



SUCCESSOR AGENCY TO THE  
SAN FERNANDO REDEVELOPMENT AGENCY  
REGULAR MEETING NOTICE AND AGENDA  
JANUARY 17, 2017 – 6:00 PM

COUNCIL CHAMBERS  
117 MACNEIL STREET  
SAN FERNANDO, CA 91340

**CALL TO ORDER/ROLL CALL**

Chair Robert C. Gonzales  
Vice Chair Joel Fajardo  
Board Member Antonio Lopez  
Board Member Jaime Soto  
Board Member Sylvia Ballin

**APPROVAL OF AGENDA**

**PUBLIC STATEMENTS – WRITTEN/ORAL**

There will be a three (3) minute limitation per each member of the audience who wishes to make comments relating to the Successor Agency. Anyone wishing to speak, please fill out the blue form located at the Council Chambers entrance and submit it to the City Clerk. When addressing the Successor Agency please speak into the microphone and voluntarily state your name and address.

**CONSENT CALENDAR**

Items on the Consent Calendar are considered routine and may be disposed of by a single motion to adopt staff recommendation. If the Successor Agency wishes to discuss any item, it should first be removed from the Consent Calendar.

**1) REQUEST TO APPROVE THE MINUTES OF DECEMBER 5, 2016 – REGULAR MEETING**

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**ADMINISTRATIVE REPORTS****2) CONSIDERATION TO ADOPT RESOLUTIONS APPROVING A RELOCATION AND COOPERATION AGREEMENT BETWEEN THE CITY OF SAN FERNANDO AND SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY TO CONSTRUCT/IMPROVE A PUBLIC WORKS YARD**

Recommend that the Successor Agency:

- a. Adopt Resolution No. 119 approving a Relocation and Cooperation Agreement between the City of San Fernando and Successor Agency to the San Fernando Redevelopment Agency to construct and/or improve a Public Works Yard; and
- b. Authorize the Interim Executive Director to execute all related documents and take related actions to effectuate the intent of the Resolution, including meet and confer with the Department of Finance, if required.

**3) CONSIDERATION TO APPROVE THE ADMINISTRATIVE BUDGET AND RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD COVERING JULY 1, 2017 THROUGH JUNE 30, 2018**

Recommend that the Successor Agency:

- a. Adopt Resolution No. 117 approving the Successor Agency's Administrative Budget for the 12-month period from July 1, 2017 through June 30, 2018 (Admin Budget 17-18A&B); and
- b. Adopt Resolution No. 118 approving the Recognized Obligation Payment Schedule for the 12-month period from July 1, 2017 through June 30, 2018 (ROPS 17-18A&B); and
- c. Authorize the Interim Executive Director to take certain related actions.

**ADJOURNMENT**

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*I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall bulletin board not less than 72 hours prior to the meeting.*

Elena G. Chávez, CMC

Secretary

Signed and Posted: January 12, 2017 (7:00 p.m.)

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Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the City's Internet Web site ([www.sfcity.org](http://www.sfcity.org)). These are also available for public reviewing prior to a meeting in the City Clerk Department. Any public writings distributed by the Successor Agency to at least a majority of the Agency Members regarding any item on this regular meeting agenda will also be made available at the City Clerk Department at City Hall located at 117 Macneil Street, San Fernando, CA, 91340 during normal business hours. In addition, the City may also post such documents on the City's Web Site at [www.sfcity.org](http://www.sfcity.org). In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification/accommodation to attend or participate in this meeting, including auxiliary aids or services please call the City Clerk Department at (818) 898-1204 at least 48 hours prior to the meeting.

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**Regular Meeting  
Successor Agency to the  
San Fernando Redevelopment Agency**

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**SUCCESSOR AGENCY TO THE  
SAN FERNANDO REDEVELOPMENT AGENCY  
MINUTES**

**DECEMBER 5, 2016 – 6:00 PM  
REGULAR MEETING**

City Hall Council Chambers  
117 Macneil Street  
San Fernando, CA 91340

**CALL TO ORDER/ROLL CALL**

Chair Robert C. Gonzales called the meeting to order at 6:02 p.m.

Present:

Agency: Chair Robert C. Gonzales, Vice Chair Joel Fajardo, and Board Members Antonio Lopez, Jaime Soto, and Sylvia Ballin

Staff: Executive Director Brian Saeki, General Counsel Rick Olivarez, and Secretary Elena G. Chávez

**APPROVAL OF AGENDA**

Motion by Board Member Ballin, seconded by Board Member Lopez, to approve the agenda. By consensus, the motion carried.

**PUBLIC STATEMENTS – WRITTEN/ORAL**

None

**CONSENT CALENDAR**

Motion by Board Member Soto, seconded by Vice Chair Fajardo, to approve the following Consent Calendar Item:

- 1) REQUEST TO APPROVE MINUTES OF NOVEMBER 21, 2016 – REGULAR MEETING

By consensus, the motion carried.

