

**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, FEBRUARY 26, 2014 AT 1:00 P.M.**

Members:

Stefan Wolowicz (Chair), Ken Dyda (Vice-Chair), Lydia Cano, Kit Fox, Gregory O'Brien, Jr., Michael Seth Schneider

AGENDA POSTED: February 18, 2014

WEBSITE: [www.palosverdes.com/rpv/](http://www.palosverdes.com/rpv/)

**CALL TO ORDER**

- A. Roll Call
- B. Flag Salute
- C. Approval of Agenda

**REGULAR BUSINESS**

1. Consider approval of minutes for December 11, 2014 meeting
2. Receive update of pending legislation, Frequently Asked Questions, and other developments relevant to redevelopment agency dissolution (no written report)
3. Discussion of appraisals of properties to be conveyed to the City
4. Discussion of independent legal counsel (no written report)
5. Discussion of and consider adoption of resolution approving repayment of City Consolidated Loan
6. Discussion of and consider adoption of resolutions approving ROPS14-15A and the administrative allowance budget for July 2014 through December 2014

7. Receipt of final resolution making the finding that the City's Consolidated Loan was made for legitimate redevelopment purposes, and discussion of the resolution process
8. Public comment for items not on the agenda (no written report)
9. Member suggested agenda items for future meetings (no written report)
10. Consider future meeting schedule and updated timeline
11. 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](http://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, DECEMBER 11, 2013**

**CALL TO ORDER**

Chair Wolowicz called the meeting to order at approximately 1:02 p.m. in the Community Room at Rancho Palos Verdes City Hall for the purpose of conducting business pursuant to the Agenda.

**A. ROLL CALL**

Roll call was answered as follows:

**PRESENT:** Cano, Fox, O'Brien, and Chair Wolowicz  
**ABSENT:** Vice-Chair Dyda and Schneider

Also present were Deputy Director of Finance and Information Technology Downs, Senior Administrative Analyst Mills, and Successor Agency Legal Counsel Carol Lynch and Robin Harris (via conference phone) of Richards Watson and Gershon.

**B. FLAG SALUTE**

Member Cano led the Board in the Pledge of Allegiance.

**C. APPROVAL OF AGENDA**

Member Cano moved to approve the agenda, amended to hear item #4 immediately after item #1, and Member Fox seconded.

Hearing no objection, Chair Wolowicz ordered approval of the agenda as amended.

**REGULAR BUSINESS**

**1. CONSIDER APPROVAL OF MINUTES FOR SEPTEMBER 18, 2013  
MEETING**

Member Fox moved to approve the September 18, 2013 minutes as presented, and Member Cano seconded.

Hearing no objection, Chair Wolowicz ordered approval of the September 18, 2013 minutes as presented.

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

Staff agreed to provide an update by email to the entire Oversight Board.

**3. DISCUSSION OF REAL PROPERTY APPRAISAL PROCESS**

Continued to next meeting agenda (tentatively February 12, 2014).

**4. DISCUSSION OF AND CONSIDER ISSUING FINDING REGARDING CITY CONSOLIDATED LOAN**

Late correspondence was distributed for this item. Staff provided brief oral comments. Both Staff and legal counsel answered Member questions.

The proposed resolution was amended for Section 3 to include the following statements.

- A. All documents necessary for the Oversight Board to makes the finding have been provided.
- B. No documents relevant to the Oversight Board finding have been omitted from presentation to the Oversight Board.
- C. The documents presented to the Oversight Board on December 11, 2013 support the Oversight Board's finding.

Member O'Brien moved to adopt the resolution, as amended, finding that the City loans to the former Redevelopment Agency were made for legitimate redevelopment purposes. Member Cano seconded the motion.

Staff agreed to notify the Oversight Board if anything comes to the attention of either Staff or legal counsel that would impact the Oversight Board's finding.

The motion passed on the following roll call vote:

AYES: Cano, Fox, O'Brien, and Chair Wolowicz

NOES: None

The Oversight Board adopted Resolution OB 2013-09, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY MAKING A FINDING THAT THE CONSOLIDATED LOAN AGREEMENT BETWEEN THE FORMER RANCHO PALOS VERDES REDEVELOPMENT AGENCY AND THE CITY OF

RANCHO PALOS VERDES WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, DETERMINING THAT ADOPTION OF THIS RESOLUTION IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH.

**5. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA**

None.

**6. MEMBER SUGGESTED AGENDA ITEMS FOR FUTURE MEETINGS**

Chair Wolowicz requested that discussion of retention of independent legal counsel be added to the next agenda.

**7. CONSIDER FUTURE MEETING SCHEDULE AND UPDATED TIMELINE**

The next meeting date has been tentatively scheduled for February 12, 2014.

