

SUCCESSOR AGENCY RESOLUTION NO. 22

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE APPROVING THE RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE FOR THE 15-16A SIX-MONTH FISCAL PERIOD OF JULY 1, 2015 TO DECEMBER 31, 2015, 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; AUTHORIZE 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 & 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 other subsequent legislation (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), 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(m) of the Dissolution Law requires that the ROPS for the 15-16A six-month fiscal period of July 1, 2015 to December 31, 2015 ("ROPS 15-16A") shall be submitted to the DOF by the successor agency, after approval by the oversight board, no later than March 1, 2015; 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 15-16A 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 15-16A and desires to approve the ROPS 15-16A and to authorize the Successor Agency, to transmit the such ROPS to the Oversight Board; and

WHEREAS, the Successor Agency shall post the ROPS 15-16A on the Successor Agency website.

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE:

Section 1. The foregoing recitals are 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 approves the ROPS 15-16A submitted herewith as Attachment 1 and incorporated by this reference; provided however, that the ROPS 15-16A is approved subject to the condition such ROPS 15-16A is to be transmitted to the Oversight Board for review and approval and a copy of such draft ROPS 15-16A also concurrently be sent to the CAO, CAC, SCO, and DOF. Further, the City Manager/Executive Director and 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.

Section 3. After approval by the Oversight Board, the Successor Agency authorizes transmittal of the ROPS 15-16A again to the CAC, SCO and DOF.

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Section 4. The City Manager/Executive Director or his authorized designee is directed to post this Resolution, including the ROPS 15-16A, on the Successor Agency website pursuant to the Dissolution Law.

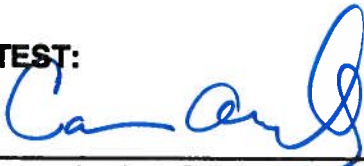
Section 5. The Secretary of the Successor Agency shall certify to the adoption of this Resolution which shall be effective upon its adoption.

APPROVED AND ADOPTED this 10th day of February, 2015.



Henry C. Gonzalez, Chair
Successor Agency to the Community
Development Commission of the City of
South Gate:

ATTEST:



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

(SEAL)

APPROVED AS TO FORM:



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

Recognized Obligation Payment Schedule (ROPS 15-16A) - Summary
 Filed for the July 1, 2015 through December 31, 2015 Period

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

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):		\$ 827,184
A	Bond Proceeds Funding (ROPS Detail)	-
C	Reserve Balance Funding (ROPS Detail)	827,184
D	Other Funding (ROPS Detail)	-
E Enforceable Obligations Funded with RPTTF Funding (F+G):		\$ 4,381,215
F	Non-Administrative Costs (ROPS Detail)	4,256,215
G	Administrative Costs (ROPS Detail)	125,000
H Current Period Enforceable Obligations (A+E):		\$ 5,208,399

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I	Enforceable Obligations funded with RPTTF (E):	4,381,215
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(42,034)
K Adjusted Current Period RPTTF Requested Funding (I-J)		\$ 4,339,181

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L	Enforceable Obligations funded with RPTTF (E):	4,381,215
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)		4,381,215

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



Recognized Obligation Payment Schedule (ROPS 15-16A) - ROPS Detail
July 1, 2015 through December 31, 2015
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P
										Funding Source					
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)					
										K	L	M		N	
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
3	HUD Section 108 Loan	City/County Loans	1/25/2011	3/31/2013	City of South Gate	Jul 9th loan for Towne Centre Bldg	Project No. 1	\$ 65,333,775	N	\$ -	\$ 827,184	\$ -	\$ 4,256,215	\$ 125,000	\$ 5,208,389
9	Successor Agency Operations	Admin Costs	2/1/2012	9/1/2024	City of South Gate	2013-2014B Admin Allowance	Project No. 1	1,658,275	N						\$ 294,093
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	2,500,000	N					125,000	\$ 125,000
								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	3,111,831	N				944,725		\$ 944,725
17	City/Successor Agency Loan	RPTTF Shortfall	9/9/2014	6/30/2015	City of South Gate	Shortfall loan pursuant to Section 34173(h) to cover ROPS 15-15A 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	37,572,900	N		656,780		2,405,320		\$ 3,062,100
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	4,586,862	N		170,404		232,970		\$ 403,374
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	13,716,000	N						\$ -
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						\$ -
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	20,000	N				2,000		\$ 2,000
23	City/Successor Agency Loan	RPTTF Shortfall	1/13/2015	12/31/2015	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

Recognized Obligation Payment Schedule (ROPS 15-16A) - 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 https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf.

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								Comments						
ROPS 14-15A Actuals (07/01/14 - 12/31/14)														
1	Beginning Available Cash Balance (Actual 07/01/14)													
2	Revenue/Income (Actual 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014					1,759,614	99,217							
3	Expenditures for ROPS 14-15A Enforceable Obligations (Actual 12/31/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q						3,392,788							
4	Retention of Available Cash Balance (Actual 12/31/14) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					410,742	3,377,702							
5	ROPS 14-15A RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 14-15A PPA in the Report of PPA, Column S	No entry required						42,034	These funds need to be reserved to cover debt service payments in ROPS 14-15B. The cash balance was overstated in ROPS 14-15B leaving the SA short \$1,099,231					
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 1,348,872	\$ 72,269							
ROPS 14-15B Estimate (01/01/15 - 06/30/15)														
7	Beginning Available Cash Balance (Actual 01/01/15) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ -	\$ 42,034	\$ 1,348,872	\$ 72,269							
8	Revenue/Income (Estimate 06/30/15) RPTTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during January 2015						373,037							
9	Expenditures for ROPS 14-15B Enforceable Obligations (Estimate 06/30/15)				42,034	945,798	-							
10	Retention of Available Cash Balance (Estimate 06/30/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					403,074	913,246	Reserve required per LA County Bond Refunding Indenture for TARB 2014A and 2014B						
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (467,940)	LA County has agreed to allow the SA to underfund Line Items 20 and 21 by this amount. Items 20 and 21 are reserves for debt service payments shown as Items 18 and 19. Per the bond indenture the SA is required to fund these reserves.						

Recognized Obligation Payment Schedule (ROPS 15-16A) - Notes

July 1, 2015 through December 30, 2015

Item # Notes/Comments

During approval of ROPS 14-15B, the Successor Agency overstated its estimated starting cash balance on January 1, 2015. As such, the Successor Agency did not receive enough RPTTF to cover its obligations in ROPS 14-15B. Specifically, the Successor Agency is unable to fully fund the debt service reserve (Items 20 and 21) for ROPS 15-16A as required by the Los Angeles County Refunding Bond Official Statement. In order to allow the Successor Agency to fund the required debt service reserve as much as possible and avoid defaulting on debt service payments in ROPS 15-16A, the Successor Agency is asking that it be allowed to retain the Prior Period Adjustment of \$42,034 from ROPS 14-15A instead of using it to offset future RPTTF distributions. This is reflected in the Cash Balance tab but not in the

Summary Page Summary tab.

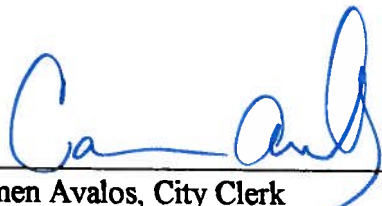
RESOLUTION CERTIFICATION PAGE

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. 22 was adopted by the Successor Agency at their Regular Meeting held on February 10, 2015, by the following vote:

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

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



Carmen Avalos, City Clerk
City of South Gate, California