**SUCCESSOR AGENCY TO THE  
SAN FERNANDO REDEVELOPMENT AGENCY  
MINUTES – December 5, 2016  
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**AGENCY DISCUSSION**

None

**STAFF COMMUNICATION**

None

**ADJOURNMENT (6:03 P.M.)**

Motion by Vice Chair Fajardo, seconded by Board Member Soto, to adjourn. By consensus, the motion carried.

*I do hereby certify that the foregoing is a true and correct copy of the minutes of December 5, 2016 meeting as approved by the Successor Agency to the San Fernando Redevelopment Agency.*

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*Elena G. Chávez*  
*Secretary*



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## AGENDA REPORT

**To:** Chair Robert C. Gonzales and Board Members  
Mayor Robert C. Gonzales and Councilmembers

**From:** Nick Kimball, Interim Executive Director/Interim City Manager

**Date:** January 17, 2017

**Subject:** Consideration to Adopt Resolutions Approving a Relocation and Cooperation Agreement Between the City of San Fernando and Successor Agency to the San Fernando Redevelopment Agency to Construct/Improve a Public Works Yard

### RECOMMENDATION:

It is recommended that the Successor Agency Board:

- a. Adopt Resolution No. 119 (Attachment "A") approving a Relocation and Cooperation Agreement between the City of San Fernando and Successor Agency to the San Fernando Redevelopment Agency to construct and/or improve a Public Works Yard (Attachment "B"); and
- b. Authorize the Interim Executive Director to execute all related documents and take related actions to effectuate the intent of the Resolution, including meet and confer with the Department of Finance, if required.

It is recommended that the City Council:

- a. Adopt Resolution No. 7780 (Attachment "C") approving a Relocation and Cooperation Agreement between the City of San Fernando and Successor Agency to the San Fernando Redevelopment Agency to construct and/or improve a Public Works Yard (Attachment "B"); and
- b. Authorize the Interim City Manager to execute all related documents and take related actions to effectuate the intent of the Resolution.

### BACKGROUND:

1. On June 2, 2003, the City of San Fernando entered into a Memorandum of Understanding (MOU) with Hannon Properties, LLC and the Dunn Family Trust (the "Owners") related to a

**Consideration to Adopt Resolutions Approving a Relocation and Cooperation Agreement Between the City of San Fernando and Successor Agency to the San Fernando Redevelopment Agency to Construct/Improve a Public Works Yard**

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34 acre site located at the intersection of Glenoaks Boulevard and Arroyo Avenue (the "Site") in the City of San Fernando.

2. The purpose of the MOU was to facilitate redevelopment of the Site from the current use as a Swap Meet to a commercial retail center. The MOU allowed continued operation of the Swap Meet provided that the Owners met certain milestones toward redeveloping the Site, including, but not limited to, selling the property to a developer, submitting a proposal to the San Fernando Redevelopment Agency ("Agency") to enter into an exclusive negotiation agreement, and pursuing the proper entitlements to develop a commercial retail center on the property.
3. On June 2, 2003, the City of San Fernando conveyed a City-owned 3.9 acre property located at 543 – 563 Glenoaks Boulevard ("Agency Property"), directly adjacent to the property, to the Agency for \$3,000,000 USD.
4. On June 2, 2003, the City Council approved a payment schedule for the Agency Property that consisted of an initial down payment of \$825,000 followed by fifteen (15) annual payments of \$209,544, inclusive of principal and five-percent (5%) per annum interest, with the final payment due in June 2019.
5. At the time of the conveyance, the property located at 543 – 563 Glenoaks Boulevard was the site of the Public Works Yard and housed the City's Public Works operations.
6. On June 30, 2003, San Fernando Gateway, LLC (a division Robertson Property Group and subsidiary of Pacific Theaters) purchased 17.4 acres of the Site from Hannon Properties, LLC and the Dunn Family Trust and the Los Angeles Unified School District purchased the remaining 16.5 acres for future development of a secondary school (now Cesar Chavez Learning Academy).
7. On November 17, 2003, the City amended the MOU to reflect the new ownership of the Site by San Fernando Gateway, LLC (a division of Robertson Properties Group) and approved expanded operation of the swap meet. All other provisions of the MOU remained in full force and effect.
8. In October 2006, the Agency anticipated the need to eventually relocate the City Yard located on the Agency Property to facilitate future development. As a result, the Agency adopted an Implementation Plan for the four (4) Project Areas for the Fiscal Years 2005-2006 through 2009-2010 pursuant to Health and Safety Code Section 33490, which identified "City Yard relocation to provide 3.9 acre site for consolidation with adjacent parcels to establish 22.4 acre project site for development with multi-tenant commercial center (120 Macneil Street)" with a projected initial redevelopment funding of \$1,200,000.