**8. ADJOURNMENT**

Hearing no objection, Chair Wolowicz ordered the meeting adjourned at approximately 1:42 p.m.

ATTEST:

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Steve Wolowicz, Chair

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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:** CAROL LYNCH AND ROBIN HARRIS, SUCCESSOR AGENCY LEGAL  
COUNSEL

**DATE:** FEBRUARY 26, 2014

**SUBJECT:** APPRAISALS OF PROPERTIES TO BE CONVEYED TO THE CITY

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

### **RECOMMENDATION**

Defer action on obtaining property appraisals until the Department of Finance approves the Long- Range Property Management Plan, and it is determined whether the Department of Finance will require appraisals.

### **BACKGROUND AND DISCUSSION**

On September 18, 2013, the Oversight Board approved the Long Range Property Management Plan ("LRPMP") by its Resolution No. OB 2013-08, and Successor Agency Staff transmitted Resolution No. OB 2013-08 and the LRPMP to the Department of Finance ("DOF") for its review and approval. The DOF has not yet taken action on the LRPMP.

The LRPMP identifies a number of Successor Agency properties for transfer to the City as governmental use properties. The LRPMP does not specify what, if any, compensation the City will be required to pay for such governmental use properties. The DOF has not provided clear guidance regarding whether it will require cities to pay for governmental use properties, or whether an appraisal of governmental use properties will be required. However, Successor Agency legal counsel is aware of some instances where the DOF allowed a successor agency to transfer a governmental use property to a city for no compensation, and without first obtaining an appraisal.

## **APPRAISALS OF PROPERTIES TO BE CONVEYED TO THE CITY**

February 26, 2014

Page 2 of 2

Due to the uncertainty regarding the need for appraisals of governmental use properties as well as timing issues discussed below, Staff recommends that the Oversight Board not initiate the process for obtaining appraisals at this time.

The DOF is not subject to a statutory deadline for reviewing and approving long-range property management plans, and there can be no assurance of when the DOF will complete its review of the Successor Agency's LRPMP. As the Board probably is aware, appraisals can typically be considered to be stale if they are over six months old. Thus, if appraisals are obtained prior to the DOF's approval of the LRPMP, there is a strong possibility that the appraisals will become stale before the DOF approves the LRPMP and the Successor Agency is in a position to transfer the governmental use properties to the City.



## **MEMORANDUM**

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

**FROM: DENNIS McLEAN, DIRECTOR OF FINANCE & INFORMATION TECHNOLOGY**

**DATE: FEBRUARY 26, 2014**

**SUBJECT: CONSIDER RESOLUTION TO APPROVE THE REPAYMENT OF CITY CONSOLIDATED LOAN**

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

### **RECOMMENDATION**

Adopt Resolution No. OB 2013-\_\_\_\_, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY APPROVING THE REPAYMENT OF THE CONSOLIDATED LOAN AGREEMENT BETWEEN THE FORMER RANCHO PALOS VERDES REDEVELOPMENT AGENCY AND THE CITY OF RANCHO PALOS VERDES IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4, AND TAKING CERTAIN RELATED ACTIONS.

### **BACKGROUND AND DISCUSSION**

On December 11, 2013, the Oversight Board for the Successor Agency to the Rancho Palos Verdes Redevelopment Agency (Oversight Board) adopted Resolution No. OB 2013-09 finding that the loan agreement between the City and the former Rancho Palos Verdes Redevelopment Agency (RPVRDA) was for legitimate redevelopment purposes.

On January 27, 2014, the California Department of Finance (DOF) approved the Oversight Board's resolution, and stated that the Successor Agency may now place the Loan Agreement on the Recognized Obligation Payment Schedule (ROPS). Repayment is subject to the repayment formula outlined in Health and Safety Code Section 34191.4.

## **CONSIDER RESOLUTION TO APPROVE REPAYMENT OF CITY CONSOLIDATED LOAN**

February 26, 2014

Page 2 of 2

The proposed resolution (see Attachment A) approves the repayment of the City Consolidated Loan according to the formula outlined in Health and Safety Code Section 34191.4, which calculates Redevelopment Property Tax Trust Fund (RPTTF) proceeds available for repayment. As repayment is subject to availability of RPTTF, there are no scheduled debt service payments.

Staff has calculated that the maximum amount of RPTTF available during FY14-15 for repayment of the City Consolidated Loan is \$72,915. Staff used the DOF "Sponsoring Entity Loan Repayment Calculator" to make the calculation (see Attachment B). Fifty percent of this amount (or \$36,458) has been included on ROPS14-15A for the six month period July through December 2014.

