

Lawndale Successor Agency
OVERSIGHT BOARD
REGULAR MEETING

AGENDA

FEBRUARY 14, 2013

3:00 PM

Lawndale City Council Chambers
14717 Burin Avenue, Lawndale, California 90260

- A. **CALL TO ORDER**

- B. **ROLL CALL / INTRODUCTIONS - Board Members: Patricia Flynn, Joann Higdon, Steve Mandoki, Michael Stewart, Greg Tsujiuchi, John Vinke, Barry Waite.**

- C. **PLEDGE OF ALLEGIANCE**

- D. **ADMINISTRATION – NEW BUSINESS**
 - 1. **FOURTH RECOGNIZED OOBIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET**

 - 2. **USE OF LAND AT HAWTHORNE AND MANHATTAN BEACH BOULEVARDS**

 - 3. **FUTURE MEETINGS**

- E. **CONSENT CALENDAR**
 - 1. **MINUTES OF JANUARY 10, 2013, MEETING**

- F. **PUBLIC COMMMENTS**

- G. **ITEMS FROM SECRETARY/ADMINISTRATIVE CLERK**

- H. **ITEMS FROM BOARD MEMBERS**

- I. **ADJOURNMENT**

**Oversight Board Agenda
February 14, 2013**

The next scheduled Oversight Board meeting is **Thursday, April 25, 2013.**

Copies of staff reports or other written documentation relating to each agenda item are on file with the Oversight Board and are available for public inspection prior to the meeting.

It is the intention of the Oversight Board to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the Board will attempt to accommodate you in every reasonable manner. Please contact the Lawndale Community Development Department at (310) 973-3230, at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible.

CERTIFICATION

Pursuant to the requirements of Government Code Section 54954.2, agendas for each Oversight Board meeting must be posted at least 72 hours in advance in a location that is freely accessible to members of the public. As the Secretary/Administrative Clerk of the Oversight Board, I declare under penalty of perjury that I caused the Oversight Board Agenda to be posted on **February 7, 2013** in accordance with the provisions of State Law and local regulations.



Otis W. Ginoza, Secretary/Administrative Clerk



OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE LAWDALE REDEVELOPMENT AGENCY

14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260
PHONE (310) 973-3200, FAX (310) 644-4556
www.lawndalecity.org

DATE: February 14, 2013

TO: Honorable Chairman and Agency Members

FROM: Otis Ginoza, Deputy City Manager *owg*
Ken Louie, Finance Director

SUBJECT: Fourth Recognized Obligation Payment Schedule and Administrative Budget

BACKGROUND

ABx1 26 eliminated Redevelopment in California as of February 1, 2012. The legislation provided for the City to become the Successor Agency to the former Lawndale Redevelopment Agency responsible for winding down its affairs and paying off its debts. The ongoing financial operations of the Successor Agency are subject to the approval of an Oversight Board. The Oversight Board is comprised of representatives of the various public agencies that share property tax revenues from the former Agency's redevelopment project areas. The actions of the Oversight Board are subject to the approval of the State Department of Finance (DOF).

The Successor Agency is required to prepare a draft Recognized Obligation Payment Schedule ("ROPS") for each six month period of its operations (January through June, and July through December), which it submits to the Oversight Board for approval. The ROPS lists all the financial obligations of the former Agency and the amount of property tax increment revenue needed over the six month period to pay those obligations. Upon approval of the Oversight Board, and with the concurrence of the DOF, the Successor Agency may receive property tax increment revenues from the County Auditor-Controller to pay the approved obligations. Another responsibility of the Oversight Board is to approve the Successor Agency administrative budgets for each six month period.

The DOF and the Oversight Board for the Lawndale Successor Agency have approved the following ROPSs and the Los Angeles County Auditor Controller has provided the funding required for the obligations listed in the following three schedules:

- 1st ROPS (January 1, 2012 to June 30, 2012)
- 2nd ROPS (July 1, 2012 to December 31, 2012)
- 3rd ROPS (January 1, 2013 to June 30, 2013)

STAFF REVIEW

The 4th ROPS (July 1, 2013 to December 31, 2013) must be submitted to the DOF by March 1, 2013.

The Successor Agency approved the 4th ROPS on February 4, 2013. Along with the 4th ROPS, the Oversight Board needs to approve an administrative budget (attached) for the July to December 2013 period.

