

**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**

TUESDAY, MAY 1, 2012 AT 2:00 P.M.

Members:

Larry Clark, Stefan Wolowicz, Michael Seth Schneider, Lydia Cano, Anthony Perozzi, Ken Dyda, Kit Fox

AGENDA POSTED: April 26, 2012

WEBSITE: www.palosverdes.com/rpv/

I. CALL TO ORDER

II. ADMINISTRATIVE MATTERS

1. Self introductions of newly appointed Oversight Board members and staff.
2. Election of Chair and Vice-Chair for the Oversight Board.
3. Overview of duties and procedures of the Oversight Board.
4. Designate the Finance Officer of the Successor Agency to the Rancho Palos Verdes Redevelopment Agency as the contact person who shall serve as the point of contact for the State Department of Finance inquires. (Oral report)
5. Recommendation: Approve Oversight Board Rules and Procedures.
6. Recommendation: Adopt a resolution establishing dates, times and location of the regular meetings of the Oversight Board.

III. OVERSIGHT BOARD

7. Recommendation: Adopt a resolution approving the Successor Agency to the Rancho Palos Verdes Redevelopment Agency's Recognized Obligation Payment Schedules (ROPS) for the following periods:
 - a. January 1, 2012 through June 30, 2012; and
 - b. July 1, 2012 through December 31, 2012.
8. Recommendation: Direct the Successor Agency to provide documentation of all encumbered and unencumbered Low and Moderate Housing Funds. (Oral report)
9. Recommendation: Direct the Successor Agency to report on the sufficiency of cash flow for the period July 1, 2012 through December 31, 2012. (Oral report)
10. Recommendation: Adopt a resolution approving a Cooperative Agreement between the Successor Agency and the City of Rancho Palos Verdes, and the Successor Agency Administrative Budgets for the following periods:
 - a. January 1, 2012 through June 30, 2012; and
 - b. July 1, 2012 through December 31, 2012.

IV. DISCUSSION ITEMS

11. Discuss retention of Legal Counsel for Oversight Board. (Oral report)
12. Discuss obtaining liability insurance for Oversight Board Members. (Oral report)

V. MISCELLANEOUS

13. Public comment
14. Schedule next Special Meeting of the Oversight Board
15. Adjournment

LOBBYIST REGISTRATION: Any person who seeks support or endorsement from the Commission on any official action may be subject to the provisions of Los Angeles County Code, Chapter 2.160 relating to lobbyists. Violation of the lobbyist ordinance may result in a fine and other penalty. For further information, call (213) 974-1093.

Para información en español, por favor comuníquese a la oficina de Servicios de Comisión al número (213) 974-1431 entre 8:00 a.m. a 5:00 p.m. lunes a viernes.

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 and Commission Services Offices, Kenneth Hahn Hall of Administration, 500 West Temple Street, Room B-50, Los Angeles, CA 90012. 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.



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: MAY 1, 2012

SUBJECT: OVERVIEW OF DUTIES AND PROCEDURES OF THE OVERSIGHT
BOARD

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

Receive and file the overview of the duties and roles of the Oversight Board.

BACKGROUND

AB X1 26 signed by the Governor on June 29, 2011 and upheld by the California Supreme Court on December 23, 2011 dissolved redevelopment agencies as of February 1, 2012 ("the dissolution law"). As part of the Rancho Palos Verdes Redevelopment Agency (Agency) dissolution, the City has elected to serve as the Successor Agency. The dissolution law requires that each successor agency will have an Oversight Board of 7 members. The purpose of the Oversight Board is to oversee dissolution of the Agency, including payments of debts, termination of agreements, disposal of assets, and distribution of funds.

DISCUSSION

The Oversight Board must report its membership and Chair to the California Department of Finance (DOF) by May 1, 2012, as any Oversight Board positions not filled by May 15, 2012 may be appointed by the Governor. Immediately following the Oversight Board's May 1, 2012 meeting, staff will make such notification to the DOF.

The Oversight Board may direct the staff of the Successor Agency in furtherance of their

OVERVIEW OF THE DUTIES AND PROCEDURES OF THE OVERSIGHT BOARD

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duties and responsibilities under AB X1 26. The Successor Agency must pay for all costs of meetings of the Oversight Board and may include such costs in its administrative budget. Members of the Oversight Board are to serve without compensation or reimbursement for expenses.

AB X1 26 provides for the DOF to review the actions of oversight boards. Actions of the Oversight Board will not be effective for three business days pending a request for review by the DOF. If the DOF returns an action to the Oversight Board for reconsideration, the Oversight Board must obtain approval of its modified action.

Commencing on July 1, 2016, the individual oversight boards for each dissolved redevelopment agency will be replaced with a single oversight board for each county.

The law requires oversight boards must approve a number of actions of successor agencies, which may include the following:

- Establishment of new repayment terms for outstanding loans where such terms have not been specified prior to the date of Part 1.85 (added to Redevelopment Law by AB X1 26);
- Issuance of refunding bonds;
- The set aside of reserves as required by bond documents;
- Acceptance of federal or state grants or other forms of financial assistance from public or private sources if the assistance is conditioned upon the provision of matching funds by the successor agency in an amount greater than five percent;
- Establishment of the Recognized Obligation Payment Schedule; and
- A request by a successor agency or taxing entity to pledge, or to enter into an agreement for the pledge of, property tax revenues.

