RESOLUTION NO. 2

A RESOLUTION OF THE CITY OF SOUTH GATE ACTING AS SUCCESSOR AGENCY TO THE SOUTH GATE COMMUNITY DEVELOPMENT COMMISSION ADOPTING AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULES (ROPS) COVERING THE PERIODS OF JANUARY 1, 2012 THROUGH JUNE 30, 2012 AND JULY 1, 2012 THROUGH DECEMBER 31, 2012, PURSUANT TO HEALTH AND SAFETY CODE § 34177 AND TRANSMITTING THE ROPS TO THE NECESSARY AGENCIES

WHEREAS, on December 29, 2011, the California Supreme Court issued its opinion in the case *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of Assembly Bill x1 26 (AB1x26) and invalidated Assembly Bill x1 27; and

WHEREAS, the Court's decision resulted in the implementation of ABx1 26 which dissolved all the redevelopment agencies in the State of California as of February 1, 2012; and

WHEREAS, on January 11, 2012, the City Council of the City of South Gate affirmed and elected to have the City Council act as Successor Agency to the South Gate Community Development Commission for the purposes of winding-down the Community Development Commission under ABx1 26; and

WHEREAS, pursuant to a provision of ABx1 26, codified as Health and Safety Code Section 34177, and on April 10, 2012, the City as Successor Agency has adopted the "Amended Enforceable Obligation Payment Schedule" (EOPS) and transmitted it to the State Controller, State Department of Finance and Los Angeles County Auditor-Controller; and

WHEREAS, The EOPS has been posted on the Community Development Commission's website or, upon the Community Development Commission's dissolution under ABx1 26, on the Successor Agency's website; and

WHEREAS, on February 28, 2012, the City of South Gate, in its capacity as Successor Agency, approved two Recognized Obligation Payment Schedules (ROPS) covering the following periods: February 1, 2012, through June 30, 2012, and July 1, 2012, through December 31, 2012; and

WHEREAS, it has come to the attention of staff for the Successor Agency that, despite redevelopment agencies not being dissolved until February 1, 2012, and despite the reformation of certain dates in ABx1 26 from the California Supreme Court in the *Matosantos* case, the California Department of Finance (DOF) is requesting that the first ROPS cover the period from January 1, 2012, through June 30, 2012.

WHEREAS, since adoption of the ROPS in February 2012, payment amounts on specific enforceable obligations have been revised on both the January 1, 2012 through June 30, 2012 and July 1, 2012 through December 31, 2012 ROPS to more accurately project enforceable obligation payment amounts.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL SERVING AS THE SUCCESSOR AGENCY:

SECTION 1. The foregoing Recitals are true and correct and are incorporated herein.

SECTION 2. The Recognized Obligation Payment Schedule covering the period of February 1, 2012, through June 30, 2012, adopted on February 28, 2012, is hereby amended to cover the period of January 1, 2012, through June 30, 2012, in the form attached hereto as Attachment "B" and incorporated herein by reference. The ROPS, as amended by this Resolution, shall be deemed for all purposes in furtherance of ABx1 26 as the "ROPS" for the period of January 1, 2012, through June 30, 2012.

SECTION 3. The Recognized Obligation Payment Schedules now covering January 1, 2012 through June 30, 2012 and July 1, 2012 through December 31, 2012, are hereby amended to account for revised enforceable obligation payment amounts, in the forms attached hereto as Attachment "C" and incorporated herein by reference. The ROPS, as amended by the Resolution, shall be deemed for all purposes in the furtherance of ABx1 26 as the "ROPS" for the periods of January 1, 2012 through June 30, 2012 and July 1, 2012 through December 31, 2012.

SECTION 4. The City Clerk, on behalf of the Successor Agency, shall certify to the adoption of this Resolution, which shall be effective upon adoption.

PASSED, APPROVED AND ADOPTED this 10th day of April, 2012.

