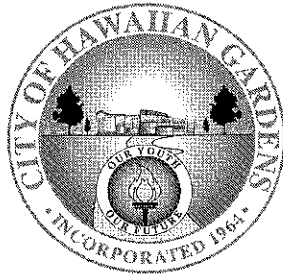


CITY OF HAWAIIAN GARDENS
A G E N D A

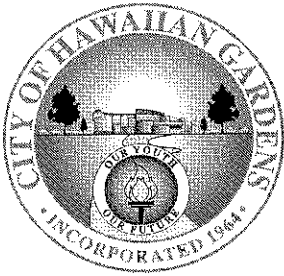
**OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY
OF THE CITY OF HAWAIIAN GARDENS**

**CHAIRMEMBER
VICE CHAIRMEMBER
BOARDMEMBER
BOARDMEMBER
BOARDMEMBER
BOARDMEMBER
BOARDMEMBER**

**MICHAEL GOMEZ
GEORGE FRANZEN
GORDON STEFENHAGAN
JOSEPH COLOMBO
BECKY BLAIR
DAVID EL FATTAL
TOAN NGUYEN**



REGULAR MEETING
WEDNESDAY, FEBRUARY 27, 2013 AT 3:00 PM



AGENDA

OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HAWAIIAN GARDENS REGULAR MEETING

WEDNESDAY, FEBRUARY 27, 2013 AT 3:00 P.M.

Meeting Location: City Council Chambers, 21815 Pioneer Boulevard, Hawaiian Gardens, California.

ADA Information: The City of Hawaiian Gardens complies with the provisions of the Americans with Disabilities Act (ADA). Anyone needing special assistance please contact the City Clerk's Department at **(562) 420-2641**, at least one (1) business day prior to the meeting so that we may accommodate you.

Bilingual Information: Anyone needing a Spanish bilingual translator for **ORAL COMMUNICATION ONLY**, please contact the City Clerk's Department at **(562) 420-2641**, at least one (1) business day prior to the meeting so that we may accommodate you.

PLEASE TURN OFF PAGERS AND CELL PHONES DURING THE MEETING.

CALL TO ORDER

FLAG SALUTE

ROLL CALL

CHAIRMEMBER	MICHAEL GOMEZ
VICE CHAIRMEMBER	GEORGE FRANZEN
BOARDMEMBER	GORDON STEFENHAGAN
BOARDMEMBER	JOSEPH COLOMBO
BOARDMEMBER	BECKY BLAIR
BOARDMEMBER	DAVID EL FATTAL
BOARDMEMBER	TOAN NGUYEN

PRESENTATIONS

ADMINISTER OATH OF OFFICE TO TOAN NGUYEN.

ORAL COMMUNICATIONS

This is the time reserved for members of the public wishing to address the board on any matter not otherwise on the agenda and within the jurisdiction of the Oversight Board. Speakers shall address all comments to the Chairmember and the Board as a body and not to any particular Board Member or member of the staff. Speakers shall be limited to three (3) minutes per speaker.

- A. CONSENT CALENDAR** - Items listed on the Consent Calendar are considered routine and will be enacted by one motion and one vote. There will be no separate discussion of these items. If discussion is desired, that item may be removed from the Consent Calendar and will be considered separately.
1. ADOPT RESOLUTION NO. OB-2013-001, TO APPROVE THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY THROUGH DECEMBER 2013.

RESOLUTION NO. OB 2013-001

A RESOLUTION OF THE SUCCESSOR AGENCY RDA OF THE CITY OF HAWAIIAN GARDENS COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY THROUGH DECEMBER 2013.

BOARD ACTION: Waive further reading and adopt Resolution No. OB 2013-001.

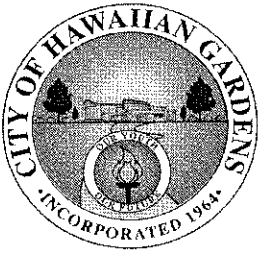
2. PRESENTATION OF MINUTES:

OCTOBER 24, 2012 - REGULAR MEETING

BOARD ACTION: Approve the minutes as presented.