**Consideration to Adopt Resolutions Approving a Relocation and Cooperation Agreement Between the City of San Fernando and Successor Agency to the San Fernando Redevelopment Agency to Construct/Improve a Public Works Yard**

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9. On July 20, 2007, the Agency entered into a Purchase and Sale Agreement with San Fernando Gateway LLC for the 3.9 acre Agency Property (former City-owned property) for \$5,569,335. Per the Purchase and Sale Agreement, the Agency approved a payment schedule for the Property that consisted of an initial down payment of \$500,000, ten (10) annual payments of \$125,000, and a final payment of \$3,819,335 due on the tenth anniversary of the close of escrow (August 10, 2017).
10. In exchange for the deferred payment schedule and approval for extending Swap Meet operations, San Fernando Gateway, LLC agreed to make immediate site improvements equaling approximately \$1.9 million.
11. Due to the sale of the property, the City was required to temporarily relocate Public Works Yard operations to 120 Macneil Street until a permanent facility could be secured.
12. The Agenda Item, dated July 2, 2007, considering the sale of the property clearly articulated that San Fernando Gateway, LLC strongly preferred leasing the Agency Property over purchasing it, but agreed to purchase the property in recognition of the fact that the City required an income stream to allow purchasing a new property to house the displaced Public Works Yard operations.
13. In May 2010, the Agency adopted a five-year Implementation Plan for fiscal years 2010-2011 through 2014-2015, which identified moving and consolidating the existing Public Works Yard as Development of Vacant and Under-utilized Properties.
14. In June 2010, the Agency adopted a Redevelopment Plan Amendment approving a fiscal merger of the four project areas and increase the combined debt limit to \$251 million, which identified moving and consolidating the existing Public Works Yard as Development of Vacant and Under-utilized Properties at an estimated cost of \$5,000,000.
15. The Public Works Yard is still located at the temporary location at 120 Macneil Street, which is inadequate for current operations. The City is relying on the Land Sale Proceeds from San Fernando Gateway, LLC to either relocate to a permanent location or make improvements to an existing location to improve the efficacy of Public Works operations.

**ANALYSIS:**

The City owned property located at 543 – 563 Glenoaks Blvd, which served as the Public Works Yard until the property was ultimately sold to San Fernando Gateway, LLC (dba Robertson Property Group) to facilitate redevelopment of the Swap Meet site in 2007. Consequently, the Public Works Yard was “temporarily” moved to its current location at 120 Macneil Street. Some

**Consideration to Adopt Resolutions Approving a Relocation and Cooperation Agreement Between the City of San Fernando and Successor Agency to the San Fernando Redevelopment Agency to Construct/Improve a Public Works Yard**

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improvements were made to the location at 120 Macneil Street using 2006 Tax Allocation Bond proceeds. However, the location is still insufficient to effectively house Public Works field operations.

Based on documentation available to City staff, it is clear that the Redevelopment Agency intended to use proceeds from the sale of the property (approximately \$5.8 million) to improve or construct a Public Works Yard. Unfortunately, the City never formally memorialized that intention through a Memorandum of Understanding or other legally binding agreement between the City of San Fernando and the San Fernando Redevelopment Agency.

When the state of California dissolved redevelopment agencies in 2012 (ABx1 26), all agreements between cities and redevelopment agencies were invalidated to maximize the amount of property tax increment available to distribute to taxing entities (e.g. local counties, school districts, community college districts, and special districts). In recognition that a carte blanche invalidation of all arrangements between cities and former redevelopment agencies created a number of inequities, the state legislature passed, and the governor signed, Senate Bill 107 (SB 107) which provided very limited opportunity to reinstate certain loans and agreements between cities and redevelopment agencies. None of the provisions of SB 107 apply to San Fernando's unique circumstances.

The situation described herein represents a unique set of circumstances that are not contemplated by ABx1 26 or SB 107. Redevelopment dissolution law is primarily concerned with enforceable obligations, particularly liabilities payable from former property tax increment (referred to as Redevelopment Property Tax Trust Funds, or RPTTF). San Fernando's situation is related to land sale proceeds due to the former Redevelopment Agency and the activities for which those proceeds were intended to be used. Specifically, although there is no concrete agreement, the record validates that the San Fernando Redevelopment Agency intended to use the land sale proceeds from the developer to improve and/or construct a Public Works Yard to replace the Public Works Yard displaced by the sale to the developer.

**BUDGET IMPACT:**

Approving a Relocation and Cooperation Agreement between the City of San Fernando and Successor Agency to the San Fernando Redevelopment Agency will not impact the amount of former property tax increment available to distribute to the taxing entities. This particular enforceable obligation will only be payable from land sale proceeds paid from San Fernando Gateway, LLC to the Successor Agency for real property located at 543 – 563 Glenoaks Blvd.