CITY OF SOUTH GATE SERVING AS SUCCESSOR AGENCY:

Maria Davila, Mayor

ATTEST:

Carmen Avalos, City Clerk on behalf of Successor Agency

(SEAL)

APPROVED AS TO FORM:

Raul Salinas, City Attorney on behalf of Successor Agency

Name of Redevelopment Agency: Community Development Commission of the City of South Gate

Project Area(s): South Gate Redevelopment Project No. 1

ATTACHMENT B

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

January 2012 - June 2012

Per AB 26 - Section 34177(l)

	Project Name / Debt Obligation	Payee	Revenue Source	Description	Total Outstanding Debt or Obligation	Projected Payment Dates	Obligation Expiration Date	Total Due During Fiscal Year	Projected Payments by Month						
									Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Subtotal
1	Tax Allocation Bonds - 2002	US Bank	Redevelopment Property Tax Trust Fund	Bond debt service on CDC Bonds	$18,671,043	September 1st and March 1st	9/1/24	$1,335,556	-	-	340,278	-	-	-	$340,278
2	Tax Allocation Bonds - 2003	US Bank	Redevelopment Property Tax Trust Fund	Bond debt service on CDC Bonds	$33,653,212	September 1st and March 1st	9/1/24	$2,405,156	-	-	590,078	-	-	-	$590,078
3	HUD Section 108 Loan	City of South Gate	Redevelopment Property Tax Trust Fund	Jul '99 loan for Towne Center Plaza	$3,062,595	August 1st and February 1st	3/312013	$355,424	-	79,151	-	-	-	-	$79,151
4	$12 M City Advance	City of South Gate	Redevelopment Property Tax Trust Fund	Feb '02 advance for improvement costs	$3,031,933	Monthly Expense	8/1/15	$731,361	423,723	60,946	60,946	60,946	60,946	60,946	$304,730
5	2002 COP Series A & B	City of South Gate	Redevelopment Property Tax Trust Fund	Mar '02 financing for CDC refunding	$25,342,688	Monthly Expense	9/1/24	$1,811,563	150,892	150,892	150,892	150,892	150,892	150,892	$754,460
6	Bond Trustee Fees	US Bank	Redevelopment Property Tax Trust Fund	D/S trustee fees for 2002 TABs	$72,600	December 1st and June 1st	9/1/24	$6,600	-	-		-	-	3,300	$3,300
7	Bond Trustee Fees	US Bank	Redevelopment Property Tax Trust Fund	D/S trustee fees for 2003 TABs	$72,600	December 1st and June 1st	9/1/24	$6,600	-	-		-	-	3,300	$3,300
8	Trustee Fees	US Bank	Redevelopment Property Tax Trust Fund	D/S trustee fees for COPs	$72,600	December 1st and June 1st	9/1/24	$6,600	-	-	-	-	-	3,300	$3,300
9	Continuing Disclosure Services	City of South Gate	Redevelopment Property Tax Trust Fund	Annual disclosure reports for bonds	$121,000	January and February	9/1/24	$11,000	1,000	-	-	-	-	-	$0
10	Successor Agency Support	RSG, Inc.	Administrative Cost Allowance	Consulting support for Successor Ag	$25,000	Monthly Expense	Annual Renewal	$25,000	-	7,500	5,000	7,500	5,000	-	$25,000
11	Successor Agency Operations	City of South Gate	Redevelopment Property Tax Trust Fund	2011-12 Admin Allowance	$276,880	Bi-Weekly	9/1/24	$276,880	-	55,376	55,376	55,376	55,376	55,376	$276,880
12	Auditing Services	HDL Companies	Redevelopment Property Tax Trust Fund	Audit for Agency close-out	$50,000	Oct, Nov, Dec	9/1/24	$50,000		-	-	-	5,000	5,000	$10,000
13	CDC Annual Audit	Lance Soll & Lunghard	Redevelopment Property Tax Trust Fund	Annual audit costs	$13,000	December and January	9/1/24	$13,000	-	6,523	-	-	-	-	$6,523
14	Legal Services	SYCR	Redevelopment Property Tax Trust Fund	Agency legal counsel	$10,000	As Invoiced	Annual Renewal	$10,000	-	5,000	5,000	-	-	-	$10,000
15	Other Legal Services	Morrison, Alvarado, CP&D	Redevelopment Property Tax Trust Fund	Special counsel services	$54,500	Monthly Expense	Annual Renewal	$54,500	-	5,000	5,000	5,000	5,000	5,000	$25,000
16	Membership / RMDZ	LA Co. Public Works	Redevelopment Property Tax Trust Fund	Annual membership fee	$1,500	December 1st	Annual Renewal	$1,500	-	-	-	-	-	-	$0
17	Section 8 Financial Report	HUD	Redevelopment Property Tax Trust Fund	Annual reporting cost	$840	November 1st	Annual Renewal	$840	-	-	-	-	-	-	$0
18	Annual Report Preparation	RSG, Inc.	Redevelopment Property Tax Trust Fund	Consulting fees for annual CDC report	$5,105	December 15th	Annual Renewal	$5,105	5,105	-	-	-	-	-	$0
19	Other Emp Salary & Benefits	City of South Gate	Redevelopment Property Tax Trust Fund	Obligations under extended CBA MOU	$733,793	Bi-Weekly	9/1/24	$733,793	17,310	100,779	100,779	100,779	100,779	100,779	$503,897
20	Environmental Cleanup	Varies	Redevelopment Property Tax Trust Fund	Potential costs to CDC for cleanup	$500,000	As Invoiced	Until Remediated	$500,000	-	-	-	-	-	500,000	$500,000
21	02 TAB / COPs Reserve	US Bank	Redevelopment Property Tax Trust Fund	Reserves for bonds and COPs	$4,221,208	February 1st	9/1/24	$4,221,208	-	4,221,208	-	-	-	-	$4,221,208
	Totals				$89,992,097			$12,561,686	598,030	4,692,375	1,313,349	380,493	382,993	887,893	$7,657,104

