

**AGENDA FOR THE SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
RANCHO PALOS VERDES REDEVELOPMENT AGENCY**

**CITY OF RANCHO PALOS VERDES
CITY HALL COMMUNITY ROOM
30940 HAWTHORNE BOULEVARD
RANCHO PALOS VERDES, CALIFORNIA, 90275**

WEDNESDAY, SEPTEMBER 5, 2012 AT 1:00 P.M.

Members:

Larry Clark (Chair), Stefan Wolowicz (Vice-Chair), Lydia Cano, Ken Dyda, Kit Fox, Marvin Martinez, Michael Seth Schneider

AGENDA POSTED: August 24, 2012

WEBSITE: www.palosverdes.com/rpv/

CALL TO ORDER

1. Roll Call.
2. Approval of Agenda.

REGULAR BUSINESS

1. Chairman's Opening Remarks.
2. Consider Approval of minutes for August 1, 2012 meeting.
3. Receive update of pending legislation, Frequently Asked Questions, and other developments relevant to redevelopment agency dissolution.
4. Consider Adoption of Resolution designating an official to whom the State Department of Finance may make requests for certain information.
5. Consider Adoption of Resolution directing the transfer of housing function and assets to City.

MISCELLANEOUS

6. Public comment for items not on the agenda.
7. Member Suggested Agenda Items for Future Meetings.
8. Consider future meeting schedule.
9. Chairman's Closing Remarks.
10. Adjournment.

SUPPORTING DOCUMENTATION: Supporting documentation can be obtained at the following locations during normal business hours: Rancho Palos Verdes City Hall, Finance & Information Technology Department, 30940 Hawthorne Boulevard, Rancho Palos Verdes, CA 90275. You can also view the agenda and staff reports and related documents at the Successor Agency's website www.palosverdes.com/RPV.

AMERICAN WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the City Clerk's Office at (310) 544-5208 at least 48 hours prior to the meeting.

Written materials, including emails, submitted to the Oversight Board are public records and may be posted on the Successor Agency's website. Accordingly, you may wish to omit personal information from your oral presentation or written materials as it may become part of the public record regarding an agenda item.

Materials related to an item on this Agenda submitted to the Oversight Board after distribution of the agenda packet are available for public inspection at the front counter of the lobby of the City Hall Administration Building at 30940 Hawthorne Boulevard, Rancho Palos Verdes during normal business hours.

**MINUTES FOR THE SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
RANCHO PALOS VERDES REDEVELOPMENT AGENCY**

**CITY OF RANCHO PALOS VERDES
CITY HALL COMMUNITY ROOM
30940 HAWTHORNE BOULEVARD
RANCHO PALOS VERDES, CALIFORNIA, 90275**

WEDNESDAY, AUGUST 1, 2012

CALL TO ORDER

Chair Clark called the meeting to order at approximately 1:01 p.m. in the Community Room at Rancho Palos Verdes City Hall for the purpose of conducting business pursuant to the Agenda.

1. ROLL CALL

Roll call was answered as follows:

PRESENT: Cano, Dyda, Fox, Martinez, Schneider, Vice-Chair Wolowicz,
and Chair Clark

ABSENT: None

Also present were Deputy Director of Finance and Information Technology Downs, Successor Agency Attorney Lynch, and Senior Administrative Analyst Mills.

2. APPROVAL OF AGENDA

Member Dyda moved to approve the agenda as presented, and Member Martinez seconded. Hearing no objection, Chair Clark ordered approval of the agenda.

REGULAR BUSINESS

1. CHAIRMAN'S OPENING REMARKS

None.

2. APPROVAL OF MINUTES FOR JUNE 20, 2012 MEETING

Vice-Chair Wolowicz moved to approve the June 20, 2012 minutes as presented, and Member Dyda seconded. Hearing no objection, Chair Clark ordered approval of the June 20, 2012 minutes.

3. RECEIVE UPDATE OF PENDING LEGISLATION, FREQUENTLY ASKED QUESTIONS, AND OTHER DEVELOPMENTS RELEVANT TO REDEVELOPMENT AGENCY DISSOLUTION

Staff provided a brief oral report regarding AB1484, walked through the PowerPoint slides prepared by Los Angeles County for Oversight Board Member training on July 25, 2012 in regards to AB1484, and answered Member questions.

Chair Clark requested that this information be provided to the Successor Agency Board, which is the City Council.

Vice-Chair Wolowicz requested that the Oversight Board be notified immediately if the Due-Diligence Auditors foresee problems with asset valuation or any other significant issues.

Member Schneider requested that Staff investigate whether separate independent third-party appraisers can be retained to facilitate timely completion of the Due-Diligence Review.

Vice-Chair Wolowicz requested that Staff notify the Board if there are any significant legal developments that impact the Rancho Palos Verdes Redevelopment Agency dissolution.