### Next Steps

Staff expects to present a Loan Reestablishment Agreement to both the City Council and Successor Agency Board on March 4, 2014. The Agreement would be between the City and the Successor Agency expressly stating that the Consolidate Loan is to be repaid under the requirements of redevelopment dissolution law. Successor Agency legal counsel has recommended adoption of the Agreement to memorialize the reestablishment of the loan in accordance with the repayment formula set forth in Health and Safety Code Section 34191.4. If the document is approved, it will be submitted to the Oversight Board for its consideration.

**RESOLUTION NO. OB 2014-\_\_\_\_\_**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY APPROVING THE REPAYMENT OF THE CONSOLIDATED LOAN AGREEMENT BETWEEN THE FORMER RANCHO PALOS VERDES REDEVELOPMENT AGENCY AND THE CITY OF RANCHO PALOS VERDES IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4, AND TAKING CERTAIN RELATED ACTIONS**

**RECITALS:**

A. Pursuant to AB X1 26 (enacted in June 2011), as modified by the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal.4th 231(2011), the Rancho Palos Verdes Redevelopment Agency (the "Former Agency") was dissolved as of February 1, 2012, the successor agency to the Rancho Palos Verdes Redevelopment Agency (the "Successor Agency") was established, and an oversight board to the Successor Agency (the "Oversight Board") was established.

B. Pursuant to Health and Safety Code Section 34171(d)(2), enforceable obligations of the Former Agency do not include the Consolidated Loan Agreement between the City of Rancho Palos Verdes and the Former Agency, on file in the office of the Successor Agency Secretary (the "Loan Agreement").

C. Pursuant to Health and Safety Code Section 34191.4(b)(1), notwithstanding Health and Safety Code Section 34171(d)(2), upon the Successor Agency's receipt of a finding of completion from the California Department of Finance (the "DOF") pursuant to Health and Safety Code Section 34179.7 (the "Finding of Completion"), the Loan Agreement shall be deemed to be an enforceable obligation provided the Oversight Board makes a finding that the Loan Agreement was for legitimate redevelopment purposes.

D. The DOF issued a Finding of Completion to the Successor Agency on April 26, 2013.

E. By its Resolution No. OB 2013-09, the Oversight Board found that the Loan Agreement was for legitimate redevelopment purposes.

F. By its letter dated January 27, 2014, the DOF approved Oversight Board Resolution No. 2013-09, and stated that the Successor Agency may now place the Loan Agreement on a Recognized Obligation Payment Schedule ("ROPS") commencing with ROPS 14-15A, provided that the repayment of the Loan Agreement is subject to the repayment formula outlined in Health and Safety Code Section 34191.4.

G. Pursuant to Health and Safety Code Section 34191.4 (b)(2), the accumulated interest on the remaining principal amount of the Loan Agreement shall be recalculated from origination at the interest rate earned by funds deposited in the Local Agency Investment Fund ("LAIF"); the Loan Agreement shall be repaid to the City in accordance with a defined schedule over a reasonable term of years at an interest rate not to exceed the interest rate earned by funds deposited into the LAIF; the maximum repayment amount authorized each fiscal year shall be equal to one-half of the increase between the amount distributed to taxing entities pursuant to Health and Safety Code Section 34183(a)(4) in that fiscal year and the amount distributed to taxing entities pursuant to Section 34183(a)(4) in the 2012-13 base year; and twenty percent of each Loan Agreement repayment shall be deducted and transferred to the Low and Moderate Income Housing Asset Fund established by the City as the successor to the housing functions and assets of the Former Agency.

H. The Successor Agency desires to include the repayment of the Loan Agreement on the ROPS starting with ROPS 14-15A.

**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.** The Oversight Board hereby (i) finds that the Loan Agreement, as modified in accordance with the provisions of Health and Safety Code Section 34191.4, is reestablished and constitutes an enforceable obligation; (ii) approves the repayment of the Loan Agreement in accordance with a repayment schedule which meets the requirements of Health and Safety Code Section 34191.4 and which provides for the inclusion on each ROPS, commencing with ROPS 14-15A, of up to the maximum repayment amount, calculated in accordance with Health and Safety Code Section 34191.4, until the Loan Agreement has been paid in full, including all accumulated and accrued interest thereon; and (iii) finds that repayment of the Loan Agreement in accordance with such repayment schedule provides for repayment over a reasonable term of years.