Name of Redevelopment Agency: Community Development Commission of the City of South Gate

Project Area(s) South Gate Redevelopment Project No. 1

ATTACHMENT C

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE

July 2012 - December 2012

Per AB 26 - Section 34177(l)

	Project Name / Debt Obligation	Payee	Revenue Source	Description	Total Outstanding Debt or Obligation	Projected Payment Dates	Obligation Expiration Date	Total Due During Fiscal Year	Projected Payments by Month						
									Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Subtotal
1	Tax Allocation Bonds - 2002	US Bank	Redevelopment Property Tax Trust Fund	Bond debt service on CDC Bonds	$17,335,487	September 1st and March 1st	9/1/24	$1,332,806	-	-	1,008,903	-	-	-	$1,008,903
2	Tax Allocation Bonds - 2003	US Bank	Redevelopment Property Tax Trust Fund	Bond debt service on CDC Bonds	$31,248,056	September 1st and March 1st	9/1/24	$2,406,581	-	-	1,848,291	-	-	-	$1,848,291
3	HUD Section 108 Loan	City of South Gate	Redevelopment Property Tax Trust Fund	Jul '99 loan for Towne Center Plaza	$2,707,171	August 1st and February 1st	3/312013	$355,461	-	284,150	-	-	-	-	$284,150
4	$12 M City Advance	City of South Gate	Redevelopment Property Tax Trust Fund	Feb '02 advance for improvement costs	$2,300,572	Monthly Expense	8/1/15	$731,361	60,946	60,946	60,946	60,946	60,946	60,946	$365,676
5	2002 COP Series A & B	City of South Gate	Redevelopment Property Tax Trust Fund	Mar '02 financing for CDC refunding	$23,531,125	Monthly Expense	9/1/24	$1,810,700	150,892	150,892	150,892	150,892	150,892	150,892	$905,350
6	Bond Trustee Fees	US Bank	Redevelopment Property Tax Trust Fund	D/S trustee fees for 2002 TABs	$66,000	December 1st and June 1st	9/1/24	$6,600	-	-	-	-	-	3,300	$3,300
7	Bond Trustee Fees	US Bank	Redevelopment Property Tax Trust Fund	D/S trustee fees for 2003 TABs	$66,000	December 1st and June 1st	9/1/24	$6,600	-	-	-	-	-	3,300	$3,300
8	Trustee Fees	US Bank	Redevelopment Property Tax Trust Fund	D/S trustee fees for COPs	$66,000	December 1st and June 1st	9/1/24	$6,600	-					3,300	$3,300
9	Continuing Disclosure Services	City of South Gate	Redevelopment Property Tax Trust Fund	Annual disclosure reports for bonds	$11,000	January and February	9/1/24	$11,000	-	-	-	-	-	11,000	$11,000
10	Successor Agency Support	RSG, Inc.	Administrative Cost Allowance	Consulting support for Successor Ag	$50,000	Monthly Expense	Annual Renewal	$50,000	4,167	4,167	4,167	4,167	4,167	4,167	$25,000
