

AGENDA FOR THE **SPECIAL MEETING** OF THE  
CITY OF SAN FERNANDO OVERSIGHT BOARD

CITY OF SAN FERNANDO  
CITY COUNCIL CHAMBERS  
117 MACNEIL STREET  
SAN FERNANDO, CALIFORNIA 91340

***THURSDAY, JUNE 13, 2013, 10:10 A.M.***

**Members:**

Chair Judith N. Frank, Vice Chair Federico Ramirez, Edgar Arroyo, Jamaar Everett, Robert Moran, Monte Perez, and Jerry Ramirez

AGENDA POSTED: June 10, 2013

WEBSITE: [www.ci.san-fernando.ca.us](http://www.ci.san-fernando.ca.us)

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.

ACCOMMODATIONS: Accommodations, American Sign Language (ASL) interpreters, or assisted listening devices are available with at least three business days notice before the meeting date. Agendas in Braille and/or alternate formats are available upon request. Please telephone (213) 974-1431 (voice) or (213) 974-1707 (TDD), from 8:00 a.m. - 5:00 p.m., Monday through Friday. Para información en español, por favor comuníquese a la oficina de Servicios de Comisión al numero (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: San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340 and Commission Services Offices, Kenneth Hahn Hall of Administration, 500 West Temple Street, B-50, Los Angeles, CA 90012.

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**I. CALL TO ORDER**

**II. ROLL CALL**

**III. RECOMMENDATIONS**

1. Recommendation: Approve a resolution adopting the Successor Agency to the San Fernando Redevelopment Agency Administrative Budget for ROPS 13-14A. (13-2825)

**IV. MISCELLANEOUS**

2. Public Comment. (13-1258)
3. Adjournment. (13-1259)

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**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
SAN FERNANDO REDEVELOPMENT AGENCY**

**MEMORANDUM**

**TO:** Chairperson Judith N. Frank and Oversight Board Members

**FROM:** Don Penman, Interim City Administrator  
By: Rafaela King, Interim Finance Director

**DATE:** June 13, 2013

**SUBJECT:** Approval of the Successor Agency to the San Fernando Redevelopment Agency  
Administrative Budget No. 13-14A

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**RECOMMENDATION:**

It is recommended that the Oversight Board of the Successor Agency to the San Fernando Redevelopment Agency adopt a Resolution (Attachment "A") that will approve the Administrative Budget No. 13-14A for the Successor Agency to the San Fernando Redevelopment Agency (Successor Agency) for the six-month fiscal period from July 1, 2013 through December 31, 2013

**BACKGROUND:**

Pursuant to AB X1 26 and AB 1484, the Successor Agency must prepare a proposed administrative budget and a Recognized Obligation Payment Schedule ("ROPS") for each six-month fiscal period, both of which must be submitted to the Oversight Board for approval. Each proposed administrative budget must include all of the following: (1) estimated amounts for Successor Agency administrative costs for the applicable six-month fiscal period; (2) proposed sources of payment for the administrative costs; and, (3) proposals for arrangements for administrative and operations services provided by the City or other entity.

The Successor Agency is required to submit the ROPS No. 13-14A to the Oversight Board for approval and then submit the Oversight Board-approved ROPS No. 13-14A to the State Department of Finance (DOF), State Controller, and the County Auditor-Controller no later than March 1, 2013. Staff prepared a ROPS No. 13-14A and brought for the Oversight Board's approval at the February 14, 2013 regular meeting as a separate agenda item. Staff recommends that the Board approve Administrative Budget No. 4 that directly reflects the expenditures approved on ROPS No.13-14A.

In order to comply with applicable State law, Successor Agency staff is requesting Oversight Board approval of the attached Administrative Budget No. 13-14A per the attached Resolution (Exhibit A of Attachment "A") that identifies administrative cost being expenditures of the 2013-2014 fiscal year for the period from July 1, 2013 through December 31, 2013 (i.e., the first half of fiscal year 2013-14) consistent with the Oversight Board's previous approval of ROPS No. 13-14A.

Under AB 1484, the Oversight Board must take actions by resolution and must provide DOF, by electronic means, written notice and information about the Oversight Board's action.