**Consideration to Adopt Resolutions Approving a Relocation and Cooperation Agreement Between the City of San Fernando and Successor Agency to the San Fernando Redevelopment Agency to Construct/Improve a Public Works Yard**

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**CONCLUSION:**

Approving the attached Resolutions will provide affirmation that the former San Fernando Redevelopment Agency and the City of San Fernando intended to enter into a Cooperation Agreement to use the land sale proceeds from San Fernando Gateway, LLC to improve and/or construct a Public Works Yard. If approved, the Successor Agency action will be subject to review by the Oversight Board. If the Oversight Board approves the Successor Agency action, it will be subject to review by the California Department of Finance, which is the final authority on establishing this as an enforceable obligation.

**ATTACHMENTS:**

- A. Successor Agency Resolution No. 119
- B. Contract No. 1841 - To be provided under separate cover
- C. City Council Resolution No. 7780

**ATTACHMENT “A”****RESOLUTION NO. 119**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY APPROVING A COOPERATION AGREEMENT WITH THE CITY OF SAN FERNANDO TO RELOCATE AND CONSTRUCT A PUBLIC WORKS YARD WITH THE LAND SALE PROCEEDS FOR REAL PROPERTY LOCATED AT 543 – 563 GLENOAKS BOULEVARD AS AN ENFORCEABLE OBLIGATION.**

**RECITALS:**

**WHEREAS**, on June 2, 2003, the City of San Fernando entered into Contract 1480 - a Memorandum of Understanding (MOU) with Hannon Properties, LLC and the Dunn Family Trust (the “Owners”) related to a 34 acre site located at the intersection of Glenoaks Boulevard and Arroyo Avenue (the “Site”) in the City of San Fernando; and

**WHEREAS**, the purpose of the MOU was to facilitate redevelopment of the Site from the current use as a Swap Meet to a commercial retail center. The MOU allowed continued operation of the Swap Meet provided the Owners were meeting certain milestones toward redeveloping the Site, including, but not limited to, selling the property to a developer, submitting a proposal to the San Fernando Redevelopment Agency (“Agency”) to enter into an exclusive negotiation agreement, and pursuing the proper entitlements to develop a commercial retail center on the property; and

**WHEREAS**, to further facilitate redevelopment of the Site, on June 2, 2003, the City of San Fernando conveyed a City-owned 3.9 acre property located at 543 – 563 Glenoaks Boulevard (“Agency Property”), directly adjacent to the property, to the San Fernando Redevelopment Agency (“Agency”) for \$3,000,000 USD; and

**WHEREAS**, on June 2, 2003, the City Council approved a payment schedule for the Agency Property that consisted of an initial down payment of \$825,000 followed by fifteen (15) annual payments of \$209,544, inclusive of principal and five-percent (5%) per annum interest, with the final payment due in June 2019; and

**WHEREAS**, at the time of the conveyance, the property located at 543 – 563 Glenoaks Boulevard was the site of the Public Works Yard (also referred to as “City Yard”) and housed the City’s Public Works operations; and

**WHEREAS**, on June 30, 2003, San Fernando Gateway, LLC (a division Robertson Property Group and subsidiary of Pacific Theaters) purchased 17.4 acres of the Site from Hannon Properties, LLC and the Dunn Family Trust and the Los Angeles Unified School District purchased the remaining 16.5 acres for future development of a secondary school (now Cesar Chavez Learning Academy); and

**WHEREAS**, on November 17, 2003, the City amended the MOU to reflect the new ownership of the Site by San Fernando Gateway, LLC (a division of Robertson Properties

Group) and approved expanded operation of the swap meet. All other provisions of the MOU remained in full force and effect; and

**WHEREAS**, in October 2006, the Agency anticipated the need to eventually relocate the Public Works Yard located on the Agency Property to facilitate future development. As a result, the Agency adopted an Implementation Plan for the four (4) Project Areas for the fiscal years 2005-2006 through 2009-2010 pursuant to Health and Safety Code Section 33490, which identified “City Yard relocation to provide 3.9 acre site for consolidation with adjacent parcels to establish 22.4 acre project site for development with multi-tenant commercial center (120 Macneil Street)” with a projected initial redevelopment funding of \$1,200,000; and

**WHEREAS**, on July 20, 2007, the Agency entered into a Purchase and Sale Agreement with San Fernando Gateway LLC for the 3.9 acre Agency Property (former City-owned property) for \$5,569,335.

