

RESOLUTION NO. 2013 -16

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE
LAWNDALE SUCCESSOR AGENCY FINDING THAT THE LOAN INDEBTEDNESS OF THE
FORMER LAWNDALE REDEVELOPMENT AGENCY TO THE CITY OF LAWNDALE IS AN
ENFORCEABLE OBLIGATION OF THE LAWNDALE SUCESSOR AGENCY, FINDING
THAT THE LOAN WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND
APPROVING THE AMENDED AND RESTATED COOPERATION AGREEMENT BETWEEN
THE CITY OF LAWNDALE AND THE SUCCESSOR AGENCY TO THE LAWNDALE
REDEVELOPMENT AGENCY INCLUDING THE REPAYMENT SCHEDULE FOR THE
LOAN**

WHEREAS, the Former Lawndale Redevelopment Agency (“Former RDA”) and the City of Lawndale (“City”) entered into a 1991 Cooperation and Loan Agreement, a 1998 loan agreement, a 2000 Cooperation Agreement, a 2000 Cooperation and Loan Agreement, a 2009 loan agreement, a 2009 purchase and loan agreement, and a 2011 restated cooperation and loan agreement and other previous agreements (collectively, the “Cooperation Agreements”); and

WHEREAS, the Successor Agency to the Lawndale Redevelopment Agency (“Successor Agency”) received a Finding of Completion from the California Department of Finance on April 12, 2013; and

WHEREAS, Health and Safety Code Section 34191.4(b) provides that, after a successor agency has received a finding of completion and upon application by the redevelopment agency and approval by the oversight board, loans between the redevelopment agency and its sponsoring city shall be deemed enforceable obligations, and thus payable from Real Property Tax Trust Funds over time, subject to certain limitations; and

WHEREAS, Health and Safety Code Section 34191.4(b) requires that the oversight board make a finding that the loan was for legitimate redevelopment purposes; and

WHEREAS, Health and Safety Code Section 34191.4(b) requires that reinstated loans must have a payment schedule and the loans balances must be recalculated using a method described in Section 34191.4(b); and

WHEREAS, on September 3, 2013, the City and Successor Agency approved an Amended and Restated Cooperation Agreement that set a payment schedule and recalculated the loan balance as required by Health and Safety Code Section 34191.4(b)

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

SECTION 1. The Oversight Board hereby finds (1) that the City advanced funds under the Cooperation Agreements to pay for redevelopment projects and programs; (2) that the obligation to repay those funds was a loan indebtedness of the Former RDA; (3) that the obligation to repay such indebtedness with interest is an enforceable obligation of the Successor Agency to the City under Health and Safety Code Section 34191.4(b); (4) that these funds were used for legitimate

redevelopment purposes for the reasons set forth above and in the Amended and Restated Cooperation Agreement accompanying this Resolution; and (5) that the interest rate and repayment schedule adopted by the Successor Agency and the City conforms to the requirements of Health and Safety Code Section 34191.4(b) as to the repayment of loan indebtedness principle and interest based on the reasons set forth in the Amended and Restated loan Agreement accompanying this Resolution.

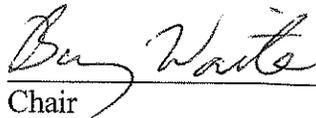
SECTION 2. The Oversight Board hereby approves the request by the Successor Agency to recognize such loan indebtedness as an enforceable obligation of the Successor Agency under Health and Safety Code Section 34191.4(b), and approves the Amended and Restated Cooperation Agreement which includes a loan repayment schedule and is attached to this Resolution as Exhibit A, based on the reasons and analysis set in the Amended and Restated Cooperation Agreement.

SECTION 3. The Oversight Board approves the loan amount of \$20,194,205.75 as of June 30, 2013, as an enforceable obligation based on the balance recalculated from the origination of the loan at the interest rate earned by funds deposited into the Local Agency investment Fund as required under HSC Section 34191.4

SECTION 3. That, pursuant to California Health and Safety Code Section 34179(h), this action by the Lawndale Oversight Board shall be effective five business days from the date of this Resolution, pending a request for review by the California Department of Finance.

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

PASSED, APPROVED AND ADOPTED this 4th day of September, 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. 13-16 at a regular meeting of said Oversight Board held on the 4th day of September, 2013, by the following roll call vote:

Ayes: Flynn, Higdon, Vinke, Waite, Stewart, Mandoki, Tsujiuchi

Noes:

Absent:

Abstain:



Secretary