

**SUCCESSOR AGENCY RESOLUTION NO. 24**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE  
COMMUNITY DEVELOPMENT COMMISSION OF THE CITY  
OF SOUTH GATE APPROVING THE SUCCESSOR AGENCY'S  
ADMINISTRATIVE BUDGET FOR THE 15-16B SIX-MONTH  
FISCAL PERIOD OF JANUARY 1, 2016 TO JUNE 30, 2016,  
PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)**

**WHEREAS**, the Community Development Commission of the City of South Gate (“Agency”) previously was a public body, corporate and politic formed, organized, existing and exercising its powers pursuant to Section 34100, *et seq.* of the California Health and Safety Code, and exercised the powers, authority, functions, jurisdiction of a community redevelopment agency formed, organized, existing and exercising its powers pursuant to the California Community Redevelopment Law, Health and Safety Code, Section 33000, *et seq.*, and specifically formed by the City Council (“City Council”) of the City of South Gate (“City”); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and other subsequent legislation including Senate Bill 107 described below (together, the “Dissolution Law”); and

**WHEREAS**, as of February 1, 2012, the former Agency was dissolved pursuant to the Dissolution Law, and as a separate public entity, corporate and politic, the Successor Agency to the Community Development Commission of the City of South Gate (“Successor Agency”) administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency’s affairs, all subject to the review and approval by a seven-member oversight board (“Oversight Board”); and

**WHEREAS**, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Law; and

**WHEREAS**, Section 34177(j) requires the Successor Agency to prepare an administrative budget covering the 15-16B six-month fiscal period from January 1, 2016 to June 30, 2016, and submit it to the Oversight Board for approval; and

**WHEREAS**, pursuant to Section 34177(j), the Successor Agency’s “Administrative Budget” is to include all of the following: (a) estimated amounts of the Successor Agency's administrative costs for the upcoming six-month fiscal period; (b) the proposed sources of payment for the costs identified in (a); and (c) proposals for arrangements for administrative and operations services provided by the City serving as Successor Agency; and

**WHEREAS**, the Successor Agency’s proposed Administrative Budget for the 15-16B six-month fiscal period of January 1, 2016 to June 30, 2016, has been reviewed and by this Resolution the Successor Agency desires to approve such Administrative Budget and authorize submittal thereof to the Oversight Board for its review and approval; and

**WHEREAS**, the Administrative Budget, when and as approved by the Oversight Board, will be provided to the County of Los Angeles Auditor-Controller pursuant to Section 34177(k) so that the Successor Agency's estimated administrative costs in the approved Administrative Budget will be paid from property tax revenues deposited into the Redevelopment Property Tax Trust Fund for the applicable six-month fiscal period; and

**WHEREAS**, once the Oversight Board has reviewed and approved the Successor Agency's Administrative Budget for the 15-16B six-month fiscal period of January 1, 2016 to June 30, 2016, then the Successor Agency staff will cause to be posted this Resolution, including the Administrative Budget, on the City of South Gate website: (<http://www.cityofsouthgate.org/247/Successor-Agency>), and will transmit such to the County Auditor-Controller, the State Controller's Office and the State Department of Finance ("DOF").

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The foregoing recitals are hereby incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** Pursuant to the Dissolution Law, the Successor Agency hereby approves the Administrative Budget for the 15-16B fiscal period of January 1, 2016 to June 30, 2016, submitted herewith as Attachment 1, which is incorporated herein by this reference.

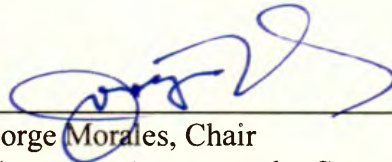
**SECTION 3.** The Successor Agency hereby authorizes transmittal of the Administrative Budget for the 15-16B six-month fiscal period of January 1, 2016 to June 30, 2016, to the Oversight Board for its review and approval and also directs staff to send the Administrative Budget to the County Auditor-Controller and DOF once reviewed and approved by the Oversight Board.