**WHEREAS**, per the Purchase and Sale Agreement, the Agency approved a payment schedule for the Property that consisted of an initial down payment of \$500,000, ten (10) annual payments of \$125,000, and a final payment of \$3,819,335 due on the tenth anniversary of the close of escrow (August 10, 2017); and

**WHEREAS**, in exchange for the deferred payment schedule and approval for extending Swap Meet operations, San Fernando Gateway, LLC agreed to make immediate site improvements equaling approximately \$1.9 million; and

**WHEREAS**, due to the sale of the property, the City was required to temporarily relocate City Yard operations to 120 Macneil Street until a permanent facility could be secured; and

**WHEREAS**, the Agenda Item, dated July 2, 2007, considering the sale of the property clearly articulated that San Fernando Gateway, LLC strongly preferred leasing the Agency Property over purchasing it, but agreed to purchase the property in recognition of the fact that the City required an income stream to allow purchasing a new property to house the displaced Public Works Yard operations; and

**WHEREAS**, in May 2010, the Agency adopted a five-year Implementation Plan for fiscal years 2010-2011 through 2014-2015, which identified moving and consolidating the existing Public Works Yard as Development of Vacant and Under-utilized Properties; and

**WHEREAS**, in June 2010, the Agency adopted a Redevelopment Plan Amendment approving a fiscal merger of the four project areas and increase the combined debt limit to \$251 million, which identified moving and consolidating the existing Public Works Yard as Development of Vacant and Under-utilized Properties at an estimated cost of \$5,000,000; and

**WHEREAS**, the Public Works Yard is still located at the temporary location at 120 Macneil Street, which is inadequate for current operations. The City is relying on the Land Sale Proceeds from San Fernando Gateway, LLC to either relocate to a permanent location or make improvements to an existing location to improve the efficacy of Public Works operations.

**WHEREAS**, the Public Works Yard Relocation and Cooperation Agreement in the form presented at the Joint City Council/Successor Agency Meeting as Contract No. 1841 on January 17, 2017 evidences the intention and agreement of the City of San Fernando and San Fernando Redevelopment Agency to complete construction and improvements of a Public Works Yard as initiated under Contract 1480.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:**

**Section 1.** The above recitals are true and correct and are a substantive part of this Resolution.

**Section 2.** The purpose of this Resolution is to implement Health and Safety Code Section 34191.4(b) as it relates to the Public Works Yard Relocation and Cooperation Agreement.

**Section 3.** The disposition of the Public Works Yard by the City of San Fernando to the San Fernando Redevelopment Agency on June 2, 2003 in accordance Contract 1480, as amended, served a valid redevelopment purpose in that it facilitated the development of vacant and under-utilized property.

**Section 4.** The City of San Fernando and San Fernando Redevelopment Agency intended to use land sale proceeds to secure a new Public Works Yard.

**Section 5.** The Successor Agency Board hereby declares an enforceable obligation between the City of San Fernando and San Fernando Redevelopment Agency in the amount of \$5,569,335 to be used for a permanent facility to house Public Works Yard operations.

**Section 6.** Said enforceable obligation is payable solely from Land Sale proceeds received pursuant to Contract 1572 – Purchase and Sale Agreement between the San Fernando Redevelopment Agency and San Fernando Gateway, LLC.

**Section 7.** The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including requesting additional review by the Department of Finance and an opportunity to meet and confer on any disputed items, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

**Section 8.** The Successor Agency Board determines that the activity approved by this Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

**PASSED AND ADOPTED** this 17<sup>th</sup> day of January, 2017.

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Robert C. Gonzales, Chair

**ATTEST:**

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Elena G. Chávez, Secretary

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES        ) ss**  
**CITY OF SAN FERNANDO          )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the Successor Agency to the San Fernando Redevelopment Agency held on the 17<sup>th</sup> day of January, 2017, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

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Elena G. Chávez, Secretary

## **ATTACHMENT “B”**

**WILL BE DISTRIBUTED  
UNDER SEPARATE COVER  
PRIOR TO THE CITY COUNCIL MEETING**

**ATTACHMENT “C”****RESOLUTION NO. 7780**

**A RESOLUTION OF THE CITY OF SAN FERNANDO APPROVING A COOPERATION AGREEMENT WITH THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY TO RELOCATE AND CONSTRUCT A PUBLIC WORKS YARD WITH THE LAND SALE PROCEEDS FOR REAL PROPERTY LOCATED AT 543 – 563 GLENOAKS BOULEVARD.**

**RECITALS:**

**WHEREAS**, on June 2, 2003, the City of San Fernando entered into Contract 1480 - a Memorandum of Understanding (MOU) with Hannon Properties, LLC and the Dunn Family Trust (the “Owners”) related to a 34 acre site located at the intersection of Glenoaks Boulevard and Arroyo Avenue (the “Site”) in the City of San Fernando; and