The law requires oversight boards to direct successor agencies to do certain things, which may include the following:

- Dispose of all assets and properties of the agency that were funded by tax increment revenues of the agency, except that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of the asset;
- Cease performance in connection with and terminate all existing agreements that do not qualify as enforceable obligations;
- Transfer housing responsibilities and all rights, powers, duties and obligations, along with any amounts on deposit in the Low and Moderate Income Housing Fund, to the appropriate entity (note, however, that other provisions of AB X1 26 provide for the unencumbered balance of the Low and Moderate Income Housing Fund to be disbursed to taxing entities);
- Terminate any agreement between the dissolved redevelopment agency and any public entity located in the same county that obligates the agency to provide funding

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for any debt service obligations of the public entity or for the construction or operation of facilities owned or operated by such public entity in any instance where the oversight board has found that early termination would be in the best interests of the taxing entities; and

- Determine whether any contracts or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase the revenues to the taxing entities, and present proposed termination or amendment agreements to the oversight board for its approval. The oversight board may approve any amendments to or early termination of such agreements where it finds that this would be in the best interests of the taxing entities.

Not all of these action items will be applicable to the Successor Agency of the Rancho Palos Verdes Redevelopment Agency.

PROCEDURAL RULES FOR OVERSIGHT BOARDS
BASED ON ROBERT'S RULES OF ORDER (ABRIDGED) AND IN
COMPLIANCE WITH THE BROWN ACT AND ABX1 26

MEETINGS - TIME AND PLACE OF
REGULAR AND SPECIAL MEETINGS

REGULAR MEETINGS. The Oversight Board shall provide by resolution, bylaw, or other rule, the time and place for holding regular meetings.

REGULAR MEETINGS, NOTICE. At least 72 hours before a regular meeting, an agenda shall be posted which contains a brief general description of each item of business to be transacted or discussed at the meeting. Pursuant to Health and Safety Code § 34179(f), "All notices required by law for proposed Oversight Board actions shall also be posted on the Successor Agency's Internet Web site or the Oversight Board's Internet Web site."

ADJOURNMENT OF REGULAR MEETING. Any regular meeting may be adjourned to a time and place specified in the order of adjournment.

LACK OF A QUORUM. If less than a quorum is present at any meeting, the members present may adjourn the meeting to a time and place specified in the order of adjournment.

NOTICE OF ADJOURNMENT WHERE NONE OF THE MEMBERS ARE PRESENT. If all members are absent from any regular or adjourned regular meeting, the Clerk or Secretary may declare the meeting adjourned to a stated time and place and shall cause a written notice of the adjournment to be given to each of the members of the Oversight Board in the manner required for special meetings.

POSTING OF NOTICE OR ORDER OF ADJOURNMENT. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special, or adjourned special meeting was held within twenty-four (24) hours after the time of adjournment.

SPECIAL MEETINGS. A special meeting may be called at any time by the Presiding Officer (Chair) or by a majority of the total membership of the Oversight Board (a vote of at least four members, pursuant to Health and Safety Code § 34179(e)), by delivering written notice to each member of the Oversight Board and to each local newspaper of general circulation and radio or television station requesting notice in writing.

Procedural Rules for Oversight Boards

SPECIAL MEETINGS, NOTICE. Notice for special meetings shall be delivered personally, by email, or by mail at least twenty-four (24) hours before the time of such meeting as specified in the notice, and posted in accordance with the Brown Act and on the Successor Agency's Internet website.

NOTICE, CONTENTS. The notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at a special meeting.

MEETINGS SHALL BE PUBLIC. All meetings of the Oversight Board shall be open and public, and shall be conducted in accordance with the requirements of the Brown Act.

BUSINESS

ORDER OF BUSINESS. The following is usual:

- (1) Call to order/ establishment of quorum;
- (2) Approval of the minutes of the previous meeting;
- (3) Reports of officers and standing committees;
- (4) Specific items/motions requiring action;
- (5) Announcements (optional);
- (6) Public comment; and
- (7) Adjournment.

MOTIONS MUST BE STATED BY THE CHAIR. After a motion has been made, the Chair must state the motion before the Oversight Board. The Chair alone puts the motion before the Oversight Board. Alternatively, the Chair may either rule the motion out of order, or state any question on the motion for the benefit of the Oversight Board before consideration and action.

MODIFICATION OF A MOTION BEFORE DEBATE. Before a motion is stated or ruled out of order, no debate or other motion is in order, but members may suggest modifications of the motion, and the mover has the right to make modifications or to withdraw his motion. After the motion is stated by the Chair, the mover cannot modify or withdraw his motion without consent of the Oversight Board.

DEBATING THE MOTION

WHAT MAY BE DEBATED. All resolutions, reports, communications, and all motions, except undebatable motions,¹ may be debated before final action is taken.

DISPOSAL OF MOTION WITHOUT DEBATE. The Oversight Board may by a majority of the total membership of the Oversight Board (a vote of at least four members, pursuant to Health and Safety Code § 34179(e)) decide to dispose of a resolution, report, communication, or motion without debate.

SUBJECT MATTER OF DEBATE. Debate must be limited to the merits of the immediately pending question, except that in a few cases the main question is also opened to debate.²

RIGHT TO DEBATE. Every member of the Oversight Board has the right to speak on every debatable motion before it is finally acted upon. This right cannot be interfered with except by a motion to limit debate.

METHOD OF LIMITING DEBATE. The debate, by a majority of the total membership of the Oversight Board (a vote of at least four members, pursuant to Health and Safety Code § 34179(e)), may be limited to any extent desired. The maker of the motion is entitled to close the debate.