**Section 3.** The members of the Oversight Board and all officers and employees of the Successor Agency are hereby authorized, jointly and severally, to execute and deliver any and all necessary documents and instruments and to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution

**PASSED, APPROVED, AND ADOPTED** this 26<sup>th</sup> day of February, 2014

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CHAIR

**ATTEST:**

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SECRETARY

## Sponsoring Entity Loan Repayment Calculator

Base Year:	ROPS II July thru December 2012	ROPS III January thru June 2013	Total For Base Year
<b>Total Residual Balance</b>	0	0	0

Comparison Year:	ROPS 13-14A July thru December 2013	ROPS 13-14B January thru June 2014	Total For Comparison Year
<b>Total Residual Balance</b>	0	145,831	145,831

A Total Residual Balance for Comparison Year	145,831
B Total Residual Balance for Base Year	0
A-B Difference of Residual Balance	145,831
Divide Difference by two	÷2
<b>Maximum Repayment Amount Authorized Per Fiscal Year</b>	<b>72,915</b>

**Note: This is a tool provided by Finance to assist successor agencies in determining the maximum repayment amount per authorized fiscal year. Placing this amount on the ROPS does not automatically guarantee approval of the repayment amount.**

Input fields (amounts from County Auditor-Controller RPTTF Distribution Report)

Formula fields, no input required.



## **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: FEBRUARY 26, 2014**

**SUBJECT: CONSIDER APPROVAL OF RECOGNIZED OBLIGATION PAYMENT  
SCHEDULE AND ADMINISTRATIVE BUDGET FOR JULY 2014  
THROUGH DECEMBER 2014**

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

### **RECOMMENDATION**

1. Adopt Resolution No. OB 2014- , approving the Recognized Obligation Payment Schedule for July 1, 2014 through December 31, 2014 (ROPS 14-15A).
2. Adopt Resolution No. OB 2014- , approving the Administrative Budget for July 1, 2014 through December 31, 2014.

### **BACKGROUND AND DISCUSSION**

Pursuant to Health and Safety Code Section 34177, successor agencies are required to continue to make payments due for enforceable obligations of the former redevelopment agencies. The ROPS identifies these obligations, the anticipated timing and amount of funds required to meet these obligations over six-month periods, and the funding sources for each obligation.

The ROPS will be used by the Los Angeles County Auditor-Controller to allocate money from the Redevelopment Property Tax Trust Fund (RPTTF), in order for the Successor Agency to make payments on enforceable obligations. Ultimate approval of each ROPS is granted once it is approved by the Oversight Board and reviewed by the California Department of Finance (DOF).

An Oversight Board approved ROPS 14-15A must be submitted to the state and county by

## CONSIDER APPROVAL OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY THROUGH DECEMBER 2014 AND ADOPTION OF RESOLUTIONS

February 26, 2014

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March 1, 2014. The ROPS template issued by the DOF for use by successor agencies includes a prior period reconciliation, which results in an adjustment to requested ROPS funding.

The obligations for ROPS14-15A total \$361,708 for the scheduled 1997 Tax Allocation Bond debt service payment, a payment of the City's consolidated loan, and administrative costs (see "ROPS Detail" schedule page 2 of 2). The adjusted funding per the Summary schedule of ROPS 14-15A is \$211,708, as follows.

Total Obligations Jul-Dec 2014	\$ 361,708
Less Budgeted Administrative Allowance Funded with Available Cash Balance Jul-Dec 2013	(100,000)
Less Budgeted Administrative Allowance Funded with Available Cash Balance Jan-Jun 2014	(50,000)
<b>Adjusted ROPS Funding Requested</b>	<b>\$ 211,708</b>

As noted on the ROPS Report of Cash Balances, the estimated ending cash balance at June 30, 2014 is expected to be \$509,985 (\$54,709 Other and \$455,276 RPTTF). Therefore, Staff expects that cash flow will be sufficient to meet obligations during the period of July through December 2014.

### Administrative Budget

The proposed \$50,000 administrative budget for July 2014 through December 2014 provides for continued support of the Oversight Board. However, the proposed budget does not include an allocation for outside independent legal counsel. To date, Successor Agency legal counsel has been able to provide factual information to the Oversight Board and expects to continue to do so for the remaining tasks that are expected to come before the Board.

If the Oversight Board desires to retain outside independent legal counsel, then Staff requests that the Board take action to increase the proposed administrative budget accordingly before it is approved.

### FISCAL IMPACT

Adoption of the ROPS is in furtherance of allowing the Successor Agency to pay enforceable obligations of the former redevelopment agency.

**RESOLUTION NO. OB 2014-\_\_\_\_\_**

**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 JULY 1, 2014 AND ENDING  
DECEMBER 31, 2014, AND TAKING CERTAIN ACTIONS IN  
CONNECTION THEREWITH**

**RECITALS:**

A. Health and Safety Code Section 34177(j) provides that a successor agency to a former redevelopment agency must prepare an administrative budget in accordance with the requirements of the Section 34177(j), with each administrative budget to include estimated amounts for successor agency administrative costs for the upcoming six-month fiscal period; proposed sources of payment for the administrative costs; and proposals for arrangements for administrative and operations services provided by the city or another entity.