**SECTION 4.** The City Manager/Executive Director or his authorized designee is hereby directed to post this Resolution on the City's website pursuant to the Dissolution Law.

**SECTION 5.** The Recording Secretary to the Successor Agency shall certify to the adoption of this Resolution which shall be effective upon its adoption.

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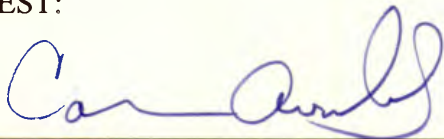
**PASSED, APPROVED AND ADOPTED** this 22<sup>nd</sup> day of September 2015.



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Jorge Morales, Chair  
Successor Agency to the Community Development  
Commission of the City of South Gate

ATTEST:



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Carmen Avalos, Recording Secretary  
Successor Agency to the Community Development  
Commission of the City of South Gate

APPROVED AS TO FORM:



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Raul F. Salinas, Authority Counsel  
Successor Agency to the Community Development  
Commission of the City of South Gate

**SOUTH GATE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET COVERING JANUARY 1, 2016 TO JUNE 30, 2016**

**ESTIMATED ANNUAL ADMINISTRATIVE EXPENSES**

<b>External Consultants</b>	<b>Costs</b>	<b>Funding Source</b>
Attorney Costs	\$ 30,000	RPTTF Administrative Allowance
Consultant Costs	\$ 45,000	RPTTF Administrative Allowance
Auditor Fees	\$ 15,000	RPTTF Administrative Allowance
	<u>\$ 90,000</u>	
<b>Successor Agency Expenses</b>		
Successor Agency rent and utilities	\$ 5,000	RPTTF Administrative Allowance
Successor Agency supplies	\$ 500	RPTTF Administrative Allowance
Successor Agency equipment	\$ 500	RPTTF Administrative Allowance
Administrative Expenses	\$ 140,000	RPTTF Administrative Allowance
Risk management/Insurance	\$ 7,000	RPTTF Administrative Allowance
Property maintenance (prior to transfer/sale)	\$ 1,500	RPTTF Administrative Allowance
	<u>\$ 154,500</u>	
<b>Oversight Board Expenses</b>		
Staff Time	\$ 5,000	RPTTF Administrative Allowance
Materials	\$ 500	RPTTF Administrative Allowance
	<u>\$ 5,500</u>	
<b>Estimated Annual Total</b>	<u><b>\$ 250,000</b></u>	
 <b>ESTIMATED ADMINISTRATIVE EXPENSES FOR 6-MONTH PERIOD COVERING JANUARY 1, 2016 TO JUNE 30, 2016</b>		
	<b>\$ 125,000</b>	



**Recognized Obligation Payment Schedule (ROPS 15-16B) - Summary**

Filed for the January 1, 2016 through June 30, 2016 Period

Name of Successor Agency: South Gate  
 Name of County: Los Angeles

<u>Current Period Requested Funding for Outstanding Debt or Obligation</u>		<u>Six-Month Total</u>
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding</b>		
<b>A</b>	<b>Sources (B+C+D):</b>	<b>\$ 44,468</b>
B	Bond Proceeds Funding (ROPS Detail)	33
C	Reserve Balance Funding (ROPS Detail)	-
D	Other Funding (ROPS Detail)	44,435
<b>E</b>	<b>Enforceable Obligations Funded with RPTTF Funding (F+G):</b>	<b>\$ 5,737,577</b>
F	Non-Administrative Costs (ROPS Detail)	5,612,577
G	Administrative Costs (ROPS Detail)	125,000
<b>H</b>	<b>Total Current Period Enforceable Obligations (A+E):</b>	<b>\$ 5,782,045</b>
<b><u>Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</u></b>		
I	Enforceable Obligations funded with RPTTF (E):	5,737,577
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(24,031)
<b>K</b>	<b>Adjusted Current Period RPTTF Requested Funding (I-J)</b>	<b>\$ 5,713,546</b>
<b><u>County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</u></b>		
L	Enforceable Obligations funded with RPTTF (E):	5,737,577
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
<b>N</b>	<b>Adjusted Current Period RPTTF Requested Funding (L-M)</b>	<b>5,737,577</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