B. ADJOURNMENT

Adjourn to the next Regular Meeting to be held on Wednesday, March 27, 2013 at 3:00 p.m.



**OVERSIGHT BOARD FOR
SUCCESSOR AGENCY TO
REDEVELOPMENT AGENCY OF
THE CITY OF HAWAIIAN
GARDENS
STAFF REPORT**

Agenda Item No.: A-1
Meeting Date: 2/27/2013
Executive Dir.: _____

TO: Honorable Chairperson and Members of the Board
FROM: Ernesto Marquez, Executive Director
DATE: February 27, 2013
SUBJECT: Consideration of a Resolution Approving the Recognized Obligation Payment Schedule of the Successor Agency to the Hawaiian Gardens Redevelopment Agency for the Period of July through December 2013.

SUMMARY AND DISCUSSION

ABX1 26, the 2011 Redevelopment Dissolution Legislation, requires the Successor Agency of the RDA to adopt and update Recognized Obligation Payment Schedules (ROPS) to cover six-month periods to be submitted to the County and the State prior to the start of each six-month period (January-June, and July-December of each year).

In June 2012, the State Legislature adopted AB 1484 as part of the State budget, which amended the Redevelopment Dissolution legislation in various respects, including the requirement to submit ROPS approved by the Oversight Board at least 90 days before the date of the County makes property tax distributions. The ROPS for July-December 2013 is due to the State on or before March 3, 2013.

RECOMMENDATION

By Motion, approve the Resolution Adopting the Recognized Obligation Payment Schedule covering the period of July-December 2013.

FISCAL IMPACT

Adoption of the resolution will allow the Successor Agency to pay the obligations listed on the ROPS.

ATTACHMENTS

Resolution and ROPS for July-December 2013.

OVERSIGHT BOARD RESOLUTION NO.OB-2013-001

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE HAWAIIAN GARDENS REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY THROUGH DECEMBER 2013.

WHEREAS, the Oversight Board of the Successor Agency to the Hawaiian Gardens Redevelopment Agency has been established to direct the Successor Agency to take certain actions to wind down the affairs of the Redevelopment Agency in accordance with the California Health and Safety Code as amended by AB X1 26 (the "Dissolution Act"); and;

WHEREAS, as part of this wind up process, all successor agencies are required to file a schedule of those "enforceable obligations" that require payments to be made throughout the dissolution process ("Recognized Obligation Payment Schedule"); and

WHEREAS, Part 1.85 of the Dissolution Act further requires the Recognized Obligation Payment Schedule to cover successive six-month fiscal year periods; and

WHEREAS, AB 1484, Chapter 26 of the 2012 California Statutes amended Part 1.85 of the Dissolution Act to require the submittal to the California Department of Finance at least 90 days before the date of the County makes property tax distributions, the Recognized Obligation Payment Schedule approved by the Oversight Board for the period of July through December 2013.

WHEREAS, the Oversight Board reviewed the Revised Recognized Obligation Payment Schedules adopted by the Successor Agency on February 26, 2013 covering the periods of July through December 2013.

NOW THEREFORE, BE IT RESOLVED, by the Oversight Board of the Successor Agency to the Hawaiian Gardens Redevelopment Agency, as follows:

1. The Recitals set forth above are true and correct and incorporated herein by reference.
2. The Schedules attached hereto as Exhibit A as the Recognized Obligation Payment Schedule for the period of July through December 2013 are hereby approved.
3. This Resolution shall be effective immediately upon adoption.
4. The Secretary of the Oversight Board shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 27th day of February, 2013.