## **ANALYSIS:**

### Administrative Cost Assessment

Under AB X1 26 and AB 1484, an "Administrative Cost Allowance" is paid to the Successor Agency from property tax revenues allocated by the County Auditor-Controller. The Administrative Cost Allowance is defined as an amount, subject to the approval of the Oversight Board, which is up to 3% of the property tax allocated for enforceable obligations from the Redevelopment Property Tax Trust Fund by the County Auditor-Controller. The amount shall not be less than \$250,000 for any fiscal year unless the Oversight Board reduces this amount. It is estimated that the Successor Agency to the San Fernando Redevelopment Agency administrative expenses will be \$125,000 for the reported six-month period. It is also important to note that the Administrative Cost Allowance is subject to reduction if there are insufficient funds to pay the enforceable obligations as listed on the ROPS for the same six-month fiscal period.

### Environment Assessment

It is staff's assessment that the administrative actions undertaken by the Successor Agency and the Oversight Board, as it relates to the approval of the attached Resolution and implementation of the Administrative Budget No. 13-14A, is not a project under California Environmental Quality Act and will not have any significant environmental impact environmental impact therefore no additional action is required.

## **CONCLUSION:**

Adoption of the attached Resolution will provide the reimbursement of administrative costs to the maximum allowable under applicable state law and therefore ensuring that a portion the administrative expenses to undertake the Successor Agency's work to wind down the affairs of the dissolved redevelopment agencies pursuant to applicable state regulations.

## **ATTACHMENT:**

- A. Resolution ROPS Administrative Budget No. 13-14A

## RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY APPROVING AN ADMINISTRATIVE BUDGET FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2013 AND ENDING DECEMBER 31, 2013 AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH**

**RECITALS:**

A. Pursuant to Health and Safety Code Section 34177(j), the Successor Agency to the San Fernando Redevelopment Agency (the "Successor Agency") must prepare a proposed administrative budget for each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed administrative budget to the Oversight Board of the Successor Agency (the "Oversight Board") for approval.

B. There has been presented to this Board for approval a proposed administrative budget for the Successor Agency for the six-month fiscal period from July 1, 2013 through December 31, 2013 ("Administrative Budget No. 13-14A"), attached hereto as Exhibit "A".

C. 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 34173(h), 34178(a) and 341180(h), the Successor Agency may enter into agreements with the City with the approval of the Oversight Board.

**NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER 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 approves the proposed Administrative Budget No. 13-14A substantially in the form attached hereto as Exhibit "A".

**Section 3.**

**Section 4.** The staff of the Successor Agency is hereby directed to provide the State Department of Finance ("DOF") written notice and information regarding the action taken by the Oversight Board in Section 2 of this Resolution. Such notice and information shall be provided by electronic means and in a manner of DOF's choosing.

**Section 5.** The officers of the Oversight Board and the staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution.

**PASSED, APPROVED, AND ADOPTED** this 13<sup>th</sup> day of June, 2013.

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Judith N. Frank, Chairperson

**ATTEST:**

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Ivonne Evelyn Umana, Deputy Clerk  
County of Los Angeles, Board of Supervisors  
Acting as Secretary to the  
San Fernando Oversight Board

**STATE OF CALIFORNIA**            )  
**COUNTY OF LOS ANGELES**    ) ss  
**CITY OF SAN FERNANDO**       )

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the Oversight Board of the Successor Agency of the San Fernando Redevelopment Agency held on the 13<sup>th</sup> day of June, 2013, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

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Ivonne Evelyn Umana, Deputy Clerk  
County of Los Angeles, Board of Supervisors  
Acting as Secretary to the  
San Fernando Oversight Board



**Administrative Cost Allowance ROPS 13-14A  
Recognized Obligation Payment Schedule No. 4  
July 2013 Through December 2013**

ROPS Item #	Project Name / Debt Obligation	Payee	ROPS IV Requested Amounts
7	Administrative Cost (Salaries, Benefits, and Overhead)	Employees of Successor Agency	93,850.00
9	Administrative Cost (FY 12-13 Annual Audit)	Van Lant & Fankhanel, LLP	5,400.00
10	Administrative Cost (Property Tax Analysis)	HDL, Coren & Cone	2,250.00
11	Administrative Cost (Legal Services)	Olivarez Madruga, P.C.	7,500.00
23	Administrative Cost (Redevelopment Dissolution Services)	Seifel Consulting Inc.	16,000.00
Total			\$ 125,000.00