B. The Successor Agency to the Rancho Palos Verdes Redevelopment Agency (Successor Agency) has submitted to the Oversight Board of the Successor Agency to the Rancho Palos Verdes Redevelopment Agency (Oversight Board) an administrative budget for the six-month fiscal period that commences on July 1, 2014 and ends on December 31, 2014, attached hereto as Exhibit A and incorporated herein by reference ("Administrative Budget 14-15A").

C. Pursuant to Health and Safety Code Section 34177(k), the Successor Agency is required to provide administrative cost estimates, from its approved administrative budget that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the County Auditor-Controller for each applicable six-month fiscal period.

D. The California Department of Finance (DOF) may review an oversight board action taken pursuant to AB X1 26. All oversight board actions shall not be effective for five business days, pending a request for review by DOF. In the event that DOF requests review of a given oversight board action, DOF shall have forty-five days from the date the oversight board action was transmitted to the DOF to approve the oversight board action or return it to the oversight board for reconsideration and such oversight board action shall not be effective until approved by DOF. In the event that DOF returns that oversight board action to the oversight board for reconsideration, the oversight board shall resubmit the modified action for DOF approval and the modified oversight board action shall not become effective until approved by DOF.

**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 Section 34177(j).

Section 3. The Board hereby approves Administrative Budget 14-15A and hereby directs the staff of the Successor Agency to post the foregoing document on the Successor Agency's Internet website (being a page on the City's Internet website) and to submit the foregoing document to DOF. Unless DOF directs otherwise, such submittal may be by mail or electronic means, and a notification providing the Internet website location of the posted documents will suffice.

Section 4. 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 AND ADOPTED** this 26<sup>th</sup> day of February, 2014.

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Chair

ATTEST:

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Secretary

**EXHIBIT A**

**SUCCESSOR AGENCY TO THE  
RANCHO PALOS VERDES REDEVELOPMENT AGENCY  
ADMINISTRATIVE BUDGET  
(July 1, 2014 through December 31, 2014)**

	<b>Budget Jul-Dec 2014</b>
Legal Fees	12,000
Staffing Costs	15,000
Liability Insurance	13,000
Printing, Audits, Other Professional Services & Direct Charges	10,000
<b>Total</b>	<b>50,000</b>

**RESOLUTION NO. OB 2013-\_\_\_\_\_**

**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 JULY 1, 2014 AND ENDING DECEMBER 31, 2014 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH**

**RECITALS:**

A. Health and Safety Code Section 34177 provides that before each six-month fiscal period, successor agencies to former redevelopment agencies must prepare a Recognized Obligation Payment Schedule ("ROPS") for the enforceable obligations of the former redevelopment agency in accordance with the requirements of Section 34177.

B. Pursuant to Health and Safety Code Section 34180(g), establishment of a ROPS by the Successor Agency shall be approved by the Oversight Board.

C. Pursuant to Health and Safety Code Section 34177(m), a ROPS approved by the Oversight Board must be submitted to the California Department of Finance (DOF) by March 1, 2014 for the period July 1, 2014 through December 31, 2014 (ROPS 14-15A).

D. DOF may review an oversight board action taken pursuant to Health and Safety Code Sections 34177(m) and 34177(h). All oversight board actions shall not be effective for five business days after appropriate notice of the oversight board action is submitted to the DOF, pending a request for review by DOF. In the event that DOF requests review of a given oversight board action, DOF shall have forty-five days from the date of notification to the DOF to approve the oversight board action or return it to the oversight board for reconsideration and such oversight board action shall not be effective until approved by DOF. In the event that DOF returns the oversight board action to the oversight board for reconsideration, the oversight board shall resubmit the modified action for DOF approval and the modified oversight board action shall not become effective until approved by DOF.

**NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY ("SUCCESSOR 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 Section 34180(g).

Section 3. The Oversight Board hereby approves the ROPS 14-15A as presented in the attached Exhibit A; and hereby directs the staff of the Successor Agency to post the ROPS 14-15A on the Successor Agency's Internet website (being a page on the Internet website of the City of Rancho Palos Verdes); and submit the ROPS 14-15A to the County Auditor-Controller and State Controller's Office ("SCO") and to the DOF, together with a copy of this Resolution and the telephone number and email contact information for the Finance Officer of the Successor Agency, the official designated by the Oversight Board to whom DOF may make a request for review in connection with ROPS. Unless the County Auditor-Controller, the SCO, or DOF directs otherwise, such submittal may be by mail or electronic means, and a notification providing the Internet website location of the posted documents will suffice.

Section 4. 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 AND ADOPTED** this 26<sup>th</sup> day of February, 2014.