South Gate Recognized Obligation Payment Schedule (ROPS 15-16B) - ROPS Detail  
 January 1, 2016 through June 30, 2016  
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P				
										L						M	N	O	
										Funding Source									RPTTF
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)									
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	Retired	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	Six-Month Total				
								\$ 64,532,451		\$ 33	\$ -	\$ 44,435	\$ 5,612,577	\$ 125,000	\$ 5,782,045				
3	HUD Section 108 Loan	City/County Loans	5/30/2000	12/31/2019	City of South Gate	HUD 98 loan for Towne Center Plaza	Project No. 1	1,361,162	N				44,723		\$ 44,723				
9	Successor Agency Operations	Admin Costs	2/1/2012	9/1/2024	City of South Gate	2013-2014B Admin Allowance	Project No. 1	3,219,640	N					125,000	\$ 125,000				
12	Property Disposition	Property Dispositions	7/1/2013	7/1/2014	various vendors	Funding for costs associated with disposing of all former RDA properties held by the Successor Agency including completing the Long Range Property Management Plan	Project No. 1	30,000	N				30,000		\$ 30,000				
13	City/RDA Loan Repayment	City/County Loans On or Before 6/27/11	2/24/2014	6/30/2022	City of South Gate	Repayment City Loan per H&S Code Section 34191.4. Loan was reinstated by the Oversight Board on 2/24/14	Project No. 1	3,219,640	N				944,724		\$ 944,724				
17	City/Successor Agency Loan	RPTTF Shortfall	9/9/2014	6/30/2016	City of South Gate	Shortfall loan pursuant to Section 34173(h) to cover ROPS 14-15A debt service payment on HUD Section 108 Loan	Project Area 1	293,014	N				293,014		\$ 293,014				
18	County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014A (Tax-exempt)	Refunding Bonds Issued After 6/27/12	7/31/2014	9/1/2024	US Bank	County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014A (Tax-exempt)	Project No. 1	34,510,800	N			21,196	611,854		\$ 633,050				
19	County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014B (Federally Taxable)	Refunding Bonds Issued After 6/27/12	7/31/2014	9/1/2024	US Bank	County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014B (Federally Taxable)	Project No. 1	4,193,289	N	33		23,239	28,876		\$ 52,148				
20	Reserve for County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014A (Tax-exempt)	Reserves	7/31/2014	9/1/2024	US Bank	Reserve held as necessary to make next bond payment due 9/1/2015 per HSC 34171(d)(1)	Project No. 1	13,715,000	N				1,285,000		\$ 1,285,000				
21	Reserve for County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014B (Federally Taxable)	Reserves	7/31/2014	9/1/2024	US Bank	Reserve held as necessary to make next bond payment due 9/1/2015 per HSC 34171(d)(1)	Project No. 1	1,785,000	N				182,500		\$ 182,500				
22	County of Los Angeles Redevelopment Refunding Authority Trustee Fees	Fees	7/31/2014	9/1/2024	US Bank	Trustee Fee for County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014A and 2014B	Project No. 1	38,000	N				-		\$ -				
23	City/Successor Agency Loan	RPTTF Shortfall	1/13/2015	6/30/2016	City of South Gate	Shortfall loan pursuant to Section 34173(h) to cover ROPS 14-15B debt service payment on HUD Section 108 Loan	Project Area 1	54,093	N				54,093		\$ 54,093				
24	Legal Services Contract	Legal	1/1/2015	12/31/2015	Burke, Williams & Sorenson	Fees associated with litigation costs related to denial of the HUD Section 108 Loan as an enforceable obligation	Project Area 1	50,000	N				50,000		\$ 50,000				
25	City/Successor Agency Loan	RPTTF Shortfall	7/29/2015	6/30/2016	City of South Gate	Shortfall loan pursuant to Section 34173(h) to cover ROPS 14-15B debt service payment on HUD Section 108 Loan	Project Area 1	294,093	N				294,093		\$ 294,093				
26	Remediation Costs	Remediation	8/7/2015	9/1/2024	The Reynolds Group	Costs associated with remediation of 3500-3506 Tweedy Blvd	Project Area 1	1,100,000	N				1,100,000		\$ 1,100,000				
27	Cleanup Cost Recovery	Remediation	7/1/2015	6/30/2016	Los Angeles Regional Water Quality Control Board	Costs associated with investigation and cleanup of discharges of waste into water supply	Project Area 1	7,500	N				7,500		\$ 7,500				
28	Property Maintenance	Property Maintenance	7/1/2015	6/30/2016	various vendors	Costs associated with maintenance of Fontage Road LRPMP property including equipment rental	Project Area 1	20,000	N				45,000		\$ 45,000				
29	HUD Section 108 Loan - Past Payments	City/County Loans On or Before 6/27/11	5/30/2000	12/31/2019	City of South Gate	Past payments on HUD Section 108 Loan. Loan is now considered an enforceable obligation per SB 107 and Health and Safety Code Section 34171(d)(2)	Project Area 1	641,200	N				641,200		\$ 641,200				