**WHEREAS**, the purpose of the MOU was to facilitate redevelopment of the Site from the current use as a Swap Meet to a commercial retail center. The MOU allowed continued operation of the Swap Meet provided the Owners were meeting certain milestones toward redeveloping the Site, including, but not limited to, selling the property to a developer, submitting a proposal to the San Fernando Redevelopment Agency (“Agency”) to enter into an exclusive negotiation agreement, and pursuing the proper entitlements to develop a commercial retail center on the property; and

**WHEREAS**, to further facilitate redevelopment of the Site, on June 2, 2003, the City of San Fernando conveyed a City-owned 3.9 acre property located at 543 – 563 Glenoaks Boulevard (“Agency Property”), directly adjacent to the property, to the San Fernando Redevelopment Agency (“Agency”) for \$3,000,000 USD; and

**WHEREAS**, on June 2, 2003, the City Council approved a payment schedule for the Agency Property that consisted of an initial down payment of \$825,000 followed by fifteen (15) annual payments of \$209,544, inclusive of principal and five-percent (5%) per annum interest, with the final payment due in June 2019; and

**WHEREAS**, at the time of the conveyance, the property located at 543 – 563 Glenoaks Boulevard was the site of the Public Works Yard (also referred to as “City Yard”) and housed the City’s Public Works operations; and

**WHEREAS**, on June 30, 2003, San Fernando Gateway, LLC (a division Robertson Property Group and subsidiary of Pacific Theaters) purchased 17.4 acres of the Site from Hannon Properties, LLC and the Dunn Family Trust and the Los Angeles Unified School District purchased the remaining 16.5 acres for future development of a secondary school (now Cesar Chavez Learning Academy); and

**WHEREAS**, on November 17, 2003, the City amended the MOU to reflect the new ownership of the Site by San Fernando Gateway, LLC (a division of Robertson Properties

Group) and approved expanded operation of the swap meet. All other provisions of the MOU remained in full force and effect; and

**WHEREAS**, in October 2006, the Agency anticipated the need to eventually relocate the Public Works Yard located on the Agency Property to facilitate future development. As a result, the Agency adopted an Implementation Plan for the four (4) Project Areas for the fiscal years 2005-2006 through 2009-2010 pursuant to Health and Safety Code Section 33490, which identified “City Yard relocation to provide 3.9 acre site for consolidation with adjacent parcels to establish 22.4 acre project site for development with multi-tenant commercial center (120 Macneil Street)” with a projected initial redevelopment funding of \$1,200,000; and

**WHEREAS**, on July 20, 2007, the Agency entered into a Purchase and Sale Agreement with San Fernando Gateway LLC for the 3.9 acre Agency Property (former City-owned property) for \$5,569,335.

**WHEREAS**, per the Purchase and Sale Agreement, the Agency approved a payment schedule for the Property that consisted of an initial down payment of \$500,000, ten (10) annual payments of \$125,000, and a final payment of \$3,819,335 due on the tenth anniversary of the close of escrow (August 10, 2017); and

**WHEREAS**, in exchange for the deferred payment schedule and approval for extending Swap Meet operations, San Fernando Gateway, LLC agreed to make immediate site improvements equaling approximately \$1.9 million; and

**WHEREAS**, due to the sale of the property, the City was required to temporarily relocate City Yard operations to 120 Macneil Street until a permanent facility could be secured; and

**WHEREAS**, the Agenda Item, dated July 2, 2007, considering the sale of the property clearly articulated that San Fernando Gateway, LLC strongly preferred leasing the Agency Property over purchasing it, but agreed to purchase the property in recognition of the fact that the City required an income stream to allow purchasing a new property to house the displaced Public Works Yard operations; and

**WHEREAS**, in May 2010, the Agency adopted a five-year Implementation Plan for fiscal years 2010-2011 through 2014-2015, which identified moving and consolidating the existing Public Works Yard as Development of Vacant and Under-utilized Properties; and

**WHEREAS**, in June 2010, the Agency adopted a Redevelopment Plan Amendment approving a fiscal merger of the four project areas and increase the combined debt limit to \$251 million, which identified moving and consolidating the existing Public Works Yard as Development of Vacant and Under-utilized Properties at an estimated cost of \$5,000,000; and

**WHEREAS**, the Public Works Yard is still located at the temporary location at 120 Macneil Street, which is inadequate for current operations. The City is relying on the Land Sale Proceeds from San Fernando Gateway, LLC to either relocate to a permanent location or make improvements to an existing location to improve the efficacy of Public Works operations.



**WHEREAS**, the Public Works Yard Relocation and Cooperation Agreement in the form presented at the Joint City Council/Successor Agency Meeting as Contract No. 1841 on January 17, 2017 evidences the intention and agreement of the City of San Fernando and San Fernando Redevelopment Agency to complete construction and improvements of a Public Works Yard as initiated under Contract 1480.