The 4th ROPS lists the following Successor Agency obligations:

1. **Bond Debt Service** – debt service payment for the Redevelopment Agency’s 2009 bonds.
2. **California Infrastructure Loan** – debt service payment for the California Infrastructure Bank loan that was used to improve Hawthorne Boulevard.
3. **Successor Agency Staff and Supplies** (Administrative Allowance) – funding for staff and supplies needed to operate the Successor Agency.
4. **Startup Loan from the City to the Redevelopment Agency** – In 1991, the City loaned the Redevelopment Agency funds to begin operations. The DOF has approved the repayment of this loan. Most of the loan was repaid as part of the 3rd ROPS. The 4th ROPS contains the final payment for this loan.
5. **Payment of SERAF Housing Fund Deferral** – The State of California, faced with a 2009 budget deficit, required redevelopment agencies to provide a payment to a Supplemental Education Revenue Augmentation Fund (SERAF). The State budget legislation permitted redevelopment agencies to obtain funds for the SERAF payment by deferring housing set-aside. The deferral of the housing payment created a debt to the housing fund. AB 1484 permits successor agencies to collect tax increment to repay a SERAF debt, but deferred the first payment to the 4th ROPS. The SERAF debt payment will be provided to the Lawndale Housing Authority who must use the funds to create affordable housing. Receipt of these new housing funds will permit the City to restart its affordable housing programs.

Staff requests that the Oversight Board authorize staff to change the 4th ROPS, administrative budget and cash flow projection if needed to satisfy requests from the DOF.

FUNDING

None required at this time.

RECOMMENDATION

Staff recommends that the Oversight Board adopt Resolution 2013-3 approving the Fourth ROPS and Resolution 2012-5 approving the Fourth Administrative Budget for the period, January 1 to June 30, 2013 and authorize staff to revise the Fourth ROPS and Fourth Administrative Budget as required by the California Department of Finance.

Attachments: Fourth ROPS
Administrative Budget
Resolution 2013-3
Resolution 2013-5

RESOLUTION NO. 2013 -3

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE LAWDALE REDEVELOPMENT AGENCY APPROVING THE
RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE
JULY 1 – DECEMBER 31, 2013 SIX-MONTH FISCAL PERIOD
("FOURTH ROPS") AND MAKING RELATED FINDINGS AND
DECLARATIONS AND TAKING RELATED ACTIONS IN
CONNECTION THEREWITH**

WHEREAS, pursuant to ABx1 26 (as amended by AB 1484, the "Dissolution Act"), the separate legal entity known as the Successor Agency of the Lawndale Redevelopment Agency (the "Successor Agency") must prepare "Recognized Obligation Payment Schedules" ("ROPS") that enumerate the enforceable obligations and expenses of the Successor Agency for each successive six-month fiscal period until the wind down and disposition of assets of the dissolved Lawndale Redevelopment Agency (the "Dissolved RDA") has been completed; and

WHEREAS, Successor Agency staff has prepared a ROPS for the six-month fiscal period commencing on July 1, 2013 and continuing through December 31, 2013 (the "Fourth ROPS") substantially in the form attached hereto and incorporated herein as Exhibit "1"; and

WHEREAS, under the Dissolution Act, the Fourth ROPS must be approved by the Successor Agency's oversight board (the "Oversight Board") and submitted to the Department of Finance to enable the Successor Agency to continue to make payments on enforceable obligations; and

WHEREAS, pursuant to the Dissolution Act, the Oversight Board for the Successor Agency met at a duly noticed public meeting on February 4, 2013 to consider specific obligations listed on the Fourth ROPS and to consider approval of the Fourth ROPS, among other approvals; and

WHEREAS, evidence was heard and presented from all persons interested in affecting the Fourth ROPS presented to and recommended for approval to the Oversight Board by Successor Agency staff, including written and oral comments from the public relating thereto, and the Oversight Board has reviewed, analyzed and studied the Fourth ROPS.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LAWDALE REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

SECTION 2. Under Health and Safety Code Section 34180(g), the Oversight Board hereby approves the Fourth ROPS for the Successor Agency, including the agreements and obligations described in the Fourth ROPS, attached hereto as Exhibit "1" and hereby determines that such agreements and obligations constitute "enforceable obligations" and "recognized obligations" for all purposes of the Dissolution Act. In connection with such approval the Oversight Board makes the specific findings set forth below.

SECTION 3. The Oversight Board has examined the items contained on the Fourth ROPS and finds that each of them is necessary for the continued maintenance and preservation of property owned by the Successor Agency until disposition and liquidation, the continued administration of the ongoing agreements herein approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved RDA by the Successor Agency.