**South Gate Recognized Obligation Payment Schedule (ROPS 15-16B) - 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. For tips on how to complete the Report of Cash Balances Form, see [\[INSERT URL LINK TO CASH BALANCE TIPS SHEET\]](#)

A	B	C	D	E	F	G	H	I	
		Fund Sources							
		Bond Proceeds		Reserve Balance		Other	RPTTF		
	Cash Balance Information by ROPS Period	Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Pnor ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin	Comments	
<b>ROPS 14-15B Actuals (01/01/15 - 06/30/15)</b>									
1	Beginning Available Cash Balance (Actual 01/01/15)		-			1,348,872	114,303	G1 originates from a loan repayment and rental income. H1 is equal to the last two PPA's	
2	Revenue/Income (Actual 06/30/15) RPTTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during January 2015		33			23,239	373,037		
3	Expenditures for ROPS 14-15B Enforceable Obligations (Actual 06/30/15) RPTTF amounts. H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q					770,267	193,534		
4	Retention of Available Cash Balance (Actual 06/30/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					578,605	227,741		
5	ROPS 14-15B RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 14-15B PPA in the Report of PPA, Column S			No entry required				24,031	
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ 33	\$ -	\$ -	\$ 23,239	\$ 42,034		
<b>ROPS 15-16A Estimate (07/01/15 - 12/31/15)</b>									
7	Beginning Available Cash Balance (Actual 07/01/15) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ 33	\$ -	\$ 227,741	\$ 601,844	\$ 66,065		
8	Revenue/Income (Estimate 12/31/15) RPTTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during June 2015						3,817,981		
9	Expenditures for ROPS 14-15B Enforceable Obligations (Estimate 12/31/15)				227,741	578,605	3,838,819	SA expects to spend \$3,465,473 on debt service.	
10	Retention of Available Cash Balance (Estimate 12/31/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)		33			23,239	21,196		
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,031		







**RESOLUTION CERTIFICATION PAGE**

**STATE OF CALIFORNIA            )**

**COUNTY OF LOS ANGELES    )     SS**

**CITY OF SOUTH GATE         )**

I, Carmen Avalos, City Clerk of the City of South Gate, California, hereby certify that the whole number of Members of the Successor Agency of said City is five, that Resolution No. 24 was adopted by the Successor Agency at their Regular Meeting held on September 23, 2015, by the following vote:

Ayes:            Agency Members:    **Morales, Davila, Bernal and Hurtado**

Noes:           Agency Members:    **None**

Absent:         Agency Members:    **De Witt**

Abstain:        Agency Members:    **None**

Witness my hand and the seal of said City on September 23, 2015.



Carmen Avalos, City Clerk  
City of South Gate, California