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Chair

ATTEST:

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Secretary

**EXHIBIT A**

**SUCCESSOR AGENCY TO THE  
RANCHO PALOS VERDES REDEVELOPMENT AGENCY  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE  
(July 1, 2014 through December 31, 2014)**

## Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary

Filed for the July 1, 2014 through December 31, 2014 Period

**Name of Successor Agency:** Rancho Palos Verdes  
**Name of County:** Los Angeles

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding</b>	
<b>A Sources (B+C+D):</b>	<b>\$ 50,000</b>
B Bond Proceeds Funding (ROPS Detail)	-
C Reserve Balance Funding (ROPS Detail)	50,000
D Other Funding (ROPS Detail)	-
<b>E Enforceable Obligations Funded with RPTTF Funding (F+G):</b>	<b>\$ 311,708</b>
F Non-Administrative Costs (ROPS Detail)	311,708
G Administrative Costs (ROPS Detail)	-
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 361,708</b>

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	311,708
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(100,000)
<b>K Adjusted Current Period RPTTF Requested Funding (I-J)</b>	<b>\$ 211,708</b>

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	311,708
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
<b>N Adjusted Current Period RPTTF Requested Funding (L-M)</b>	<b>311,708</b>

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.

Name	Title
/s/	
Signature	Date

**Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail**  
**July 1, 2014 through December 31, 2014**  
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation
								\$ 16,950,137
1	1997 Tax Increment Bond	Bonds Issued On or	12/2/1997	12/2/2027	County of Los Angeles	Restructured debt to abate active	Project Area 1	4,810,000
2	1997 Deferred Interest Debt	City/County Loans On or Before 6/27/11	11/1/1997	12/2/2027	County of Los Angeles	Accrued interest on original debt to abate active landslides in the Project Area	Project Area 1	-
3	Consolidated Loan from City	City/County Loans On or Before 6/27/11	12/1/2003	11/27/2034	City of Rancho Palos Verdes	Loan from City to abate active landslides in the Project Area	Project Area 1	12,090,137
4	Abalone Cove Property Assessment	Miscellaneous	1/1/2014	6/30/2014	Abalone Cove Landslide Abatement District	Property assessment for parcels owned by Agency	Project Area 1	-
5	Klondike Canyon Property Assessment	Miscellaneous	1/1/2014	6/30/2014	Klondike Canyon Landslide Abatement District	Property assessment for parcels owned by Agency	Project Area 1	-
6	AMCAL Affordable Housing Project	Miscellaneous	3/20/2009	12/18/2065	City of Rancho Palos Verdes Affordable Housing Fund	Loan to RDA Housing Fund that was then loaned to AMCAL to fund project construction costs	N/A	
7	Administration	Admin Costs	1/1/2014	6/30/2014	Various	Administrative costs related to dissolution activities (staffing, legal, insurance, supplies, building & equipment, etc.)	N/A	50,000
8	County Deferral of Tax Increment	Miscellaneous	11/1/1997	11/27/2034	County of Los Angeles	County deferral of tax increment it would otherwise receive pursuant to a Settlement Agreement	N/A	

A	B	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Retired	Funding Source					Six-Month Total
			Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
			Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
			\$ -	\$ 50,000	\$ -	\$ 311,708	\$ -	\$ 361,708
1	1997 Tax Increment Bond	N				275,250		\$ 275,250
2	1997 Deferred Interest Debt	N						\$ -
3	Consolidated Loan from City	N				36,458		36,458
4	Abalone Cove Property Assessment	N						\$ -
5	Klondike Canyon Property Assessment	N						\$ -
6	AMCAL Affordable Housing Project	N						
7	Administration	N		50,000				\$ 50,000
8	County Deferral of Tax Increment	N						

**Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Cash Balances**

(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177(l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H	I
		<b>Fund Sources</b>						
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>	
	<b>Cash Balance Information by ROPS Period</b>	Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR balances retained	Prior ROPS RPTTF distributed as reserve for next bond payment	Rent, Grants, Interest, Etc.	Non-Admin and Admin	<b>Comments</b>
<b>ROPS 13-14A Actuals (07/01/13 - 12/31/13)</b>								
1	<b>Beginning Available Cash Balance (Actual 07/01/13)</b> Note that for the RPTTF, 1 + 2 should tie to columns J and O in the Report of Prior Period Adjustments (PPAs)			103,380		51,132	210,201	Total of \$364,713 matches audited cash balance at 6/30/13.
2	<b>Revenue/Income (Actual 12/31/13)</b> Note that the RPTTF amounts should tie to the ROPS 13-14A distribution from the County Auditor-Controller during June 2013					25,399	174,855	\$25,399 = 6 months of loan receivable payments at \$4,167 each + interest earnings of \$397.
3	<b>Expenditures for ROPS 13-14A Enforceable Obligations (Actual 12/31/13)</b> Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)			89,770				Actual Admin Costs Jul-Dec 2013
4	<b>Retention of Available Cash Balance (Actual 12/31/13)</b> Note that the RPTTF amount should only include the retention of reserves for debt service approved in ROPS 13-14A							
5	<b>ROPS 13-14A RPTTF Prior Period Adjustment</b> Note that the RPTTF amount should tie to column S in the Report of PPAs.						100,000	
6	<b>Ending Actual Available Cash Balance</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ 13,610	\$ -	\$ 76,531	\$ 285,056	
<b>ROPS 13-14B Estimate (01/01/14 - 06/30/14)</b>								
7	<b>Beginning Available Cash Balance (Actual 01/01/14)</b> (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ 13,610	\$ -	\$ 76,531	\$ 385,056	
8	<b>Revenue/Income (Estimate 06/30/14)</b> Note that the RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014					25,620	70,220	\$25,620 = 6 months of loan receivable payments at \$4,167 each + estimated interest earnings of \$618.
9	<b>Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14)</b>			13,610		47,442		
10	<b>Retention of Available Cash Balance (Estimate 06/30/14)</b> Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14B							
11	<b>Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)</b>	\$ -	\$ -	\$ -	\$ -	\$ 54,709	\$ 455,276	