SECTION 4. The Successor Agency is authorized and directed to enter into any agreements and amendments to agreements consistent with the Dissolution Act and necessary to memorialize and implement the agreements and obligations in the Fourth ROPS.

SECTION 5. The Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to post the Fourth ROPS on the Successor Agency website, transmit the Fourth ROPS to the Auditor-Controller and the County Administrator of the County of Los Angeles and to the State Controller and the State Department of Finance (the "DOF"), and to take any other actions necessary to ensure the validity of the Fourth ROPS and the validity of any enforceable obligation approved by the Oversight Board in this Resolution. In addition, the Oversight Board authorizes and directs the Successor Agency staff to make such non-substantive revisions to the Fourth ROPS as may be necessary to submit the Fourth ROPS in any modified form required by the DOF, and the Fourth ROPS as so modified shall thereupon constitute the Fourth ROPS as approved by the Oversight Board pursuant to this Resolution.

SECTION 6. This Resolution shall be transmitted by Successor Agency staff to the Department of Finance and shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

PASSED, APPROVED AND ADOPTED this 14th day of February, 2013.

Chair

ATTEST:

State of California)
County of Los Angeles) SS
City of Lawndale)

I, Otis Ginoza, Secretary of the Successor Agency of the Lawndale Redevelopment Agency, do hereby certify that the Members of the Successor Agency of the Lawndale Redevelopment Agency duly approved and adopted the foregoing Resolution No. 2013-03 at a regular meeting of said Successor Agency held on the 14th day of February, 2013, by the following roll call vote:

Ayes: Patricia Flynn, Joann Higdon, Steve Mandoki, Michael Stewart, Greg Tsujiuchi, John Vinke, Barry Waite

Noes: None

Absent: None

Abstain: None

Secretary

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Filed for the July 1, 2013 to December 31, 2013 Period

Name of Successor Agency: **LAWNDALE (LOS ANGELES)**

Outstanding Debt or Obligation	Total
Total Outstanding Debt or Obligation	\$21,884,513
Current Period Outstanding Debt or Obligation	Six-Month Total
A Available Revenues Other Than Anticipated RPTTF Funding	\$35,000
B Enforceable Obligations Funded with RPTTF	\$1,046,953
C Administrative Allowance Funded with RPTTF	\$125,000
D Total RPTTF Funded (B + C = D)	\$1,171,953
E Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i>	\$1,206,953
F Enter Total Six-Month Anticipated RPTTF Funding	\$1,171,953
G Variance (F - D = G) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$0

Prior Period (July 1, 2012 through December 31, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))

H Enter Estimated Obligations Funded by RPTTF (lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)	\$1,973,364
I Enter Actual Obligations Paid with RPTTF	\$1,227,031
J Enter Actual Administrative Expenses Paid with RPTTF	\$150,000
K Adjustment to Redevelopment Obligation Retirement Fund (H - (I + J) = K)	\$596,333
L Adjustment to RPTTF (D - K = L)	\$575,620

Certification of Oversight Board Chairman:

Pursuant to Section 34177(m) of the Health and Safety code,

I hereby certify that the above is a true and accurate Recognized

Obligation Payment Schedule for the above named agency.

Barry Waite

Name

/s/

Signature

Title

Date

LAWNDALE (LOS ANGELES)
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-34A)
 July 1, 2013 through December 31, 2013