11	Successor Agency Operations	City of South Gate	Redevelopment Property Tax Trust Fund	2011-12 Admin Allowance	$458,809	Bi-Weekly	9/1/24	$458,809	38,234	38,234	38,234	38,234	38,234	38,234	$229,404
12	Property Tax Auditing Services	HDL Companies	Redevelopment Property Tax Trust Fund	Reports for Continuing Disclosure	$50,000	Oct, Nov, Dec	9/1/24	$50,000	-	-	-	5,000	15,000	30,000	$50,000
13	CDC Annual Audit	Lance Soll & Lunghard	Redevelopment Property Tax Trust Fund	Annual audit costs	$13,000	December and January	9/1/24	$13,000	-	-	-	-	-	6,500	$6,500
14	Legal Services	SYCR	Redevelopment Property Tax Trust Fund	Agency legal counsel	$10,000	As Invoiced	Annual Renewal	$10,000	-	-	-	-	-	-	$0
15	Other Legal Services	Morrison, Alvarado, CR&D	Redevelopment Property Tax Trust Fund	Special counsel services	$54,500	Monthly Expense	Annual Renewal	$60,000	5,000	5,000	5,000	5,000	5,000	5,000	$30,000
16	Membership / RMDZ	LA Co. Public Works	Redevelopment Property Tax Trust Fund	Annual membership fee	$1,500	December 1st	Annual Renewal	$1,500	-	-	-	-	-	1,500	$1,500
17	Section 8 Financial Report	HUD	Redevelopment Property Tax Trust Fund	Annual reporting cost	$840	November 1st	Annual Renewal	$840	-	-	-	-	840	-	$840
18	Annual Report Preparation	RSG, Inc.	Redevelopment Property Tax Trust Fund	Consulting fees for annual CDC report	$5,105	December 15th	Annual Renewal	$5,105	-	-	-	-	-	5,105	$5,105
19	Other Emp Salary & Benefits	City of South Gate	Redevelopment Property Tax Trust Fund	Obligations under extended CBA MOU	$733,793	Bi-Weekly	9/1/24	$733,793	61,149	61,149	61,149	61,149	61,149	61,149	$366,897
20	Environmental Cleanup	Varies	Redevelopment Property Tax Trust Fund	Potential costs to CDC for cleanup	$500,000	As Invoiced	Until Remediated	$500,000	-	-	-	-	-	-	$0
21	02 TAB / COPs Reserve	US Bank	Redevelopment Property Tax Trust Fund	Reserves for bonds and COPs	$4,221,208	February 1st	9/1/24	$4,221,208	-	-	-	-	-	-	$0
	Totals				$83,430,166			$12,771,964	320,388	604,538	3,177,581	325,388	336,228	384,393	$5,148,515

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. 2 was adopted by the Successor Agency at their Meeting held on April 10, 2012, by the following vote:

Ayes:	Council Members:	Davila, De Witt, Hurtado, Gonzalez and Morales
Noes:	Council Members:	None
Absent:	Council Members:	None
Abstain:	Council Members:	None

Witness my hand and the seal of said City on April 19, 2012.

Carmen Avalos, City Clerk
City of South Gate, California