¹ Undebatable Motions: 1) Adjourn; 2) Take a recess; 3) Suspension of the rules; 4) Objection to the consideration of a question; 5) Lay on the table; 6) Take from the table; 7) Motions to close, limit, or extend the limits of debate; 8) Amend an undebatable motion; 9) Reconsider an undebatable motion; and 10) Dispense with reading the minutes.

² Motions that Open the Main Question to Debate: 1) Postpone indefinitely and 2) Reconsider a debatable question.

VOTING ON THE MOTION

CALLING THE QUESTION. When the debate appears to the Chair to be finished, he should inquire as to whether the Oversight Board is ready for the questions. If, after a reasonable pause, no one claims the floor, the Chair may proceed to put the question to vote and to take the vote on the question.

STATEMENT OF THE QUESTION. In stating the question, the Chair should make perfectly clear what the question is that the Oversight Board is to decide.

ORDER OF VOTE. The Chair must first call for the affirmative and then the negative votes and abstentions.

MAJORITY VOTE. Pursuant to Health and Safety Code § 34179(e), "a majority of the total membership of the oversight board is required for the oversight board to take action." A majority is at least four votes cast by Oversight Board members.

TIE VOTE. On a tie vote, the motion fails.

DUTY OF THE CHAIR TO VOTE. The Chair, as a member of the Oversight Board, has the same duty as any other member to vote on every question submitted to the Oversight Board.

VOTE MUST BE ANNOUNCED. The Chair must announce the vote. Announcing the vote is a necessary part of putting the question, and the vote does not go into effect until announced.

METHOD OF ANNOUNCING THE VOTE. In announcing the vote the Chair should state first whether the motion is carried or lost; second, what is the effect or result of the vote; and third, what is the immediately pending business, if any.

MINUTES

MINUTES ARE THE OFFICIAL RECORD OF THE PROCEEDINGS OF THE OVERSIGHT BOARD. Minutes are to be a record of what was *done* at a meeting, not what was *said* by the members. It is a summary of what transpired, not a transcript.

OPEN FOR INSPECTION. The minutes of the Oversight Board meetings are public records.

MOTIONS

MAIN MOTION. This motion is necessary to bring up a particular subject. It cannot be made when any other question is before the Oversight Board, and it yields to all privileged, incidental, and subsidiary motions, i.e., any of those motions can be made while a main motion is pending. A main motion is debatable, subject to amendment, and can have any subsidiary motion applied to it. A main motion requires for its adoption a majority vote.

SUBSIDIARY MOTION.³ This motion is applied to another motion for the purpose of disposing of it. Thus, by means of this motion, the original motion may be changed, action may be postponed, etc. When applied to any main motion, it supersedes the main motion and must be decided before the main motion can be acted upon. With the exception of the motion to amend and those motions affecting the limits of debate, the subsidiary motion cannot be applied to a subsidiary, incidental, or privileged motion. And with certain exceptions,⁴ the subsidiary motion may be amended. A motion to amend anything which has already been adopted is not a subsidiary motion but is a main motion.

INCIDENTAL MOTION.⁵ This motion arises with relation to a pending motion and therefore must be decided before the motion out of which it arose is acted upon. It yields to a privileged motion and to the motion to lay on the table. It is undebatable and cannot be amended.

PRIVILEGED MOTION.⁶ This is the highest ranking motion, used to bring an important and urgent matter before the Oversight Board. Although it has no relation to the pending question, it takes precedence over all other motions, and thus it is undebatable and, with certain exceptions,⁷ cannot have any subsidiary motion applied to it.

³ Subsidiary Motions: (Arranged in the order of their precedence; when one of these motions is the immediate question, every motion above it is in order and every one below it is out of order.) 1) Lay on the table; 2) The previous question; 3) Limit or extend limits of debate; 4) Postpone definitely, or to a certain time; 5) Commit or refer, or recommend to committee or otherwise; 6) Amend; and 7) Postpone indefinitely.

⁴ Unamendable Subsidiary Motions: 1) Lay on the table; 2) The previous question; and 3) Postpone indefinitely.

⁵ Incidental Motions: 1) Questions of order; 2) Suspension of the rules; 3) Objection to the consideration of a matter; and 4) Requests growing out of business pending or that has just been pending; as, a parliamentary inquiry, a request for information, for leave to withdraw a motion; to read papers, to be excused from a duty, or for any other privilege

⁶ Privileged Motions: 1) Fix the time to which to adjourn (if made while another question is pending); 2) Adjourn (when unqualified); 3) Take a recess (if made when another question is pending); and 4) Raise a question of privilege.

⁷ The Following Privileged Motions Can Be Amended: 1) Fix the time to which to adjourn, and 2) Take a recess.

OFFICERS AND THEIR DUTIES

PRESIDING OFFICER (Chair). The Chair's duties are generally as follows: To open the session, by taking the chair and calling the members to order; to announce the business before the Oversight Board in the order in which it is to be acted upon; to recognize members entitled to the floor; to recognize members of the public who wish to address the Oversight Board; to state and to put to vote all questions which are regularly moved or which arise in the course of the proceeding and to announce the result of the vote; to protect the Oversight Board from the annoyance of frivolous or dilatory motions by refusing to recognize them; to assist in the expediting of business in every way compatible with the rights of the members, as by allowing brief remarks when undebatable motions are pending if the Chair thinks it is advisable; to restrain the members when engaged in debate, within the rules of order; to enforce the observance of order and decorum among the members, deciding all questions of order unless when in doubt the Chair prefers to submit the question for the decision of the Oversight Board; to inform the Oversight Board on any point of order or practice pertinent to pending business; to authenticate, by signature, when necessary, all the acts, orders, and proceedings of the Oversight Board.