Oversight Board Approval Date: _____

Item #	Project Name / Debt Obligation	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation 2013-14	Total Due During Fiscal Year 2013-14	Funding Source					Six-Month Total
									Bond Proceeds	Reserve Balance	Admin Allowance	RPTF	Other	
1	2009 Tax Allocation Bonds	8/21/2009	7/1/2045	Wells Fargo	Bond Debt Service	LERP	51,851,468	1,304,238	\$0	\$1,046,953	777,119	\$55,000	\$1,206,653	
2	Hawthorne Blvd Bank Loan	7/15/2002	8/1/2032	Wells Fargo	California state infrastructure loan	LERP	19,210,000	1,184,945	0	0	0	0	118,495	
3	Successor Agency Administration	10/16/2006	4/23/2014	City of Lawndale	Redevelopment Agency staff and supplies	LERP	1,501,128	250,000	0	0	91,449	0	91,449	
4	Agency Audit	9/26/2011	6/30/2013	City of Lawndale	Redevelopment Agency Audit	LERP	250,000	0	0	0	0	0	0	
5	34179.5 Review - Housing	9/26/2011	6/30/2013	Capricot & Larson	AB 1484 due diligence review of housing funds	LERP	0	0	0	0	0	0	0	
6	34179.5 Review - Other	9/26/2011	6/30/2013	Capricot & Larson	AB 1484 due diligence review of other funds	LERP	0	0	0	0	0	0	0	
7	2012 Statutory Pass-through	7/1/2011	2/1/2012	Multiple taxing entities	Unpaid portion of pass-through payments FY 2012	LERP	0	0	0	0	0	0	0	
8	City/Agency Advance Agreement	4/4/1991	8/1/2029	City of Lawndale	Startup loan from City to Redevelopment Agency	LERP	167,385	0	0	0	0	0	0	
9	Hopper Park Bank Loan	2/3/2010	6/30/2010	City of Lawndale	CA infrastructure bank loan to build a park	LERP	0	167,385	0	0	167,385	0	167,385	
10	Lawndale Community Center	6/28/2010	2/1/2012	City of Lawndale	Contract new community center	LERP	0	0	0	0	0	0	0	
11	Commercial Rehab Program	9/15/2010	2/1/2012	Paul J. Li	CRP-3 Commercial Rehabilitation construction contract	LERP	0	0	0	0	0	0	0	
12	Commercial Rehab Program	10/28/2010	30/9/2011	HABPC - Aparahmanian	CRP-3 Commercial Rehabilitation contract	LERP	0	0	0	0	0	0	0	
13	SERAF Deferral	2/16/2010		Lawndale Housing Authority	Payment of SERAF housing fund deferral	LERP	0	0	0	0	0	0	0	
14	Expenditure of Bond Proceeds			Bank	Use of unspent bond proceeds - parks and streets	LERP	0	0	0	0	0	0	0	
15	Repayment of City Loans			City of Lawndale	Loan of City funds to Redevelopment Agency	LERP	0	0	0	0	0	0	0	
16	Item withdrawn			City of Lawndale	Item withdrawn	LERP	0	0	0	0	0	0	0	
17	Repayment of City Loans			City of Lawndale	Loan of City funds to Redevelopment Agency	LERP	0	0	0	0	0	0	0	
18	Hwy/home/Manhattan Development Site	7/5/2011	7/1/2014	OPC	Management of mobile home park	LERP	145,000	0	0	0	0	35,000	35,000	
19	Mobile Home Park Closure			Mobile Home Park Tenants	Mobile Home Park Relocation Costs	LERP	0	0	0	0	0	0	0	
20	Mobile Home Park Closure			OPC	Relocation consulting for mobile home park	LERP	0	0	0	0	0	0	0	
21	Mobile Home Park Closure	7/5/2011	7/1/2014	To be selected	Relocation consulting for mobile home park	LERP	0	0	0	0	0	0	0	
22	Mobile Home Park Closure			To be selected	Relocation consulting for mobile home park	LERP	0	0	0	0	0	0	0	
23	Mobile Home Park Closure			City of Lawndale	Relocation consulting for mobile home park	LERP	0	0	0	0	0	0	0	
24	Disposition of Agency Property			Keyser Marston	Relocation consulting for mobile home park closure	LERP	0	0	0	0	0	0	0	
25	Disposition of Agency Property			To be selected	Relocation consulting for mobile home park closure	LERP	0	0	0	0	0	0	0	
26	Redevelopment Agency Salaries	10/16/2005		City of Lawndale	Appraisal of agency owned property	LERP	5,000	5,000	0	0	5,000	0	5,000	
27	Successor Housing Agency Admin	10/16/2005		City of Lawndale	Appraisal of agency owned property	LERP	6,000	6,000	0	0	6,000	0	6,000	
					Jan 2012 Agency Staff Costs	LERP	0	0	0	0	0	0	0	
					Jan 2012 Housing Staff Costs	LERP	0	0	0	0	0	0	0	

LAWNDALE (LOS ANGELES)

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-14A) -- Notes (Optional)

