercial Development Loan for the Swan's Market Place Project to New Financing

City of Oakland staff Jens Hilmer provided a brief report. He stated that Swan's Marketplace is not generating surplus cash at this time and cannot make capital improvements necessary to revitalize the project. Swan's Marketplace needs the requested resubordination to make upgrades to property.

Board Counsel Laurie Gustafson indicated that neither the lease nor the sublease has been drafted yet and the Oversight Board is approving documents it has not yet seen. She further indicated that the outstanding loan should be repaid prior to the refinancing and resubordination of this loan.

City of Oakland attorney Dan Rossi stated that accelerating the loan is optional and repayment is unnecessary.

Joshua Simon of EBALDC addressed the board and said that the subordination is necessary in order to secure new markets tax credit and that every dollar generated will be used toward the project. If the funds were used to repay the loan, there would be no funds available to perform needed improvements.

A motion was made by Tony Smith, seconded by Chair Carson to adopt the resolution approving the resubordination of an existing development loan for the Swan's Marketplace Project. The motion passed with a vote of 6 Ayes, 1 Excused – Ortiz.

There were 3 speakers on this item.

6. Informational Report on a Preliminary Property Management Plan

This item was continued from the February 25, 2013 Oakland Oversight Board Committee. City of Oakland Staff Patrick Lane indicated that this item will return after the Department of Finance issues their finding of completion. The Board received and filed this report.

7. Informational Report on Recent Communication with the Department of Finance

City of Oakland staff Sarah Schlenk provided a brief report of her communication with the Department of Finance. She highlighted the DOF's request for additional information in regards to the ROPS 13-14A and the denial of the Foothill Seminary project. The Board received and filed this report.

8. Informational Report from Stein and Lubin on recent activities and amount invoiced to date

Laurie Gustafson from Stein & Lubin provided a report to the Board. She stated that to date legal fees amount to \$93,000. As the current allocation in the administrative budget for outside counsel is \$60,000 Ms. Gustafson has a resolution to present to the board to increase the allocation to \$120,000 to provide funds for legal counsel for the remainder of the fiscal year. The Board received and filed this report.

9. Adoption of a Resolution of the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency of the City of Oakland, Approving an Adjustment in the Administrative Budget of the Successor Agency to Increase the Budget for the Oversight Board Outside Counsel by \$60,000 and Decrease the Duplicating Account by that same amount

City of Oakland Staff member Sarah Schlenk clarified for the board that although there is excess funds in the duplicating budget to reallocate to the Outside Counsel budget, the Successor Agency as a whole is likely currently over budget as a result of the administrative costs disallowed by the Department Of Finance in late 2012.

Vice Chair Quan expressed concern over the amount of funds being allocated to outside counsel. She requested a scope of work for counsel be provided to the Board at the next meeting.

Jeffrey Levin requested a report on efforts to ensure funding for staff to cover funds disallowed by DOF.

Chair Carson requested an updated budget be provided to the board at the next meeting. He further indicated it should be the first item on the agenda.

A motion was made by Chair Carson, seconded by Frank Tucker to approve the resolution as amended to adjust the administrative budget to pay Counsel for legal work performed to date and decrease the duplicating account by that same amount. The motion passed by a vote of 6 ayes.

10. Open Forum

There were no speakers during Open Forum.

11. Adjournment

The meeting of the Oakland Oversight Board adjourned at 6:57 p.m.