4. CONSIDER ADOPTION OF SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD JANUARY THROUGH JUNE 2013

After making inquiries of Staff, Board Members discussed Chair Clark's idea to increase the administrative budget for January through June 2013 to provide for contingency.

Chair Clark motioned for approval of the Resolution with a modified Administrative Budget of \$100,000. Member Schneider seconded the motion.

The motion passed on the following roll call vote:

AYES: Cano, Dyda, Fox, Martinez, Schneider, Vice-Chair Wolowicz, and Chair Clark

NOES: None

The Oversight Board adopted Resolution OB 2012-05, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY APPROVING AN ADMINISTRATIVE BUDGET FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JANUARY 1, 2013 AND ENDING JUNE 30, 2013, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH.

5. CONSIDER ADOPTION OF SUCCESSOR AGENCY RECOGNIZED OBLIGATION PAYMENT SCHEDULED FOR THE PERIOD JANUARY THROUGH JUNE 2013

Staff provided a brief oral presentation, explaining that late correspondence was distributed for an amended version of the proposed Resolution to approve the content of the ROPS3, as presented; but to submit ROPS3 using the template provided by the California Department of Finance once it becomes available.

Vice-Chair Wolowicz reminded the Board that the Resolution would be further amended to reflect the change in the administrative budget on line number 7 of ROPS3, which is Exhibit A to the Resolution.

Member Martinez motioned for approval of the modified Resolution and modified ROPS3. Member Dyda seconded the motion.

The motion passed on the following roll call vote:

AYES: Cano, Dyda, Fox, Martinez, Schneider, Vice-Chair Wolowicz, and Chair Clark

NOES: None

The Oversight Board adopted Resolution OB 2012-06, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JANUARY 1, 2013 AND ENDING JUNE 30, 2013 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH.

MISCELLANEOUS

6. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

None.

7. MEMBER SUGGESTED AGENDA ITEMS FOR FUTURE MEETINGS

Member Schneider requested discussion of proactive asset appraisals as part of the Due-Diligence Review.

Vice-Chair Wolowicz requested consideration of the Due-Diligence Review auditor.

8. CONSIDER FUTURE MEETING SCHEDULE

After receiving the updated draft timeline of Oversight Board milestones, the Board agreed to schedule the following Special Meeting dates:

- September 5, 2012;
- September 19, 2012 (potential);
- October 3, 2012; and
- October 10, 2012.

Chair Clark requested that by the third week in August, Staff should poll Board Members for their availability on September 5, 2012.

9. CHAIRMAN'S CLOSING REMARKS

Chair Clark thanked the Board Members and Staff for their contributions to the meeting.

10. ADJOURNMENT

Hearing no objection, at 2:03pm Chair Clark adjourned the meeting to September 5, 2012.

Larry Clark, Chair of the Oversight Board

ATTEST

Kathryn Downs, Recording Person



MEMORANDUM

TO: HONORABLE CHAIR AND MEMBERS OF THE OVERSIGHT BOARD
OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES
REDEVELOPMENT AGENCY

FROM: DENNIS McLEAN, FINANCE OFFICER OF THE SUCCESSOR AGENCY

DATE: SEPTEMBER 5, 2012

SUBJECT: DESIGNATE OFFICIAL TO WHOM THE STATE DEPARTMENT OF
FINANCE MAY MAKE REQUESTS FOR CERTAIN INFORMATION

REVIEWED: CAROLYN LEHR, EXECUTIVE DIRECTOR OF THE SUCCESSOR
AGENCY

Staff Coordinator: Kathryn Downs, Deputy Director of Finance & Information
Technology of the City of Rancho Palos Verdes

RECOMMENDATION

Adopt the attached Resolution designating an official to whom the State Department of Finance (DOF) may make requests for certain information.

BACKGROUND AND DISCUSSION

On May 1, 2012, the Oversight Board designated Finance Officer McLean and Deputy Director Downs as contact persons for the DOF. This action was taken by minute order. Effective June 27, 2012, AB 1484 requires that all Oversight Board actions be taken by resolution. The Successor Agency legal counsel has recommended that the Oversight Board designate an official for DOF inquiries by resolution. The attached resolution designates the Finance Officer of the Successor Agency as the official to whom the DOF may make requests for information.

RESOLUTION NO. OB 2012-

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY DESIGNATING AN OFFICIAL TO WHOM THE STATE DEPARTMENT OF FINANCE MAY MAKE REQUESTS FOR CERTAIN INFORMATION

RECITALS:

A. Pursuant to Health and Safety Code Section 34179(h), each oversight board shall designate an official to whom the State Department of Finance (the "DOF") may make request for review of an oversight board action.