July 1, 2013 through December 31, 2013

Item #	Project Name / Debt Obligation	Notes/Comments
1	2009 Tax Allocation Bonds	Debt service for redevelopment agency bonds issued in 2009. this obligation was approved by the DOF on the 1st, 2nd and 3rd ROPS
2	Hawthorne Blvd I-Bank Loan	Debt service for a California Infrastructure Bank loan to the Lawndale Redevelopment Agency for street improvements. This obligation was approved by DOF on the 1st, 2nd and 3rd ROPS.
3	Successor Agency Administration	The proposed administrative allowance of \$125,000 for this ROPs period if half of the annual \$250,000 allowance.
4	Agency audit	
5	34179.5 Review - Housing	
6	34179.5 Review - Other	
7	FY 2012 Statutory Pass-through	
8	City/Agency Advance Agreement	DOF approved a payment of \$728,424 on 3rd ROPS. RPTTF was insufficient and actual payment was \$560,857. Remaining \$167,385 to be paid on 4th ROPS.
9	Hopper Park I-Bank Loan	
10	Lawndale Community Center	
11	Commercial Rehab Program	
12	Commercial Rehab Program	
13	SERAF Deferral	At the time of its dissolution the Lawndale Redevelopment Agency owed its housing fund \$816,730 as a result of deferring a housing setaside payment to fund a SERAF payment. This item was approved by the DOF on the 3rd ROPS.
14	Expenditure of Bond Proceeds	Expenditure pending Finding of Completion. The Lawndale Redevelopment Agency had unspent bond proceeds. We expect to receive a finding of completion by July 1, 2013 which will allow the commitment of the bond proceeds.
15	Repayment of City Loans	Payment pending Finding of Completion. No payments expected until FY 2016 as SERAF msut be paid first.
16	Item withdrawn	
17	Repayment of City Loans	Payment pending Finding of Completion. No payments expected until FY 2016 as SERAF msut be paid first.
18	Hawthorne/Manhattan Development Site	Property management and maintenance costs for a mobile home park that may be transferred to the Successor Agency by the City by July 1, 2013. Management and maintenance costs paid from retained rents.
19	Mobile Home Park Closure	
20	Mobile Home Park Closure	
21	Mobile Home Park Closure	
22	Mobile Home Park Closure	
23	Mobile Home Park Closure	
24	Disposition of Agency Property	Real estate consulting costs needed to prepare a long range property management plan for successor Agency Real Estate
25	Disposition of Agency Property	Preparation of appraisals of Successor Agency owned real estate. Appraisals needed for preparation of long range property management plan.
26	Redevelopment Agency Salaries	
27	Successor Housing Agencu Admin	

RESOLUTION NO. 2013 -5

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE LAWDALE REDEVELOPMENT AGENCY APPROVING THE
SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE
SIX-MONTH FISCAL PERIOD OF JULY 1 – DECEMBER 31, 2013
("FOURTH ADMINISTRATIVE BUDGET") AND MAKING RELATED FINDINGS AND
DECLARATIONS AND TAKING RELATED ACTIONS IN
CONNECTION THEREWITH**

WHEREAS, pursuant to ABx1 26 (as amended by AB 1484, the "Dissolution Act"), the separate legal entity known as the Successor Agency of the Lawndale Redevelopment Agency (the "Successor Agency") must prepare administrative budgets for its general administrative costs and expenses for upcoming six-month intervals; and

WHEREAS, the Successor Agency staff has prepared an administrative budget for the six-month fiscal period commencing on July 1, 2013, and continuing through December 31, 2013 (the "Fourth Administrative Budget") in substantially the form attached hereto and incorporated herein as Exhibit "1"; and

WHEREAS, the Successor Agency is entitled to an administrative cost allowance (the "Administrative Cost Allowance") pursuant to Health and Safety Code Sections 34171(b) and 34183(a)(3) in the minimum amount of \$250,000 per fiscal year; and

WHEREAS, the Successor Agency will utilize \$125,000 of its administrative allowance in the period from July 1, 2013 to December 31, 2013 and \$125,000 for administrative expenses during the period from January 1, 2014 to June 30, 2014; and

WHEREAS, under the Dissolution Act, the Fourth Administrative Budget must be submitted to the Oversight Board for the Successor Agency (the "Oversight Board") for approval; and

WHEREAS, pursuant to the Dissolution Act, the Oversight Board met at a duly noticed public meeting on February 14, 2013, to consider specific costs and expenses listed on the Fourth Administrative Budget and to consider approval of the Fourth Administrative Budget, among other approvals; and

WHEREAS, evidence was heard and presented from all persons interested in affecting the Fourth Administrative Budget presented to and recommended for approval to the Oversight Board by Successor Agency staff, including written and oral comments from the public relating thereto, and the Oversight Board has reviewed, analyzed and studied the Fourth Administrative Budget.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LAWDALE REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct and incorporated herein, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, and determinations set forth below.

SECTION 2. Under Health and Safety Code Section 34177(j) the Fourth Administrative Budget has been submitted by the Successor Agency for consideration by the Oversight Board.