In addition, the Chair shall possess the powers, and perform the duties prescribed, as follows:

- a. Assign seats for the use of the Oversight Board members;
- b. Preserve order and decorum and prevent demonstrations;
- c. Assure that attendants of the public at meetings shall be limited to that number which can be accommodated by the seating facilities regularly maintained therein. No standees shall be permitted;
- d. Allocate the length of time for public discussion of any matter in advance of such discussion, with the concurrence of the Oversight Board;
- e. Allocate equal time to opposing sides insofar as possible taking into account the number of persons requesting to be heard on any side;
- f. Limit the amount of time that a person may address the Oversight Board during a public discussion period in order to accommodate those persons desiring to speak and to facilitate the business of the Oversight Board.

If a Vice Chair is elected, the Vice Chair, in the absence or incapacity of the Chair, shall perform the duties of the Chair. Should the office of the Chair become vacant, the Vice Chair shall perform the duties of the Chair until the Oversight Board members elect a new Chair.

Procedural Rules for Oversight Boards

SECRETARY OR CLERK. The secretary or clerk is the recording officer of the Oversight Board and the custodian of the records. The secretary or clerk is also obligated to keep a roll of the members and to call the roll, to notify officers of their appointments, and to furnish the staff of the Successor Agency with all papers referred to them. The secretary or clerk should send out all proper notices of all called meetings and conduct the correspondence of the organization. The secretary or clerk should make out an order of business for each meeting. In the absence of the Chair and if there is no Vice Chair, the secretary should call the meeting to order and preside until the election of Chair, pro tem, which should take place immediately. The Oversight Board may designate the staff of the Successor Agency or other entity to perform the responsibilities of the secretary or clerk.

DEPARTMENT OF FINANCE CONTACT. The Oversight Board shall designate a member of the Oversight Board or member of the staff of the Successor Agency to serve as the Department of Finance contact person (Department Contact). The Chair shall direct the secretary, clerk, or other person to provide the Department of Finance with the telephone number and email of the Department Contact.

ELECTION AND TERMS OF OFFICERS

The Chair and Vice Chair (if a Vice Chair is elected) shall be elected from among the members of the Oversight Board.

The Oversight Board members may appoint such other officers (permanent, acting, or temporary) as may be appropriate. The members may fix and determine the qualifications and duties of the officers.

The Chair and Vice Chair (if a Vice Chair is elected) shall be elected at the first meeting of the Oversight Board. Should any of the offices of Chair or Vice Chair become vacant, the Oversight Board shall elect a successor at the next regular meeting. The Chair and Vice Chair shall hold such offices until successors are elected and assume office.

PROTOCOLS REGARDING PUBLIC PARTICIPATION

REQUESTS TO ADDRESS THE OVERSIGHT BOARD ON AN AGENDA ITEM. A person requesting to address the Oversight Board will be allowed a total of three (3) minutes per meeting unless the time is adjusted by the Chair as deemed appropriate given the nature of the matter. Requests to be heard must be submitted to the Oversight Board through the use of an approved "Speaker Request" form before the item is called.

Speaker Request forms shall request the following information:

- The name of the Oversight Board
- Agenda item number to be discussed, or Public Comment
- If the speaker is in favor/opposed to the agenda item
- Speaker's name (optional)
- Speaker's telephone number (optional)
- Speaker's address (optional)
- Name of organization (if applicable)
- A brief summary of the speaker's position on the matter

ADDRESSING THE OVERSIGHT BOARD. No person shall address the Oversight Board until he/she has first been recognized by the Chair. The decision of the Chair to recognize or not recognize a person may be changed by order of the Oversight Board. The Chair may, in the interest of facilitating the business of the Oversight Board, limit or expand the amount of time which a person may use in addressing the Oversight Board.

USE OF CELL PHONES AND PAGERS DURING BOARD MEETINGS. All pagers and cell phones belonging to the public, press, or personnel must be placed on vibrate mode or be turned off while an Oversight Board meeting is in session.

PUBLIC COMMENT - NON-AGENDA ITEMS. Notwithstanding any other provision of these rules, members of the public shall have the right to address the Oversight Board on items of interest, which are within the subject matter jurisdiction of the Oversight Board. A person requesting to address the Oversight Board on a non-agenda item will be allowed up to three (3) minutes per meeting. A person addressing the Oversight Board shall avoid disruptive behavior whether commenting on an agenda or non-agenda item.

ROBERT'S RULES OF ORDER

ROBERT'S RULES OF ORDER. The proceedings of the Oversight Board shall be governed by the provisions of law applicable thereto and, except as herein otherwise provided, by Robert's Rules of Order, newly revised. Provided, further, that the failure to follow the Rules of Order or these rules shall not invalidate any action taken.

(rev. 4/2012)

RESOLUTION NO. OB 2012 -

**RESOLUTION OF THE OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY TO THE RANCHO PALOS
VERDES REDEVELOPMENT AGENCY ESTABLISHING
THE TIME, DAY AND PLACE OF REGULAR MEETINGS
OF THE OVERSIGHT BOARD**

**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 time, day and place of regular meetings of the Oversight Board of the Successor Agency to the Rancho Palos Verdes Redevelopment Agency are as follows:

Time: _____

Day: _____

Place: _____

Section 2. This Resolution shall take effect immediately upon adoption.