**NOW, THEREFORE, THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:**

**Section 1.** The above recitals are true and correct and are a substantive part of this Resolution.

**Section 2.** The purpose of this Resolution is to implement Health and Safety Code Section 34191.4(b) as it relates to the Public Works Yard Relocation and Cooperation Agreement.

**Section 3.** The disposition of the Public Works Yard by the City of San Fernando to the San Fernando Redevelopment Agency on June 2, 2003 in accordance Contract 1480, as amended, served a valid redevelopment purpose in that it facilitated the development of vacant and under-utilized property.

**Section 4.** The City of San Fernando and San Fernando Redevelopment Agency intended to use land sale proceeds to secure a new Public Works Yard.

**Section 5.** The Successor Agency Board declared an enforceable obligation between the City of San Fernando and San Fernando Redevelopment Agency in the amount of \$5,569,335 to be used for a permanent facility to house Public Works Yard operations.

**Section 6.** Said enforceable obligation is payable solely from Land Sale proceeds received pursuant to Contract 1572 – Purchase and Sale Agreement between the San Fernando Redevelopment Agency and San Fernando Gateway, LLC.

**Section 7.** The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including requesting additional review by the Department of Finance and an opportunity to meet and confer on any disputed items, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

**Section 8.** The San Fernando City Council determines that the activity approved by this Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

**PASSED AND ADOPTED** this 17<sup>th</sup> day of January, 2017.

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Robert C. Gonzales, Mayor

**ATTEST:**

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Elena G. Chávez, Secretary

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES       ) ss**  
**CITY OF SAN FERNANDO         )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City of San Fernando held on the 17<sup>th</sup> day of January, 2017, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

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Elena G. Chávez, Secretary



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## AGENDA REPORT

**To:** Chair Robert C. Gonzales and Board Members

**From:** Nick Kimball, Interim Executive Director  
By: Sonia Garcia, Interim Finance Director

**Date:** January 17, 2017

**Subject:** Consideration to Approve the Administrative Budget and Recognized Obligation Payment Schedule for the Period Covering July 1, 2017 through June 30, 2018

### RECOMMENDATION:

It is recommended that the Board:

- a. Adopt Resolution No. 117 (Attachment "A") approving the Successor Agency's Administrative Budget for the 12-month period from July 1, 2017 through June 30, 2018 (Admin Budget 17-18A&B); and
- b. Adopt Resolution No. 118 (Attachment "B") approving the Recognized Obligation Payment Schedule for the 12-month period from July 1, 2017 through June 30, 2018 (ROPS 17-18A&B); and
- c. Authorize the Interim Executive Director to take certain related actions.

### BACKGROUND:

1. Pursuant to Assembly Bill X1 26 ("AB 26"), the Successor Agency must prepare an administrative budget ("Admin Budget") and Recognized Obligation Payment Schedule ("ROPS") for each six-month fiscal period (commencing each January 1 and July 1), both of which must be submitted to the Oversight Board for approval.
2. On June 27, 2012, the Governor signed the State budget trailer bill Assembly Bill No. 1484 ("AB 1484") amending AB 26 imposing additional requirements on successor agencies and clarifying the roles and responsibilities of the different agencies involved in the dissolution process. It also required transitioning from a six-month ROPS to an annual ROPS beginning July 1, 2016.

**Consideration to Approve the Administrative Budget and Recognized Obligation Payment Schedule for the Period Covering July 1, 2017 through June 30, 2018.**

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3. On September 23, 2015, Governor Brown signed Senate Bill 107 (SB 107) that imposes additional requirements on successor agencies and sets a number of milestone dates for redevelopment dissolution.
4. Some of the relevant dates included in SB 107 include:
  - a. *February 1, 2017*: Deadline for successor agencies to submit first annual ROPS for July 1, 2017 - June 30, 2018 (ROPS 17-18 A&B).
  - b. *April 15, 2017*: Deadline for the Department of Finance (DOF) to make its determinations on ROPS 17-18 A&B.
  - c. *July 1, 2018*: Single county-wide oversight board takes effect (originally set to take effect July 1, 2017). Five oversight boards will be established in Los Angeles County.
5. The Admin Budget and ROPS must be submitted to the Oversight Board for review and approval. The Oversight Board-approved annual Admin Budget and annual ROPS must be submitted to the State Department of Finance ("DOF") for review by February 1<sup>st</sup> each year.
6. The Admin Budget and ROPS for the period of July 1, 2017 through June 30, 2018 (hereinafter "Admin Budget 17-18 A&B" and "ROPS 17-18 A&B," respectively) shall be submitted to the DOF by February 1, 2017.
7. Subsequent to approval by the Successor Agency, staff will present Admin Budget 17-18 A&B and ROPS 17-18 A&B to the Oversight Board for their approval. Upon approval from the Oversight Board, both Admin Budget 17-18 A&B and ROPS 17-18 A&B, will be transmitted to the DOF, State Controller, and County Auditor-Controller.