SECTION 3. The Oversight Board hereby finds that the Fourth Administrative Budget supports an Administrative Cost Allowance to the Successor Agency for the period covered by the Fourth Administrative Budget in the minimum authorized amount of \$125,000 and approves the Fourth Administrative Budget attached hereto as Exhibit "1", and authorizes the Successor Agency to incur costs for the general administrative activities and functions described in the Fourth Administrative Budget.

SECTION 4. The Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to post the Fourth Administrative Budget on the Successor Agency website, to transmit the Fourth Administrative Budget to the Auditor-Controller (the "Auditor-Controller") and the County Administrator of the County of Los Angeles and to the State Controller and the State Department of Finance, to inform the Auditor-Controller of the Administrative Cost Allowance in the amount of \$125,000 for the period covered by the Fourth Administrative Budget, and to take any other actions necessary to ensure the validity of the Fourth Administrative Budget and corresponding Administrative Cost Allowance.

SECTION 5. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

PASSED, APPROVED AND ADOPTED this 14th day of February, 2013.

Chair

ATTEST:

State of California)
County of Los Angeles) SS
City of Lawndale)

I, Otis Ginoza, Secretary of the Successor Agency of the Lawndale Redevelopment Agency, do hereby certify that the Members of the Successor Agency of the Lawndale Redevelopment Agency duly approved and adopted the foregoing Resolution No. 2013-5 at a regular meeting of said Successor Agency held on the 14th day of February, 2013, by the following roll call vote:

Ayes:

Noes:

Absent:

Abstain: None

Secretary

Exhibit 1 to Resolution 2013-5

Successor Agency to the Lawndale Redevelopment Agency

Administrative Budget for the Period July 1 to December 31, 2013

Personnel Costs

Community Development Department	60,900
Finance Department	44,100

Operations	10,000
Legal	10,000

Total Budget Costs 7/1/13 -12/31/13	125,000
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OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE LAWDALE REDEVELOPMENT AGENCY

14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260
PHONE (310) 973-3200, FAX (310) 644-4556
www.lawndalecity.org

DATE: February 14, 2013

TO: Honorable Chairman and Agency Members

FROM: Otis Ginoza, Deputy City Manager *owg*

SUBJECT: Parks Recreation and Social Services Commission Use of Land at Hawthorne and Manhattan Beach Boulevards

BACKGROUND

Over a period of years, the Lawndale Redevelopment Agency acquired land at the southwest corner of Hawthorne and Manhattan Beach Boulevards (Site). The Redevelopment Agency intended at one time to build a car dealership and later a small shopping center on the Site. A portion of the Site is vacant and a portion is in use as a mobile home park. The Redevelopment Agency allowed the City of Lawndale Parks Recreation and Social Services Commission (PRSSC) to use the vacant portion of the Site for a fireworks sales stand during June and early July of each year. The Lawndale Redevelopment Agency allowed the nonprofit organization to use the Site at no cost to assist with fundraising. The purpose of the PRSSC fundraising effort was to provide funding to the Community Services Department for the purchase of equipment and supplies for parks and recreation programs.

STAFF REVIEW

The City of Lawndale currently owns the Site and authorized PRSSC use for a fireworks booth on February 4, 2013. However, due to uncertainties regarding the end of redevelopment in California, there is a possibility that the City may be directed by the State of California to transfer ownership of the Site to the Successor Agency before fireworks sales end in July. Therefore, staff recommended that the Successor Agency also approve the use of the Hawthorne/Manhattan site by the PRSSC. Successor Agency approval also occurred on February 4. Staff now recommends that the Oversight Board of the Successor Agency also allow PRSSC the use of the site.

FUNDING

None required at this time.

RECOMMENDATION

Staff recommends that the Oversight Board adopt the Resolution that allows the use of property located at the southeast corner of Hawthorne and Manhattan Beach Boulevards for fundraising by the PRSSC in June and July of 2013 in the event the property is transferred to the Successor Agency.