MICHAEL GOMEZ, CHAIR

ATTEST:

SUZANNE UNDERWOOD, OVERSIGHT BOARD SECRETARY

Successor Agency

ID: **111**
County: **Los Angeles**
Successor Agency: **Hawaiian Gardens**

Primary Contact

Honorific (Ms, Mr, Mrs)

First Name

Last Name

Title

Address

City

State

Zip

Phone Number

Email Address

Mr.
Ernesto
Marquez
City Administrator
21815 Pioneer Boulevard
Hawaiian Gardens
CA
90716
1-562-420-2641
Emarquez@hgcity.org

Secondary Contact

Honorific (Ms, Mr, Mrs)

First Name

Last Name

Title

Phone Number

Email Address

Ms.
Linda
Suniga
Administrative Analyst
1-562-420-2641 ext. 235
Lsuniga@hgcity.org

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Filed for the July 1, 2013 to December 31, 2013 Period

Name of Successor Agency: **HAWAIIAN GARDENS (LOS ANGELES)**

Outstanding Debt or Obligation	Total
Total Outstanding Debt or Obligation	\$55,163,034.00

Current Period Outstanding Debt or Obligation	Six-Month Total
A Available Revenues Other Than Anticipated RPTTF Funding	\$0.00
B Enforceable Obligations Funded with RPTTF	\$2,336,053.00
C Administrative Allowance Funded with RPTTF	\$125,000.00
D Total RPTTF Requested (B + C = D)	\$2,461,053.00
E Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be the same amount as ROPS form six-month total</i>	\$2,461,053.00
F Enter Total Six-Month Anticipated RPTTF Funding	\$2,670,098.00
G Variance (F - D = G) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$ 209,045

Prior Period (July 1, 2012 through December 31, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))	
H Enter Estimated Obligations Funded by RPTTF <i>(lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)</i>	\$89,364.00
I Enter Actual Obligations Paid with RPTTF	\$0.00
J Enter Actual Administrative Expenses Paid with RPTTF	\$89,364.00
K Adjustment to Redevelopment Obligation Retirement Fund (H - (I + J) = K)	\$0.00
L Adjustment to RPTTF (D - K = L)	\$2,461,053.00

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 ("ROPS") for the above named agency.

Name	Title
Signature	Date

HAWAIIAN GARDENS (LOS ANGELES)
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-14A) -- Notes (Optional)
 July 1, 2013 through December 31, 2013

Item #	Project Name / Debt Obligation	Notes/Comments
1	1999 Tax Allocation Bonds	None
2	2004 Tax Allocation Bonds	None
3	2006 Tax Allocation Bonds	None
4	Successor Agency Administration	None
5	SERAF Loan Repayment	This loan will be eligible for repayment once the Successor Agency receives a F.O.C. The repayment will begin during ROPS 13-14B based on the formula specified in HSC §34191.4 (b)(2)(A).
6	Intentionally Left Blank	Tax Sharing: Removed per DOF's letter dated October 29, 2012. Now managed by County Auditor-Controller.
7	Repay Cash Flow Loans	This loan will be eligible for repayment once the Successor Agency receives a F.O.C. The repayment will begin during ROPS 13-14B based on the formula specified in HSC §34191.4 (b)(2)(A).
8	Securities Servicing	Inadvertently left off prior ROPS.
9	Continuing Disclosure	Inadvertently left off prior ROPS.
10	Arbitrage Analysis for TABs	Inadvertently left off prior ROPS.
11		
12		
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19		

MINUTES

**OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY
TO THE REDEVELOPMENT AGENCY
OF THE CITY OF HAWAIIAN GARDENS
REGULAR MEETING**

WEDNESDAY, OCTOBER 24, 2012 AT 3:00 P.M.

CALL TO ORDER

The Regular meeting of the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Hawaiian Gardens was called to order by Chairmember Michael Gomez Wednesday, October 24 2012, at 3:00 p.m. in the City Council Chambers, 21815 Pioneer Boulevard, Hawaiian Gardens, California.

FLAG SALUTE

The Flag Salute was led by Boardmember El Fattel.

