

SUCCESSOR AGENCY RESOLUTION NO. 27

CITY OF SOUTH GATE  
LOS ANGELES COUNTY, CALIFORNIA

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 16-17 FISCAL PERIOD OF JULY 1, 2016 TO JUNE 30, 2017 INCLUDING THE ADMINISTRATIVE BUDGET INCLUDED THEREWITH, SUBJECT TO SUBMITTAL TO, AND REVIEW BY, THE OVERSIGHT BOARD AND THE DOF PURSUANT TO THE DISSOLUTION LAW, CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85, AND AUTHORIZING POSTING AND TRANSMITTAL THEREOF**

**WHEREAS**, the Community Development Commission of the City of South Gate (“former 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 wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation, and most recently by Senate Bill 107 (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**, Sections 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance (“DOF”); and

**WHEREAS**, Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 16-17 fiscal period of July 1, 2016 to June 30, 2017 (“ROPS 16-17”) shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2016; and

**WHEREAS**, pursuant to Sections 34179.6 and 34177(k)(2)(B) of the Dissolution Law, the Successor Agency is required to submit a copy of the draft ROPS 16-17 to the County Administrative Officer ("CAO"), the County Auditor-Controller ("CAC"), the State Controller's Office ("SCO") and the DOF at the same time that the Successor Agency submits such draft ROPS to the Oversight Board for review; and

**WHEREAS**, the Successor Agency has reviewed the draft ROPS 16-17 and desires to approve the ROPS 16-17, including the FY 16-17 Administrative Budget included therewith, and to authorize the Successor Agency to transmit such ROPS to the Oversight Board; and

**WHEREAS**, the Successor Agency shall post the ROPS 16-17 on the City's website: (<http://www.cityofsouthgate.org/247/Successor-Agency>);

**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 ROPS 16-17 submitted herewith as Exhibit No. 1 and incorporated by this reference, including the FY 16-17 Administrative Budget included therewith; provided however, that the ROPS 16-17 is approved subject to the condition that such ROPS 16-17 be transmitted to the Oversight Board for review and approval and a copy of such draft ROPS 16-17 also concurrently be sent to the CAO, CAC, SCO, and DOF. Further, the City Manager/Executive Director and/or his authorized designees, in consultation with legal counsel, shall be authorized to request and complete meet and confer session(s) with the DOF and authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF, and changes, if any, will be reported back to the Successor Agency and the Oversight Board.

[Remainder of page left blank intentionally]

**SECTION 3.** After approval by the Oversight Board, the Successor Agency hereby authorizes transmittal of the ROPS 16-17 again to the CAC, SCO and DOF.

**SECTION 4.** The City Manager/Executive Director, or his authorized designee, is hereby directed to post this Resolution, including the ROPS 16-17, on the City's website (<http://www.cityofsouthgate.org/247/Successor-Agency>) pursuant to the Dissolution Law.

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

**PASSED, APPROVED AND ADOPTED** this 12<sup>th</sup> day of January 2016.



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

**ATTEST:**



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

(SEAL)

**APPROVED AS TO FORM:**



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

**Recognized Obligation Payment Schedule (ROPS 16-17) - Summary**

Filed for the July 1, 2016 through June 30, 2017 Period

Successor Agency: South Gate  
 County: Los Angeles

| <b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>                    |   | <b>16-17A Total</b> | <b>16-17B Total</b> | <b>ROPS 16-17 Total</b> |
|--|---|---------------------|---------------------|-------------------------|
| <b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding</b> |   |                     |                     |                         |
| <b>A</b>   | <b>Sources (B+C+D):</b>   | <b>\$ 1,467,500</b> | <b>\$ -</b>         | <b>\$ 1,467,500</b>     |
| B  | Bond Proceeds Funding   | -                   | -                   | -                       |
| C  | Reserve Balance Funding   | 1,467,500           | -                   | 1,467,500               |
| D  | Other Funding   | -                   | -                   | -                       |
| <b>E</b>   | <b>Enforceable Obligations Funded with RPTTF Funding (F+G):</b> | <b>\$ 3,921,443</b> | <b>\$ 3,012,384</b> | <b>\$ 6,933,827</b>     |
| F  | Non-Administrative Costs  | 3,796,443           | 2,887,384           | 6,683,827               |
| G  | Administrative Costs  | 125,000             | 125,000             | 250,000                 |
| <b>H</b>   | <b>Current Period Enforceable Obligations (A+E):</b>            | <b>\$ 5,388,943</b> | <b>\$ 3,012,384</b> | <b>\$ 8,401,327</b>     |

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177 (o) 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 successor agency.