Attachments: Resolution

RESOLUTION NO. 2013 -4

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE
LAWNDALE SUCCESSOR AGENCY APPROVING THE
USE OF SUCCESSOR AGENCY PROPERTY FOR FIREWORKS SALES**

WHEREAS, the Lawndale Redevelopment Agency once owned a vacant lot located at the southwest corner of Hawthorne and Manhattan Beach Boulevards (Site) and for many years allowed the City of Lawndale Parks Recreation and Social Services Commission (PRSSC) to use the Site at no cost for fireworks sales each year at the end of June and beginning of July; and

WHEREAS, the PRSSC operates a fireworks sales booth to raise funds for parks and recreation programs in the City of Lawndale; and

WHEREAS, on March 7, 2011, the Lawndale Redevelopment Agency approved the transfer of the Site to the City of Lawndale (City) and the City has continued to allow the PRSSC to use the Site for fireworks sales; and

WHEREAS, in June of 2011, ABx1 26 eliminated redevelopment agencies and established successor agencies to repay the enforceable obligations of the dissolved redevelopment agencies;

WHEREAS, ABx1 26 the State of California Department of Finance has taken the position that ABx1 26 invalidated transfers of real estate between redevelopment agencies and their sponsoring cities that occurred before January 1, 2011; and

WHEREAS, the PRSSC has made a request to the City to use of the Site for fireworks sales for portions of June and July of 2013; and

WHEREAS, it is possible, but not certain, that the State of California may direct the City to transfer the Site to the Successor Agency before the completion of fireworks sales; and

WHEREAS, as it is uncertain who will have title to the Site during the period of fireworks sales the PRSSC has requested approval to use the property from the City Council, Successor Agency and Oversight Board; and

WHEREAS, on February 4, 2013, the Lawndale City Council and the Lawndale Successor Agency authorized the PRSSC to use the Site for Fireworks sales.

**NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE LAWNDALE REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

SECTION 1. The foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

SECTION 2. Pursuant to the Dissolution Act, the Lawndale Oversight Board authorizes the PRSSC to use the Site for fireworks sales for days of their choosing during the month of June and July of 2013.

SECTION 3. The Oversight Board directs staff to submit this Resolution to the California Department of Finance.

SECTION 4. The Finance Director of the Successor Agency or the authorized designee is directed to post this Resolution on the Successor Agency’s website pursuant to the Dissolution Act.

PASSED, APPROVED AND ADOPTED this 14th day of February, 2013.

Chair

ATTEST:

State of California)
County of Los Angeles) SS
City of Lawndale)

I, Otis Ginoza, Secretary of the Oversight Board of the Successor Agency of the Lawndale Redevelopment Agency, do hereby certify that the Members of the Oversight Board of the Successor Agency to the Lawndale Redevelopment Agency duly approved and adopted the foregoing Resolution No. 13-04 at a regular meeting of said Oversight Board held on the 14th day of February, 2013, by the following roll call vote:

Ayes: Patricia Flynn, Joann Higdon, Steve Mandoki, Michael Stewart, Greg Tsujiuchi, John Vinke, Barry Waite

Noes:

Absent:

Abstain:

Secretary



OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE LAWDALE REDEVELOPMENT AGENCY

14717 BURIN AVENUE, LAWDALE, CALIFORNIA 90260
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DATE: February 14, 2013
TO: Honorable Chairman and Agency Members
FROM: Otis Ginoza, Deputy City Manager *awg*
SUBJECT: Future Meetings

BACKGROUND

The first meeting of the Oversight Board took place on August 24, 2012. At that meeting, the Oversight Board approved a schedule for future meetings that would occur on the fourth Thursday of January, April, July and October. However, AB 1484 established tasks and deadlines for the Oversight Board that necessitated a divergence from that schedule.

STAFF REVIEW

The AB 1484 tasks with deadlines have mostly been accomplished by the Oversight Board and it appears that it is possible to resume that schedule approved on August 24, 2012. Using the adopted schedule, the next meeting of the oversight board would take place on Thursday, April 25, 2013 at 4 PM.

The Oversight Board has the following future tasks, most of which do not have specific time lines:

1. **ROPS**
As long as a successor agency is repaying enforceable obligations it must submit a ROPS to an oversight board and the Department of Finance (DOF) every six months. The Lawndale Successor Agency will be paying bond debt service until 2045 and therefore will be submitting another 64 ROPS schedules. The Lawndale Oversight Board will need to approve ROPS schedules twice a year in February and September until all oversight boards are replaced by countywide oversight boards in 2016.
2. **Long Range Management Plan for Successor Agency Real Estate**
If the Lawndale Successor Agency and City of Lawndale transfer all redevelopment funds to the County Auditor Controller by April 5, 2013, the Successor Agency will receive a Finding of Completion. After receiving the Finding of Completion, the Successor Agency will have six months to prepare a Long Range Management Plan for real estate that had been owned by the liquidated Redevelopment Agency. The

management plan must be submitted to the Oversight Board and the Department Finance for approval.