**ROLL CALL
PRESENT**

CHAIRMEMBER	MICHAEL GOMEZ
VICE CHAIRMEMBER	GEORGE FRANZEN
BOARDMEMBER	JOSEPH COLOMBO
BOARDMEMBER	BECKY BLAIR
BOARDMEMBER	DAVID EL FATTAL
BOARDMEMBER	MEL IIZUKA

ABSENT

BOARDMEMBER	GORDON STEFENHAGAN
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Sue Underwood, Oversight Board Secretary, announced a quorum. Vice Chairmember Franzen was absent during roll call and arrived at 3:05 p.m..

ORAL COMMUNICATIONS

No one wished to speak at this time.

- A. CONSENT CALENDAR** - Items listed on the Consent Calendar are considered routine and will be enacted by one motion and one vote. There will be no separate discussion of these items. If discussion is desired, that item may be removed from the Consent Calendar and will be considered separately.

Chairmember Gomez pulled C1.

2. PRESENTATION OF MINUTES:

AUGUST 22, 2012 - REGULAR MEETING AND
OCTOBER 17, 2012 - SPECIAL MEETING.

BOARD ACTION: Approve the minutes as presented.

It was moved by Boardmember El Fattel, seconded by Boardmember Colombo and approved by voice vote to adopt the minutes as presented. Boardmember Blair abstained as she was absent from the meetings. Boardmember Stefenhagen was absent.

Motion carried.

C. CONSENT CALENDAR (Separate action items)

1. ADOPT RESOLUTION NO. OB-2012-007, TO APPROVE THE LOW-MODERATE INCOME HOUSING FUND DUE DILIGENCE REVIEW REPORT DATED OCTOBER 4, 2012.

RESOLUTION NO. OB 2012-007

A RESOLUTION OF THE SUCCESSOR AGENCY RDA OF THE CITY OF HAWAIIAN GARDENS COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, APPROVING THE LOW-MODERATE INCOME HOUSING FUND DUE DILIGENCE REVIEW REPORT DATED OCTOBER 4, 2012.

BOARD ACTION: Waive further reading and adopt Resolution No. OB 2012-007.

Omar Sandoval, City Attorney, presented the staff report by stating that this item was the Due Diligence Review of the Low and Moderate Income Housing Fund of the former Redevelopment Agency now the Successor Agency. Under AB1484 the State indicated that all of the deposits in the Low-Mod Income Housing Fund would be going to the State to be distributed to the taxing agencies. In addition to that AB1484 required Due Diligence Reviews, which are mini audits of the different funds that are held by the Successor Agency. The first Due Diligence Review was required of the Low-Mod Income Housing Fund. He stated that most of the Board understood the way Development Law used to work. On the tax increment under Redevelopment Law 20% of all the tax increment was supposed to be set aside in what was called the Low-Mod Income Housing Fund. Those funds were set aside to enhance or create low mod income housing within the community. In terms of tax increment only 80% was available for redevelopment projects. Most agencies had spent most of the 80% tax increment as that was pledged for repayment of bonds. An agency had to borrow money then pledge tax increment to repay that money in order to function. Most agencies have tax increments using almost all of it to retire bonds that were originally issued to create redevelopment agencies and the redevelopment project areas. The 20% Low-Mod Income Housing fund was not enough to pay for acquisition of property or relocation assistance then creation of new projects. It was difficult to create new projects due to the economy and the need to partner with the private sector for new projects. In order

to create new housing the redevelopment agencies had to acquire new land and the act of Eminent Domain was frowned upon. In order to create new housing a City must acquire new land and to acquire new land in an area such as this City residents would be displaced. The fact that many agencies were not will to use Eminent Domain also limited the ability to acquire properties to create Low-Mod income Housing. He asked David Song, Finance Director, how much money was in the Low-Mod Housing Fund. Mr. Song responded that there was 3.6 million dollars.