\_\_\_\_\_  
 Name Title  
 /s/\_\_\_\_\_  
 Signature Date

South Gate Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(Report in thousands)

| Line | Description                 | Fiscal Year | Project  | Project Name       | Project Area   | Navigation     | Navigation | Navigation | Navigation | Navigation | Navigation | Navigation | 16-17B    |           | Admin     | Total |
|------|-----------------------------|-------------|----------|--------------------|--|----------------|------------|------------|------------|------------|------------|------------|-----------|-----------|-----------|-------|
|      |                             |             |          |                    |  |                |            |            |            |            |            |            | Balance   | Change    |           |       |
| 10   | Section 120 LRP             | 02/00/00    | 01/00/00 | City of South Gate | 44-12 LRP by Trustee Order Date                        | Project Area 1 | 6/00/19    | 1          | 8,401,322  | 1,467,500  | 3,179,443  | 125,000    | 5,301,945 | 2,857,380 | 3,012,564 |       |
|      | Property Dispositions       | 01/00/13    |          | City of South Gate | 44-12 LRP by Trustee Order Date                        |                |            |            | 2,344,622  | 229,772    | 229,772    | 125,000    | 229,772   | 34,710    | 34,710    |       |
|      |                             |             |          |                    |  |                |            |            | 80,000     |            | 30,000     |            | 30,000    |           | 30,000    |       |
|      | Loan Repayment              | 02/00/14    | 03/00/02 |                    | Project Management Plan                                |                |            |            | 1,955,940  | 447        |            |            |           | 535,445   | 833,445   |       |
|      | Refunding Agency Loan       | 01/00/14    | 03/00/14 | City of South Gate | Refunding City Lines for the High-Speed Rail Authority |                |            |            | 261,174    | 381,974    | 60,304     | 281,974    |           |           |           |       |
| 18   | County Refunding            | 01/00/14    | 01/00/14 | US                 | Refunding Revenue Refunding Bonds                      |                |            |            | 750        | 500        | 1,261,000  | 600        |           | 607       | 604,500   |       |
| 19   | City Refunding              | 01/00/14    | 01/00/14 | US                 | Refunding Revenue Refunding Bonds                      |                |            |            | 47         | 182,500    | 642        |            |           | 642       | 48,800    |       |
| 20   | Reserve                     | 01/00/14    | 01/00/14 | US                 | Reserve  |                |            |            |            |            |            |            |           |           | 1,322,500 |       |
| 21   | Revenue                     |             |          |                    |  |                |            |            | 100        | 151,000    |            |            |           | 151,000   | 100       |       |
|      | Fee                         | 01/00/14    | 01/00/14 |                    | Refunding Revenue Refunding Bonds                      |                |            |            | 1,000      | 2,000      | 2,000      |            |           |           |           |       |
| 22   | Refunding Agency Loan       | 01/00/13    | 01/00/13 | City of South Gate | Refunding Revenue Refunding Bonds                      |                |            |            | 14,000     | 14,000     | 14,000     |            |           |           |           |       |
| 24   | Legal                       |             |          |                    | Legal  |                |            |            |            |            |            |            |           |           |           |       |
| 25   | Refunding Agency Loan       | 01/00/13    | 01/00/13 | City of South Gate | Refunding Revenue Refunding Bonds                      |                |            |            | 14,000     | 14,000     | 14,000     |            |           |           |           |       |
| 26   | Refunding Agency Loan       | 01/00/13    | 01/00/13 | City of South Gate | Refunding Revenue Refunding Bonds                      |                |            |            | 1,100,000  | 11,000     | 11,000     |            |           |           | 16,370    |       |
|      | Water Quality Control Board | 01/00/13    | 01/00/13 | City of South Gate | Water Quality Control Board                            |                |            |            | 7,000      | 7,000      |            |            |           |           |           |       |
|      | Various vendors             | 01/00/13    | 01/00/13 | City of South Gate | Various vendors  |                |            |            |            |            |            |            |           |           |           |       |
| 27   | Refunding Agency Loan       | 01/00/13    | 01/00/13 | City of South Gate | Refunding Revenue Refunding Bonds                      |                |            |            | 191,100    | 541,200    | 641,200    |            |           |           |           |       |

**South Gate Recognized Obligation Payment Schedule (ROPS 16-17) - 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 [CASH BALANCE TIPS SHEET](#)