PASSED, APPROVED and ADOPTED this 1st day of May, 2012.

Chair

ATTEST:

Secretary



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: MAY 1, 2012

SUBJECT: ADOPTION OF SUCCESSOR AGENCY RECOGNIZED OBLIGATION
PAYMENT SCHEDULES

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 a resolution approving the Successor Agency to the Rancho Palos Verdes Redevelopment Agency's Recognized Obligation Payment Schedules (ROPS) for the following periods:

- a. January 1, 2012 through June 30, 2012; and
- b. July 1, 2012 through December 31, 2012.

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 was constituted and is governed by a board of directors consisting of the members of the City Council of the City of Rancho Palos Verdes.

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 County Auditor-Controller to allocate money from the

ADOPTION OF RECOGNIZED OBLIGATION PAYMENT SCHEDULES

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Redevelopment Property Tax Trust Fund (RPTTF, formerly redevelopment tax increment), in order for the Successor Agency to make payments on enforceable obligations.

The Successor Agency to the Rancho Palos Verdes Redevelopment Agency adopted the first ROPS (January 1, 2012 through June 30, 2012) on February 21, 2012, and adopted the second ROPS (July 1, 2012 through December 31, 2012) on April 3, 2012. Ultimate approval of each ROPS is granted once it is approved by the Oversight Board and reviewed by the California Department of Finance (DOF). The first ROPS must also be certified by the County Auditor-Controller.

The ROPS have already been submitted to the DOF, State Controller's Office, and County Auditor-Controller to meet the April 15, 2012 submittal deadline. However, that submittal included a notation that the Oversight Board had not yet approved the ROPS.

The Los Angeles County Auditor-Controller has taken the position that all redevelopment obligations through June 30, 2012 (presented on the first ROPS) are to be funded from the redevelopment tax increment that was distributed to redevelopment agencies through January 20, 2012, prior to dissolution. The second ROPS will be used by the County Auditor-Controller to prepare the June 1, 2012 RPTTF disbursement.

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 2012-

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, 2012 AND ENDING JUNE 30, 2012 AND A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2012 AND ENDING DECEMBER 31, 2012 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. Accordingly, the Board of Directors of the Successor Agency to the Rancho Palos Verdes Redevelopment Agency on February 21, 2012 adopted Resolution No. SA 2012-05 approving a ROPS for the six-month fiscal period that commenced on January 1, 2012 and ends on June 30, 2012, and on April 3, 2012 adopted Resolution No. SA 2012-08 approving a ROPS for the six-month fiscal period that commences on July 1, 2012 and ends on December 31, 2012 in accordance with Health and Safety Code Section 34177.

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

D. Health and Safety Code Section 34177(1)(2) provides that the first ROPS must be reviewed and certified, as to its accuracy, by an external auditor designated pursuant to Health and Safety Code Section 34182 and that the Oversight Board is to approved the certified first ROPS.

E. Pursuant to subdivisions (1)(2)(C) and (1)(3) of Health and Safety Code Section 34177, as modified by the California Supreme Court, a copy of the certified and approved ROPS must be submitted to the California Department of Finance ("DOF") by April 15, 2012. By April 15, 2012, the Oversight Board had not yet met.

F. As of the date of this Resolution, the audit described in paragraph D has not been completed, and the first ROPS has not been reviewed and certified as to its accuracy by an external auditor. In a letter from DOF to county boards of supervisors, city administrators, and redevelopment agency successor agency representatives,

dated March 2, 2012, DOF states that the first ROPS must be approved by the Oversight Board in final form no later than April 15, 2012 and must be submitted to DOF by April 15, 2012. DOF also states in such letter that the first ROPS must be submitted to the auditor performing the agreed upon procedures audit for review, but that if the county auditor-controller states that the review of the first ROPS cannot be completed by April 15, 2012, then DOF advises oversight boards to submit the ROPS to DOF without waiting for the auditor's review.

G. DOF may review an oversight board action taken pursuant to AB X1 26. All oversight board actions shall not be effective for three 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 ten days from the date of its request 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. Subject to certification of the first ROPS by an external audit in accordance with paragraph D hereof, the Oversight Board hereby approves the first ROPS and the second ROPS and hereby directs the staff of the Successor Agency to post the first ROPS and the second ROPS on the Successor Agency's Internet website (being a page on the Internet website of the City of Rancho Palos Verdes) and submit the first ROPS and the second ROPS 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 1st day of May, 2012.

Chair

ATTEST:

Secretary

EXHIBIT A

**SUCCESSOR AGENCY TO THE
RANCHO PALOS VERDES REDEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE
(January 1, 2012 through June 30, 2012)**

Name of Agency: Rancho Palos Verdes Redevelopment Agency
 Project Area(s) Project Area No. 1