B. Pursuant to Health and Safety Code Section 34179(e), all actions taken by the oversight board must be adopted by resolution.

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby designates the Finance Officer of the Successor Agency, as the official designated to whom DOF may make a request for review in connection with actions taken by the Oversight Board.

Section 3. The officers of the Oversight Board and the staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution.

PASSED, APPROVED AND ADOPTED this 5th day of September, 2012.

CHAIR

ATTEST:

SECRETARY
OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE
RANCHO PALOS VERDES REDEVELOPMENT AGENCY



MEMORANDUM

TO: HONORABLE CHAIR AND MEMBERS OF THE OVERSIGHT BOARD
OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES
REDEVELOPMENT AGENCY

FROM: DENNIS McLEAN, FINANCE OFFICER OF THE SUCCESSOR AGENCY

DATE: SEPTEMBER 5, 2012

SUBJECT: TRANSFER OF HOUSING FUNCTIONS AND ASSETS

REVIEWED: CAROLYN LEHR, EXECUTIVE DIRECTOR OF THE SUCCESSOR
AGENCY

Staff Coordinator: Kathryn Downs, Deputy Director of Finance & Information
Technology of the City of Rancho Palos Verdes

RECOMMENDATION

Adopt the attached Resolution directing the transfer of housing functions and assets to the City.

BACKGROUND AND DISCUSSION

Upon dissolution of the Rancho Palos Verdes Redevelopment Agency on February 1, 2012 pursuant to AB X1 26, the Successor Agency to the Rancho Palos Verdes Redevelopment Agency (the "Successor Agency") was constituted. Pursuant to Health and Safety Code Section 34176(b), the City Council of the City of Rancho Palos Verdes (the "City") adopted a resolution electing for the City to retain the responsibility for performing housing functions previously performed by the former Agency, and determining that all of the assets, as allowed by law, and all rights, powers, liabilities, duties, and obligations associated with the housing activities of the former Agency be transferred to the City.

Health and Safety Code Section 34177(g) directs the Successor Agency to effectuate transfer of housing functions and assets to the appropriate entity designated pursuant to Health and Safety Code Section 34176, being the City, and Health and Safety Code Section 34181(c) provides that the Oversight Board of the Successor Agency shall direct the Successor Agency to transfer housing responsibilities and all rights, powers, duties, and obligations, to the designated entity pursuant to Health and Safety Code Section 34176.

Health and Safety Code Section 34176(a)(2) directs the entity assuming the housing

TRANSFER OF HOUSING FUNCTION AND ASSETS

September 5, 2012

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functions of the former redevelopment agency to submit to the State Department of Finance (the "DOF") a list of all housing assets (the "Housing Assets List"), including any assets transferred between February 1, 2012 and the date on which the Housing Assets List is created. The Successor Agency submitted that list to the DOF on July 23, 2012 (see Exhibit A to the attached resolution).

Health and Safety Code Section 34176(e) defines "housing asset" as any asset that meets one of the following criteria:

1. Any real property, interest in, or restriction on the use of real property, whether improved or not, and any personal property provided in residences, including furniture and appliances, all housing-related files and loan documents, office supplies, software licenses, and mapping programs, that were acquired for low and moderate income housing purposes, either by purchase or through a loan, with any source of funds;
2. Any funds that are encumbered by an enforceable obligation to build or acquire low and moderate income housing as defined in the Community Redevelopment Law (the "CRL") unless required in the bond covenants to be used for repayment purposes of the bond;
3. Any loan or grant receivable, funded from the Low and Moderate Income Housing Fund (the "LMIH Fund"), from homeowners, homebuyers, nonprofit or for profit developers, and other parties that require occupancy by persons of low or moderate income as defined by the CRL;
4. Any funds derived from rents or operation of properties acquired for low and moderate income housing purposes by other parties that were financed with any source of funds, including residual receipt payments from developers, conditional grant repayments, cost savings and proceeds from refinancing, and principal and interest payments from homebuyers subject to enforceable income limits;
5. A stream of rents or other payments from housing tenants or operators of low and moderate income housing financed with any source of funds that are used to maintain, operate, and enforce the affordability of housing or for enforceable obligations associated with low and moderate income housing; or
6. Repayments of loans from the LMIH Fund (e.g., a loan used to make a SERAF payment) or LMIH Fund deposits which had been deferred as of the effective date of AB X1 26.

The DOF has 30 days from DOF's receipt of the Housing Assets List to object to any of the assets or transfers of assets identified on the Housing Assets List. On August 22, 2012, the DOF notified the Successor Agency that it is not objecting to any assets or transfers of assets identified on the Successor Agency form (see attached letter).