Mr. Sandoval continued that the original AB26 had conflicting provisions it provided that the Oversight Board could authorize the Successor Agency to transfer that money to the agency that took over the housing functions of the former Redevelopment Agency and in this jurisdiction it would be the Public Housing Authority. At the same time AB26 indicated that the money would go to the taxing agencies, so the State was actually taking it. Therefore there was a conflict in the statute. AB1484 eliminated the Board's authority to direct that the money be transferred to the Public Housing Authority. Now the 3.6 million dollars would be going to the taxing agencies. In the meantime the Due Diligence Review Report was provided to the Board approximately three weeks ago for their review. The Law required that the Board hold a meeting to receive comments on it five days prior to voting on it. The only item that needs to be discussed is that the report found that there was a \$590,000 re-payment of the CERAF. The history behind that was that two years ago the State could not balance their budget and took the Redevelopment funds to balance the budget. Some agencies because of the tax increment pledged to pay back bonds did not have the funds to send to the State so the State authorized the Redevelopment Agencies to borrow the funds from the Low-Mod Income Housing Fund so that the agency would have the money to pay the State. Then the law required the agencies that borrowed the money from the Low-Mod Income Housing Fund repay the fund within two years. The ROPS that ended June 30, 2012 one of the obligations was to repay the CERAF money. Then on June 27, 2012 three days before the payment was due AB1484 was approved and the State decided that they were not going to allow that payment to be made, instead that payment would not be due until July 1, 2013. Based on that finding our report indicates that the City would reverse that payment and reschedule that payment for the next fiscal year.

Boardmember Blair asked if she would have to abstain on the vote as she was not at the previous meeting where this item was discussed. Mr. Sandoval responded that she had the report and had the minutes and the last meeting was for public comments only and there were none so she would not have to abstain. She also asked if she had to affirm that she had read the previous report. Mr. Sandoval responded that it was the same report for both meetings so as long as had read it she could vote. She wished to know if there was a motion needed to reverse the payment back. Mr. Sandoval responded that after this report is approved it would be sent to the Department of Finance and to the County Audit Controller and then the Department of Finance has until November 1, 2012 to accept the report or make their findings or reject the report. He stated that he expects on November 1st that the Department of Finance would be asking the City to make the reversal.

Boardmember Colombo asked if the \$590,000 was repaid. Mr. Sung, Finance Director, responded that it was in the City's possession at this time. Mr. Colombo asked if the City owed back to the State the \$590,000 plus the 3.6 million. Mr. Sung responded the the City would submit the agreed upon procedure report to the Department of Finance and by that time the city would hear from them about the disposition of the \$590,000.

Mr. Colombo asked who originally paid the \$590,000. Mr. Sung stated that the City was not paying it. Mr. Colombo asked who advanced it. Mr. Sung stated that the County Auditor Controllers Office. They had sent the money to the City and AB1484 stated to apply this payment would be delayed for a year, so the money would be held by the City. Boardmember Colombo asked who initially advanced the money to the Redevelopment Agency. Mr. Sandoval responded the \$590,000 was not part of the CERAF that it is just the progress payment towards meeting the 2.9 million that went to the State two years ago. He stated that the \$590,000 was the first installment. Mr. Sandoval stated that one more point of clarification the \$590,000 was not a separate amount of money that came from the County Controller, it was basically the tax increment from the ROPS. It was part of the total payment that came from the regular distribution of the tax increment. The \$590,000 was a portion of the tax increment that came to the Successor Agency pursuant to the ROPS that were approved in February 2012.

It was moved by Boardmember El Fattel, seconded by Boardmember Colombo and approved by voice vote to waive further reading and adopt Resolution No. OB- 2012-007.

Motion carried. Boardmember Stefenhagen was absent.

B. ADJOURNMENT

Chairmember Gomez adjourned the meeting at 3:17 p.m. to the next Regular Meeting to be held on Wednesday, November 28, 2012 at 3:00 p.m. at the City of Hawaiian Gardens, City Council Chambers, 21815 Pioneer Boulevard.

Submitted by:

Suzanne Underwood
Oversight Board Secretary

APPROVED:

MICHAEL GOMEZ
CHAIRMEMBER

Attest:

Suzanne Underwood
Oversight board Secretary