Exhibit A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34177

Project Name / Debt Obligation	Payee	Description	Funding Source	Total Outstanding Debt or Obligation	Total Due During Six-Month Period	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Total
1) 1997 Tax Increment Bond	County of Los Angeles	Restructured debt to abate active landslides within the Project Area	Redevelopment Property Tax Trust Fund	5,165,000.00	355,750.00	0.00	0.00	0.00	0.00	0.00	373,250.00	\$ 373,250.00
2) 1997 Deferred Interest Debt	County of Los Angeles	Accrued interest on original debt to abate active landslides in the Project Area	Redevelopment Property Tax Trust Fund	434,903.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
3) Consolidated Loan from City	City of Rancho Palos Verdes	Loan from City to abate active landslides in the Project Area	Redevelopment Property Tax Trust Fund	19,290,347.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
4) Tax Sharing Agreement for Fire Protection	Los Angeles County Fire Protection District	Fire protection services	Redevelopment Property Tax Trust Fund	N/A	TBD (1)	TBD (1)	TBD (1)	TBD (1)	TBD (1)	TBD (1)	TBD (1)	TBD (1)
5) Property Tax Administration Fees	County of Los Angeles	Administration of the property tax increment	Redevelopment Property Tax Trust Fund	N/A	TBD (2)	TBD (2)	TBD (2)	TBD (2)	TBD (2)	TBD (2)	TBD (2)	TBD (2)
6) Independent Audit Services	Diehl, Evans & Co., LLP	Independent audit of financial statements and other audits related to dissolution	Redevelopment Property Tax Trust Fund / Administrative Cost Allowance	N/A	26,400.00	5,293.00	1,107.00	5,000.00	5,000.00	5,000.00	5,000.00	\$ 26,400.00
7) Abalone Cove Property Assessment	Abalone Cove Landslide Abatement District	Property assessment for parcels owned by Agency	Redevelopment Property Tax Trust Fund	0.00	7,218.66	0.00	0.00	0.00	0.00	0.00	7,218.66	\$ 7,218.66
8) Klondike Canyon Property Assessment	Klondike Canyon Landslide Abatement District	Property assessment for parcels owned by Agency	Redevelopment Property Tax Trust Fund	0.00	11,296.75	0.00	0.00	0.00	0.00	0.00	11,296.75	\$ 11,296.75
9) Successor Agency Attorney	Richards, Watson & Gershon	Legal services (including those related to dissolution activities)	Redevelopment Property Tax Trust Fund / Administrative Cost Allowance	N/A	150,000.00	0.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	\$ 150,000.00
10) AMCAL Affordable Housing	City of Rancho Palos Verdes Affordable Housing Fund	Loan to RDA Housing Fund that was then loaned to AMCAL to fund project construction costs	Redevelopment Property Tax Trust Fund and Low-Moderate Income Housing Fund	1,334,559.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
11) Landslide Stability	Hardy & Harper	Grading at PVDS		65,000.00	65,000.00	65,000.00	0.00	0.00	0.00	0.00	0.00	\$ 65,000.00
12) Administration	To Be Determined	Successor Agency's administrative costs related to dissolution activities	Redevelopment Property Tax Trust Fund / Administrative Cost Allowance	N/A	75,000.00	0.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	\$ 75,000.00
13) County Deferral of Tax Increment	County of Los Angeles	County deferral of tax increment it would otherwise receive pursuant to a Settlement Agreement	Redevelopment Property Tax Trust Fund	Unknown	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
14)												\$ -
15)												\$ -
16)												\$ -
17)												\$ -
18)												\$ -
19)												\$ -
20)												\$ -
Totals				\$ 26,289,809.99	\$ 690,665.41	\$ 70,293.00	\$ 46,107.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 441,765.41	\$ 708,165.41

(1) To Be Determined - The Tax Sharing Agreement stipulates that 17% of gross tax increment is to be passed thru to the County Fire Protection District.
 (2) To Be Determined - Property Tax Administration Fees are determined by the County of Los Angeles. The Agency typically receives notice of the fee amount in December of each year.

EXHIBIT B

**SUCCESSOR AGENCY TO THE
RANCHO PALOS VERDES REDEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE
(July 1, 2012 through December 31, 2012)**

Name of Agency: Rancho Palos Verdes Redevelopment Agency
 Project Area(s): Project Area No. 1

Exhibit B

RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34177

	Project Name / Debt Obligation	Payee	Description	Funding Source	Total Outstanding Debt or Obligation	Total Due During Six-Month Period							Total
							Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	
1)	1997 Tax Increment Bond	County of Los Angeles	Restructured debt to abate active landslides within the Project Area	Redevelopment Property Tax Trust Fund	5,065,000.00	246,625.00	0.00	0.00	0.00	0.00	0.00	246,625.00	\$ 246,625.00
2)	1997 Deferred Interest Debt	County of Los Angeles	Accrued interest on original debt to abate active landslides in the Project Area	Redevelopment Property Tax Trust Fund	434,903.09	434,903.09	0.00	0.00	0.00	0.00	0.00	434,903.09	\$ 434,903.09
3)	Consolidated Loan from City	City of Rancho Palos Verdes	Loan from City to abate active landslides in the Project Area	Redevelopment Property Tax Trust Fund	19,290,357.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
4)	Property Tax Administration Fees	County of Los Angeles	Administration of Redevelopment Property Tax Trust Fund	Redevelopment Property Tax Trust Fund	Unknown	TBD (1)	0.00	0.00	0.00	0.00	0.00	TBD (1)	TBD (1)
5)	Abalone Cove Property Assessment	Abalone Cove Landslide Abatement District	Property assessment for parcels owned by Agency	Redevelopment Property Tax Trust Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
6)	Klondike Canyon Property Assessment	Klondike Canyon Landslide Abatement District	Property assessment for parcels owned by Agency	Redevelopment Property Tax Trust Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
7)	AMCAL Affordable Housing	City of Rancho Palos Verdes Affordable Housing Fund	Loan to RDA Housing Fund that was then loaned to AMCAL to fund project construction costs	Repayments from AMCAL	1,350,276.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
8)	Administration	To Be Determined	Successor Agency's administrative costs related to dissolution activities (staffing, legal, insurance, supplies, building & equipment, etc.)	Redevelopment Property Tax Trust Fund - Administrative Cost Allowance	N/A	125,000.00	20,833.34	20,833.34	20,833.33	20,833.33	20,833.33	20,833.33	\$ 125,000.00
9)	County Deferral of Tax Increment	County of Los Angeles	County deferral of tax increment it would otherwise receive pursuant to a Settlement Agreement	Redevelopment Property Tax Trust Fund	Unknown	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
10)													\$ -
2)													\$ -
3)													\$ -
4)													\$ -
5)													\$ -
6)													\$ -
7)													\$ -
Totals					\$ 26,140,536.83	\$ 806,528.09	\$ 20,833.34	\$ 20,833.34	\$ 20,833.33	\$ 20,833.33	\$ 20,833.33	\$ 702,361.42	\$ 806,528.09