**ROPS 13-14A Successor Agency (SA) Self-reported Prior Period Adjustments (PPA):** Pursuant to HSC Section 34186 (a), SAs are required to report th Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15A (July through December 2014) period will be offset by the SA's self-repor the county auditor-controller (CAC) and the State Controller.

A	B	C	D	E	F	G	H	I	J	
		<b>Non-RPTTF Expenditures</b>								
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other Funds</b>				
<b>Item #</b>	<b>Project Name / Debt Obligation</b>	<b>Authorized</b>	<b>Actual</b>	<b>Authorized</b>	<b>Actual</b>	<b>Authorized</b>	<b>Actual</b>	<b>Authorized</b>	<b>Available RPTTF (ROPS 13-14A distributed + all other available as of 07/1/13)</b>	
		\$ -	\$ -	\$ -	\$ 89,770	\$ -	\$ -	\$ 290,609	\$ 285,056	
1	1997 Tax Increment	-	-	-		-		258,625	253,072	
2	1997 Deferred	-		-		-		31,984	31,984	
3	Consolidated Loan from City	-		-		-		-		
4	Abalone Cove Property Assessment	-		-		-		-		
5	Klondike Canyon Property Assessment	-		-		-		-		
6	AMCAL Affordable Housing Project	-		-		-		-		
7	Administration	-		-	89,770	-		-		
8	County Deferral of Tax Increment	-		-		-		-		

**Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Prior Period Adju**  
 Reported for the ROPS 13-14A (July 1, 2013 through December 31, 2013) Period Pursuant to Health and Safety C  
 (Report Amounts in Whole Dollars)

**ROPS 13-14A Successor A**e differences between their actual available funding and their actual expenditures for the ROPS 13-14A (July through Dec Redevelopment Property Tated ROPS 13-14A prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-rep the county auditor-controller

A	B	K	L	M	N	O	P	Q
		<b>RPTTF Expenditures</b>						
		<b>Non-Admin</b>			<b>Admin</b>			
Item #	Project Name / Debt Obligation	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14A distributed + all other available as of 07/1/13)	Net Lesser of Authorized / Available	Actual
		\$ 285,056	\$ 290,609	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
1	1997 Tax Increment	\$ 253,072	258,625	\$ -				
2	1997 Deferred	\$ 31,984	31,984	\$ -				
3	Consolidated Loan from City	\$ -		\$ -				
4	Abalone Cove Property Assessment	\$ -		\$ -				
5	Klondike Canyon Property Assessment	\$ -		\$ -				
6	AMCAL Affordable Housing Project	\$ -		\$ -				
7	Administration	\$ -		\$ -				
8	County Deferral of Tax Increment	\$ -		\$ -				

**Statements**  
Code (HSC) section 34186 (a)

<p><b>ROPS 13-14A Successor</b> (Member 2013) period. The amount of Redevelopment Property Taorted by SAs are subject to audit by the county auditor-controller</p>				<p><b>ROPS 13-14A CAC PPA:</b> To be completed by the CAC. Note that CACs will need to enter their own calculate the PPA. Also note that the admin amount as a lump sum.</p>			
A	B	R	S	T	U	V	W
Item #	Project Name / Debt Obligation	<p><b>Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 14-15A Requested RPTTF)</b></p>		SA Comments	<p><b>Non-Admin CAC</b></p>		
		<p><b>Difference (If total actual exceeds total authorized, the total difference is zero)</b></p>	<p><b>Net Difference (M+R)</b></p>		<p><b>Net Lesser of Authorized / Available</b></p>	<p><b>Actual</b></p>	<p><b>Difference</b></p>
		\$ 100,000	\$ 100,000				\$ -
1	1997 Tax Increment		\$ -				
2	1997 Deferred		\$ -				
3	Consolidated Loan from City		\$ -				
4	Abalone Cove Property Assessment		\$ -				
5	Klondike Canyon Property Assessment		\$ -				
6	AMCAL Affordable Housing Project		\$ -				
7	Administration		\$ -				
8	County Deferral of Tax Increment		\$ -				