3. **City Loans to the Redevelopment Agency**

The Redevelopment Agency from time to time borrowed funds from the City and also repaid funds. ABx1 26 invalidated most of these loans which amounted to nearly \$20 million. However AB 1484 allows for the repayment of city to agency loans after the issuance of a Finding of Completion. After the Lawndale Successor receives a Finding of Completion (expected in April of 2013) it may ask the Oversight Board to reactive the city to agency loans. The DOF may review a decision by the Oversight Board to reactivate of any City loans. Annual repayment of city loans is limited by a formula contained in AB 1484.

4. **Unspent Bond Proceeds**

In 2009, the Lawndale Redevelopment Agency issued bonds in the amount of \$20 million for the construction of a new community center and other public facilities. The former Redevelopment Agency had a list of projects to be constructed with the bond proceeds. Bond proceeds amounting to more than \$6 million are being held by a trustee, but cannot be spent by the Successor Agency as there are no construction contracts (enforceable obligations) for the remaining proceeds. However, AB 1484 permits successor agencies to use unspent bond proceeds after receiving a Finding of Completion. Following the Finding of Completion, the Successor Agency may initiate bond funded projects in the following manner:

- a. Approve design and construction contracts, with the consent of the Oversight Board.
- b. List design and construction contracts on the ROPS to be approved by the Oversight Board and DOF.

Staff believes that the Oversight Board should meet at its next scheduled date on April 25. By that date, the Successor Agency should have received its Finding of Completion and should be in a position to begin the processes for disposition of agency property and the expenditure of bond proceeds.

FUNDING

None required at this time.

RECOMMENDATION

Staff recommends that the Oversight Board approve the scheduling of the next meeting on April 25, 2013, at 4:00 PM.

**MINUTES OF THE
LAWNDALE SUCCESSOR AGENCY
OVERSIGHT BOARD REGULAR MEETING
JANUARY 10, 2013, 4 PM**

A. CALL TO ORDER

The regular meeting of the Lawndale Successor Agency Oversight Board was called to order at 4:02 p.m. in the City Hall council chamber, 14717 Burin Avenue, Lawndale, California by Chair Barry Waite.

B. ROLL CALL

Board Members Present: Steve Mandoki, Greg Tsujiuchi, Barry Waite, Patricia Flynn, Joann Higdon, and Michael Stewart

Board Member Absent: John Vinke

Also Present: Otis Ginoza, Lawndale Deputy City Manager, Ken Louie, Lawndale Finance Director/City Treasurer, DeDe Tran, Lawndale Associate Planner

C. PLEDGE OF ALLEGIANCE

Flag Salute - led by Board Member Higdon

D. ADMINISTRATION – NEW BUSINESS

1. ALL OTHER FUNDS AND ACCOUNTS DUE DILIGENCE REVIEW

Deputy City Manager Ginoza delivered staff report. The Board questioned whether the debt repayment schedule was “legitimate”. Deputy City Manager Ginoza explained the potential of the Successor Agency receiving a “certificate of compliance” from the state.

A motion by Board Member Tsujiuchi to approve the Due Diligence Review and was seconded by Board Member Stewart and carried unanimously with Board Member Vinke absent.

2. DEBT SERVICE SCHEDULE FOR SERAF DEFERRAL

Deputy City Manager Ginoza delivered staff report. The Board clarified that the debt service schedule cannot be considered an absolute because there are existing variables contributing to the report that can change. Staff promised to recalculate the debt schedule before any payment is made and review it with the Board. There are significant complications arising from differing definitions and terminologies.

A motion by Board Member Flynn to approve the SERAF Deferral and was seconded by Board Member Higdon and carried unanimously with Board Member Vinke absent.

3. FUTURE MEETINGS OF THE OVERSIGHT BOARD

The Board members agreed to meet at 3 pm on February 14, 2013 for the 4th review of the ROPS.

E. CONSENT CALENDAR

1. MINUTES OF OCTOBER 4, 2012, MEETING

2. MINUTES OF OCTOBER 11, 2012, MEETING

3. MINUTES OF DECEMBER 18, 2012 MEETING

Minutes were approved by consensus.

F. PUBLIC COMMENTS

None.

G. ITEMS FROM SECRETARY/ADMINISTRATIVE CLERK

None.

H. ITEMS FROM BOARD MEMBERS

None.

I. ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 4:27 p.m.

Barry Waite, Chair

ATTEST:

Otis W. Ginoza, Deputy City Manager
/dt