(1) To Be Determined - Property Tax Administration Fees are determined by the County of Los Angeles.



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: MAY 1, 2012

SUBJECT: APPROVAL OF SUCCESSOR AGENCY ADMINISTRATIVE BUDGETS
AND COOPERATIVE AGREEMENT

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 a Resolution approving Administrative Budgets for the six-month fiscal period commencing January 1, 2012 and ending June 30, 2012, and the six-month fiscal period commencing July 1, 2012 and ending December 31, 2012, and approving a Cooperative Agreement.

BACKGROUND AND DISCUSSION

The Rancho Palos Verdes Redevelopment Agency was dissolved on February 1, 2012 pursuant to AB X1 26. On September 6, 2011, the City of Rancho Palos Verdes City Council adopted Resolution No. 2011-66 electing to serve as the Successor Agency to the Rancho Palos Verdes Redevelopment Agency. As the Successor Agency, the City has incurred and will continue to incur administrative and operational costs related to the wind down process as set forth in AB X1 26.

Pursuant to Health and Safety Code Section 34177(j), the Successor Agency shall prepare an administrative budget every six months, covering all costs associated with meeting the duties of the Successor Agency, and submit it to the Oversight Board for its approval. The proposed administrative budgets include costs from January 1, 2012 through June 30, 2012, and costs for the period July 1, 2012 through December 31, 2012.

The administrative budgets cover staff salaries and benefits, attorney and consultant costs,

APPROVAL OF SUCCESSOR AGENCY ADMINISTRATIVE BUDGETS

May 1, 2012

Page 2 of 2

supplies, insurance and other administrative costs. Health and Safety Code Section 34171(b) allows the greater of \$250,000 or 5% of the property taxes allocated to the Successor Agency for FY11-12 for the first year (through June 30, 2012), and the greater of \$250,000 or 3% of the property taxes allocated to the Successor Agency's Redevelopment Retirement Obligation Fund annually thereafter.

Approval of the proposed administrative budgets by the Oversight Board allows the County Auditor-Controller to distribute property tax revenues to the Successor Agency for the administrative costs associated with winding down the dissolved Rancho Palos Verdes Redevelopment Agency. Reimbursement will be made from property tax revenues, not to exceed the maximum amounts allowed per AB X1 26.

The Successor Agency has also submitted to the Oversight Board the "Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses" between the City and the Successor Agency attached as Exhibit C to the attached Resolution (the "Cooperative Agreement"). The Cooperative Agreement provides for the Successor Agency to use the City's staff, facilities, and other resources for the administration and operations of the Successor Agency and for the Successor Agency to reimburse the City for such advances. Pursuant to Health and Safety Code Section 34171(d)(1)(F), contracts or agreements necessary for the administration or operation of the Successor Agency are enforceable obligations and pursuant to Health and Safety Code Sections 34178(a) and 34180(h), the Successor Agency may enter into agreements with the City with the approval of the Oversight Board.

FISCAL IMPACT

The costs included in the proposed Administrative Budgets would otherwise have had to be absorbed by City funds.

RESOLUTION NO. OB 2012-

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY APPROVING ADMINISTRATIVE BUDGETS FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JANUARY 1, 2012 AND ENDING JUNE 30, 2012, AND THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2012 AND ENDING DECEMBER 31, 2012, APPROVING A COOPERATIVE AGREEMENT, 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 January 1, 2012 and ends on June 30, 2012, attached hereto as Exhibit A and incorporated herein by reference ("First Administrative Budget") and an administrative budget for the six-month fiscal period that commences on July 1, 2012 and ends on December 31, 2012, attached hereto as Exhibit B and incorporated herein by reference ("Second Administrative Budget"), and a Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and other Expenses by and between the Successor Agency and the City of Rancho Palos Verdes (the "City"), attached hereto as Exhibit C and incorporated herein by reference (the "Cooperative Agreement").

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 three 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 ten days

from the date of its request 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 the First Administrative Budget and the Second Administrative Budget, and the Cooperative Agreement and hereby directs the staff of the Successor Agency to post the foregoing documents on the Successor Agency's Internet website (being a page on the City's Internet website) and to submit the foregoing documents 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 1st day of May, 2012.