CAC upon submittal of the ROPS 14-15A by the SA to Finance and						
<b>ROPS 13-14A Successor A</b> n formulas at the line item level pursuant to the manner in which they						
Redevelopment Property Tals do not need to be listed at the line item level and may be entered						
the county auditor-controller						
A	B	X	Y	Z	AA	AB
		<b>RPTTF Expenditures</b>				
		<b>Admin CAC</b>			<b>Net CAC Non-Admin and Admin PPA (Amount Used to Offset ROPS 14-15A Requested RPTTF)</b>	
Item #	Project Name / Debt Obligation	Net Lesser of Authorized / Available	Actual	Difference	Net Difference	CAC Comments
				\$ -	\$ -	
1	1997 Tax Increment					
2	1997 Deferred					
3	Consolidated Loan from City					
4	Abalone Cove Property Assessment					
5	Klondike Canyon Property Assessment					
6	AMCAL Affordable Housing Project					
7	Administration					
8	County Deferral of Tax Increment					

**Recognized Obligation Payment Schedule 14-15A - Notes**

July 1, 2014 through December 31, 2014

Item #	Notes/Comments

**RESOLUTION NO. OB 2013-09**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY MAKING A FINDING THAT THE CONSOLIDATED LOAN AGREEMENT BETWEEN THE FORMER RANCHO PALOS VERDES REDEVELOPMENT AGENCY AND THE CITY OF RANCHO PALOS VERDES WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, DETERMINING THAT ADOPTION OF THIS RESOLUTION IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH**

**RECITALS:**

A. Pursuant to Health and Safety Code Section 34171(d), enforceable obligations of the former Rancho Palos Verdes Redevelopment Agency ("Former Agency") do not include the Consolidated Loan Agreement between the City of Rancho Palos Verdes and the Former Agency presented to the Oversight Board at this meeting ("Loan Agreement"), which Loan Agreement is invalid and shall not be binding on the Successor Agency to the Rancho Palos Verdes Redevelopment Agency ("Successor Agency") commencing on June 28, 2011.

B. Pursuant to Health and Safety Code Section 34191.4, notwithstanding Health and Safety Code Section 34171(d), upon the Successor Agency's receipt of a finding of completion from the California Department of Finance ("DOF") and approval of the Oversight Board, the Loan Agreement shall be deemed to be an enforceable obligation provided that the Oversight Board makes a finding that the Loan Agreement was for legitimate redevelopment purposes.

C. Pursuant to Health and Safety Code Section 34179.7, DOF issued a finding of completion to the Successor Agency on April 26, 2013.

D. Pursuant to Health and Safety Code Section 34191.4, if the Oversight Board approves the Loan Agreement, the Successor Agency subsequently will submit a repayment schedule to the Oversight Board for its consideration.

E. Staff of the Successor Agency has presented to the Oversight Board information regarding the purpose of the Loan Agreement, including the Redevelopment Plan for Project Area No. 1 and the Loan Agreement.

**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 Section 34191.4.

Section 3. Based upon information presented by Staff of the Successor Agency regarding the purpose of the Loan Agreement and the representations of staff and legal counsel of the Successor Agency with respect to the Loan Agreement including the representations below that were made to the Oversight Board, the Oversight Board hereby finds that the Loan Agreement was for legitimate redevelopment purposes.

A. All documents necessary for the Oversight Board to make the finding have been provided.

B. No documents relevant to the Oversight Board finding have been omitted from presentation to the Oversight Board.

C. The documents presented to the Oversight Board on December 11, 2013 support the Oversight Board's finding.

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

Section 5. The staff of the Successor Agency is hereby authorized and directed to prepare a repayment schedule for consideration by the Oversight Board.

Section 6. This Resolution has been reviewed with respect to the applicability of the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*) ("CEQA"). Pursuant to the State CEQA Guidelines (14 Cal. Code Regs. 15000 *et seq.*) (the "Guidelines"), the Oversight Board has determined that adoption of this Resolution is not a project pursuant to CEQA and is exempt therefrom because it is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment (Guidelines Section 15378(b)(5)). Further, it can be seen with certainty that there is no possibility that adoption of this Resolution may have a significant effect on the environment, and thus the action is exempt from CEQA (Guidelines Section 15061(b)(3)). Staff of the Successor Agency is hereby directed to prepare and post a notice of exemption pursuant to Guidelines Section 15062.

**PASSED, APPROVED, AND ADOPTED** this 11<sup>th</sup> day of December, 2013.

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Chair

ATTEST:

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Secretary