The former Redevelopment Agency possessed housing assets, which are described on the Housing Assets List. The attached resolution directs the transfer from the Successor Agency to the City of the assets described on the Housing Assets List, together with related responsibilities, powers, duties and obligations associated with the housing activities of the former Redevelopment Agency.

TRANSFER OF HOUSING FUNCTION AND ASSETS

September 5, 2012

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Pursuant to health and Safety Code Sections 34179(f) and 34181(f), notice of this action was posted on the Successor Agency's website on August 24, 2012

FISCAL IMPACT

Transfer of the housing function and assets (notes receivable totaling \$6,751,633.43) will provide a future resource to provide affordable housing within the City of Rancho Palos Verdes.

RESOLUTION NO. OB 2012-

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY DIRECTING THE TRANSFER OF HOUSING FUNCTIONS AND ASSETS

RECITALS:

A. Pursuant to Health and Safety Code Section 34175(b) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.* (53 Cal.4th 231(2011)), on February 1, 2012, all assets, properties, contracts, leases, books and records, buildings, and equipment of the Rancho Palos Verdes Redevelopment Agency (the "Agency") transferred to the Successor Agency to the Rancho Palos Verdes Redevelopment Agency (the "Successor Agency") by operation of law.

B. Pursuant to Health and Safety code Section 34176(a), the City Council of the City of Rancho Palos Verdes (the "City") adopted Resolution No. 2012-15 electing for the City to retain the responsibility for performing housing functions previously performed by the Agency, and determining that all of the assets, as allowed by law, and all rights, powers, liabilities, duties, and obligations associated with the housing activities of the Agency be transferred to the City.

C. Health and Safety Code Section 34177(g) directs the Successor Agency to effectuate transfer of housing functions and assets to the appropriate entity designated pursuant to Health and Safety Code Section 34176, being the City, and Health and Safety Code Section 34181(c) provides that the oversight board of the Successor Agency (the "Oversight Board") shall direct the Successor Agency to transfer housing assets to the appropriate entity pursuant to Health and Safety Code Section 34176, being the City.

D. Pursuant to Health and Safety Code Section 34176(a)(2), on July 23, 2012, the City submitted to the State Department of Finance (the "DOF") a list of all housing assets, including any assets transferred after February 1, 2012 (the "Housing Assets List").

E. Health and Safety Code Section 34176(a)(2) provides 30 days from DOF's receipt of the Housing Assets List for DOF to object to any of the assets or transfers of assets identified on the Housing Assets List.

F. On August 22, 2012, DOF notified the Successor Agency that DOF does not object to any assets or transfers of assets identified on the Successor Agency Housing Assets List.

G. The Oversight Board desires to direct the transfer of all assets identified on the Housing Assets List.

H. Pursuant to Health and Safety Code Sections 34179(f) and 34181(f), notice of this action was posted on the Successor Agency's website on August 24, 2012.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. This Resolution is adopted pursuant to Health and Safety Code Sections 34177(g) and 34181(c).

Section 3. The Successor Agency is hereby authorized and directed to transfer to the City the assets described on the Housing Assets List attached hereto as Exhibit A. The Successor Agency is hereby further authorized and directed to transfer to the City all rights, powers, duties, and obligations associated with the housing activities of the former Agency related to the housing assets transferred pursuant to this Section 3.

Section 4. The staff of the Successor Agency is hereby directed to provide DOF written notice and information regarding the action taken by the Oversight Board in Section 3 of this Resolution. Such notice and information shall be provided by electronic means and in a manner of DOF's choosing.

Section 5. The staff and the Board of the Successor Agency are hereby authorized and directed, jointly and severally, to execute and record such documents and instruments and to do any and all other things which they may deem necessary or advisable to effectuate this Resolution.

PASSED AND ADOPTED this 5th day of September, 2012.

Chair

ATTEST:

Secretary

EXHIBIT A

Housing Assets List



August 22, 2012

Mr. Dennis McLean, Director
Finance and Information Technology
City of Rancho Palos Verdes
30940 Hawthorne Boulevard
Rancho Palos Verdes, CA 90275-5391

Dear Mr. McLean:

Subject: Housing Assets Transfer Form

Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Rancho Palos Verdes submitted a Housing Assets Transfer Form (Form) to the California Department of Finance (Finance) on July 24, 2012 for the period February 1, 2012 through July 24, 2012.

Finance has completed its review of your Form, which may have included obtaining clarification for various items. Based on a sample of line items reviewed and the application of law, Finance is not objecting to any assets or transfers of assets identified on your Form.

Please direct inquiries to Evelyn Suess, Supervisor or Michael Barr, Lead Analyst at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Ms. Katherine Downs, Deputy Director of Finance and Information Technology, City of
Rancho Palos Verdes
Ms. Kristina Burns, Program Specialist III, Los Angeles County Auditor-Controller's
Office
California State Controller's Office