Chair

ATTEST:

Secretary

EXHIBIT A

**SUCCESSOR AGENCY TO THE
RANCHO PALOS VERDES REDEVELOPMENT AGENCY
ADMINISTRATIVE BUDGET
(January 1, 2012 through June 30, 2012)**

Staff Salaries & Benefits	\$ 33,000
Facilities & Insurances	40,000
Supplies	1,000
Legal & Other Consulting Fees	51,000
Total	\$ 125,000

EXHIBIT B

**SUCCESSOR AGENCY TO THE
RANCHO PALOS VERDES REDEVELOPMENT AGENCY
ADMINISTRATIVE BUDGET
(July 1, 2012 through December 31, 2012)**

Staff Salaries & Benefits	\$ 39,000
Facilities & Insurances	29,000
Supplies	1,000
Legal & Other Consulting Fees	56,000
Total	\$ 125,000

EXHIBIT C

**COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF
ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES
BETWEEN THE CITY OF RANCHO PALOS VERDES AND THE SUCCESSOR
AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY**

EXHIBIT C
SA RESOLUTION NO. 2012-07

**COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF
ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES**

This COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES (this "Agreement") is entered into as of February 1, 2012, by and between the City of Rancho Palos Verdes (the "City") and the Successor Agency to the Rancho Palos Verdes Redevelopment Agency (the "Successor Agency").

RECITALS:

- A. The Successor Agency is required to undertake a number of actions pursuant to Part 1.85 of the Community Redevelopment Law (commencing with Health and Safety Code Section 34170) ("Part 1.85"), including winding down the affairs of the former Rancho Palos Verdes Redevelopment Agency ("Agency") pursuant to Health and Safety Code Section 34177(h).
- B. Pursuant to Health and Safety Code Section 34171(d)(1)(F), contracts or agreements necessary for the administration or operation of the Successor Agency are enforceable obligations.
- C. Pursuant to Health and Safety Code Sections 34178(a) and 34180(h), with the approval of the oversight board, the Successor Agency may enter into agreements with the City.
- D. In connection with the administration and operations of the Successor Agency, the Successor Agency is and will be utilizing the staff, facilities, and other resources of the City.
- E. The City Manager of the City serves as Executive Director of the Successor Agency, the Director of Finance & Information Technology serves as Finance Officer of the Successor Agency, and the City Clerk serves as Secretary to the Successor Agency. Planning, finance, engineering, public works, and other City departments devote and are expected to devote substantial time with respect to the administration and operations of the Successor Agency, including gathering information relating to the Agency's enforceable obligations, conferring with public officials representing governmental agencies, and undertaking other activities in connection with winding down the affairs of the Agency.
- F. By providing and making available to the Successor Agency the staff, facilities, services, and other resources of the City, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency, the

City has advanced and will continue to advance the cost of the foregoing to the Successor Agency.

- G. The City and the Successor Agency desire to enter into this Agreement to acknowledge the foregoing recitals and to provide for an appropriate method of reimbursement of such advances by the Successor Agency to the City.

NOW, THEREFORE, THE PARTIES DO HEREBY AGREE AS FOLLOWS:

Section 1. The City shall make available to the Successor Agency its staff, facilities, services, and other resources, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency. The Successor Agency shall have access to the foregoing staff, facilities, services, and other resources of the City.

Section 2. The value of the City staff, including all employee retirement and other benefits, facilities, services, and other resources of the City, including, without limitation, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency made, and to be made, available to the Successor Agency for each six-month fiscal period beginning with the fiscal period commencing on January 1, 2012 and ending on June 30, 2012, determined in accordance with Section 3 hereof, shall constitute an advance to the Successor Agency by the City for each six-month fiscal period, to be repaid in accordance with Section 4 of this Agreement.

Section 3. Following the end of each six-month fiscal period, beginning with the fiscal period commencing on January 1, 2012 and ending on June 30, 2012, the City Manager shall prepare and present to the Successor Agency an invoice for (i) the value of City staff, including all employee retirement and other benefits, based on time records prepared by City staff, which shall describe the time devoted exclusively to matters directly related to the administration and operations of the Successor Agency; (ii) the value of consultants and legal counsel based on invoices for services devoted exclusively to matters directly related to the administration and operations of the Successor Agency; (iii) the fair rental value of office space and equipment made available to the Successor Agency; and (iv) the value of supplies, insurance and other services and facilities provided by the City to the Successor Agency.

Section 4. Within a reasonable time after the City submits an invoice to the Successor Agency pursuant to Section 3, the Successor Agency shall pay to the City the amount of the invoice from available funds of the Successor Agency. In the event that insufficient funds are available to the Successor Agency, any unpaid amounts shall be carried over to the next six-month fiscal period.

Section 5. The parties hereto agree to take all appropriate steps and execute any documents which may reasonably be necessary or convenient to implement the intent of this Agreement.

Section 6. Each party shall maintain books and records regarding its duties pursuant to this Agreement. Such books and records shall be available for inspection by the officers and agents of the other party at all reasonable times.

Section 7. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

Section 8. This Agreement will become effective upon approval of the Oversight Board to the Successor Agency.

Section 9. This Agreement may be amended at any time, and from time to time, by an agreement executed by both parties to this Agreement and approved by the Oversight Board to the Successor Agency.

SUCCESSOR AGENCY TO THE Redevelopment Agency

By Anthony Misetsch
Chair

ATTEST:

Carla Moreale
Secretary

CITY OF Rancho Palos Verdes

By Anthony Misetsch
Mayor

ATTEST:

Carla Moreale
City Clerk

APPROVED:

Carolyn Zehn

4-23-12
Date

Oversight Board to the Successor
Agency to the Rancho Palos Verdes
Redevelopment Agency