| A   | B  | C                 | D     | E    | F         | G         | H         | I      |                                    |                                   |  |  |                              |                     |
|---|--|-------------------|-------|------|-----------|-----------|-----------|--------|------------------------------------|-----------------------------------|--|--|------------------------------|---------------------|
|   |  |                   |       |      |           |           |           |        | Fund Sources                       |                                   |  |  |                              |                     |
|   |  |                   |       |      |           |           |           |        | Bond Proceeds                      |                                   | Reserve Balance  |  | Other                        | RPTTF               |
|   |  |                   |       |      |           |           |           |        | Bonds issued on or before 12/31/10 | Bonds issued on or after 01/01/11 | Prior 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 |
| Cash Balance Information by ROPS Period           |  |                   |       |      |           |           |           |        |                                    |                                   |  |  |                              |                     |
| <b>ROPS 15-16A Actuals (07/01/15 - 12/31/15)</b>  |  |                   |       |      |           |           |           |        |                                    |                                   |  |  |                              |                     |
| 1   | Beginning Available Cash Balance (Actual 07/01/15)   |                   | 33    | -    | 227,741   | 601,844   | 66,065    |        |                                    |                                   |  |  |                              |                     |
| 2   | Revenue/Income (Actual 12/31/15)<br>RPTTF amounts should tie to the ROPS 15-16A distribution from the County Auditor-Controller during June 2015             |                   |       |      |           |           | 3,617,981 |        |                                    |                                   |  |  |                              |                     |
| 3   | Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)   |                   |       |      | 227,741   | 578,605   | 3,838,819 |        |                                    |                                   |  |  |                              |                     |
| 4   | Retention of Available Cash Balance (Actual 12/31/15)<br>RPTTF amount retained should only include the amounts distributed as reserve for future period(s)   |                   | 33    |      |           | 23,239    | 21,196    |        |                                    |                                   |  |  |                              |                     |
| 5   | ROPS 15-16A RPTTF Balances Remaining   | No entry required |       |      |           |           |           | 24,031 |                                    |                                   |  |  |                              |                     |
| 6   | Ending Actual Available Cash Balance<br>C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)  | \$ -              | \$ -  | \$ - | \$ -      | \$ -      | \$ -      | \$ -   |                                    |                                   |  |  |                              |                     |
| <b>ROPS 15-16B Estimate (01/01/16 - 06/30/16)</b> |  |                   |       |      |           |           |           |        |                                    |                                   |  |  |                              |                     |
| 7   | Beginning Available Cash Balance (Actual 01/01/16)<br>(C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)  | \$ -              | \$ 33 | \$ - | \$ 21,196 | \$ 23,239 | \$ 24,031 |        |                                    |                                   |  |  |                              |                     |
| 8   | Revenue/Income (Estimate 06/30/16)<br>RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016        |                   |       |      |           |           | 3,281,146 |        |                                    |                                   |  |  |                              |                     |
| 9   | Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)   |                   | 33    |      | 21,196    | 23,239    | 1,837,677 |        |                                    |                                   |  |  |                              |                     |
| 10  | Retention of Available Cash Balance (Estimate 06/30/16)<br>RPTTF amount retained should only include the amounts distributed as reserve for future period(s) |                   |       |      |           |           | 1,467,500 |        |                                    |                                   |  |  |                              |                     |
| 11  | Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)   | \$ -              | \$ -  | \$ - | \$ -      | \$ -      | \$ -      | \$ -   |                                    |                                   |  |  |                              |                     |

**SOUTH GATE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET COVERING JULY 1, 2016 TO JUNE 30, 2017**

**ESTIMATED ANNUAL ADMINISTRATIVE EXPENSES**

|   | <b>Costs</b> | <b>Funding Source</b> |
|---|--------------|-----------------------|
| <b>External Consultants</b>                                 |              |                       |
| Attorney Costs  | \$           |                       |
| Consultant Costs  | \$           |                       |
| Auditor Fees  | \$           |                       |
|   | \$           |                       |
| <b>Successor Agency Expenses</b>                            |              |                       |
| Successor Agency rent and utilities                         | \$           |                       |
| Successor Agency supplies                                   | \$ 500       |                       |
| Successor Agency equipment                                  | \$ 500       |                       |
| Administrative Expenses                                     | \$           |                       |
| Risk management/Insurance                                   | \$ 7,000     |                       |
| Property maintenance (prior to transfer/sale)               | \$ 1,500     |                       |
|   | \$ 144,500   |                       |
| <b>Oversight Board Expenses</b>                             |              |                       |
| Staff Time  | \$ 5,000     |                       |
| Materials   | \$ 500       |                       |
|   | \$ 5,500     |                       |
| <b>Estimated Annual Total</b>                               | \$ 250,000   |                       |
| <b>ESTIMATED ADMINISTRATIVE EXPENSES FOR 6-MONTH PERIOD</b> | \$ 125,000   |                       |

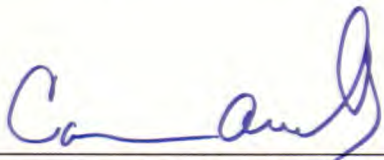
**RESOLUTION CERTIFICATION PAGE**

**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. 27 was adopted by the Successor Agency at their Regular Meeting held on January 12, 2016, by the following vote:

Ayes:            Agency Members:    De Witt, Davila, Hurtado and Bernal  
Noes:           Agency Members:    None  
Absent:         Agency Members:    Morales  
Abstain:        Agency Members:    None

Witness my hand and the seal of said City on January 14, 2016.

  
\_\_\_\_\_  
Carmen Avalos, City Clerk  
City of South Gate, California