**ANALYSIS:**

Administrative Cost Allowance

Under AB X1 26 and AB 1484, an "Administrative Cost Allowance" is paid to the Successor Agency from property tax revenues allocated by the County Auditor-Controller. The Administrative Cost Allowance is defined as an amount, subject to the approval of the Oversight Board, which is up to a maximum of three percent of the property tax allocated for enforceable obligations, but not less than \$250,000 for any fiscal year unless the Oversight Board reduces this amount. The Administrative Cost Allowance is allocated from the Redevelopment Property Tax Trust Fund (RPTTF) by the County Auditor-Controller.

**Consideration to Approve the Administrative Budget and Recognized Obligation Payment Schedule for the Period Covering July 1, 2017 through June 30, 2018.**Page 3 of 4

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The Administrative Cost Allowance being requested by the Successor Agency is the minimum \$250,000. Staff anticipates spending a significant amount of time on property management during the ROPS 17-18 A&B period, particularly related to the Successor Agency-owned downtown parking lots. Staff will continue working toward developing additional parking assets and attracting investment to increase economic development activity in the downtown area.

It is also important to note that the Administrative Cost Allowance is subject to reduction if there are insufficient funds to pay the enforceable obligations as listed on the ROPS for the same six-month fiscal period.

**Recognized Obligation Payment Schedule**

ROPS 17-18 A&B includes \$5,552,868 in enforceable obligations and \$250,000 in Administrative Cost Allowance for a total of \$5,802,868 in enforceable obligations for the period. Enforceable obligations will be funded by Other Funds in the amount of \$3,819,335 and from RPTTF in the amount of \$1,983,533. The primary enforceable obligations for the period include: 1) debt service and related payments for 2006 Tax Allocation Bonds (\$1,327,402); 2) repayment of a deferred pass through loan from the County of Los Angeles (\$200,000); 3) repayment of a loan per a DDA with San Fernando Mission Partnership (\$95,000); 4) repayment of a Supplemental Education Realignment Augmentation Fund (SERAF) advance to the City as Housing Successor (\$101,131); and 5) a Relocation and Cooperation Agreement to improve/construct Public Works Yard (\$3,819,335).

**BUDGET IMPACT:**

According to estimates received from the Los Angeles Auditor Controller, there will be sufficient RPTTF available to fully fund all enforceable obligations and the Successor Agency's Administrative Cost Allowance.

**CONCLUSION:**

The deadline to submit Admin Budget 17-18 A&B and ROPS 17-18 A&B is February 1, 2017, and will be presented to the Oversight Board subsequent to Successor Agency Approval for their review and approval. Subsequent DOF approval will allow the Successor Agency to pay the former Redevelopment Agency's enforceable obligations for the period July 1, 2017 to June 30, 2018 and will allow the Successor Agency to continue its work to wind down the affairs of the dissolved Redevelopment Agency pursuant to applicable state regulations.

**Consideration to Approve the Administrative Budget and Recognized Obligation Payment Schedule for the Period Covering July 1, 2017 through June 30, 2018.**Page 4 of 4

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Therefore, staff recommends that the Successor Agency adopt the attached Resolutions, approving the Successor Agency's Admin Budget 17-18 A&B and ROPS 17-18 A&B, respectively.

**ATTACHMENTS:**

- A. Resolution No. 117 (including Admin Budget 17-18 A&B as Exhibit "A")
- B. Resolution No. 118 (including ROPS 17-18 A&B as Exhibit "A")



**ATTACHMENT "A"****RESOLUTION NO. 117****A RESOLUTION OF THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY APPROVING AN ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2017 THROUGH JUNE 30, 2018 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH****RECITALS:**

A. Pursuant to Part 1.85 of the Community Redevelopment Law (commencing with Health and Safety Code Section 34170) ("Part 1.85"), the Successor Agency to the San Fernando Redevelopment Agency ("Successor Agency") is required to undertake a number of actions related to winding down the affairs of the former Redevelopment Agency pursuant to Health and Safety Code Section 34177(h).

B. In connection with the administration and operations of the Successor Agency, the Successor Agency is and will be utilizing the staff, facilities, and other resources of the City. The City Manager of the City serves as Executive Director of the Successor Agency, the Finance Director serves as Finance Officer of the Successor Agency, and the City Clerk serves as Secretary to the Successor Agency. Planning, finance, engineering, public works, and other City departments devote and are expected to devote substantial time with respect to the administration and operations of the Successor Agency, including gathering information relating to the Redevelopment Agency's enforceable obligations, conferring with public officials representing governmental agencies, and undertaking other activities in connection with administration and operations of the Successor Agency.

C. Pursuant to Health and Safety Code Section 34171(d)(1)(F), contracts or agreements necessary for the administration or operation of the Successor Agency are enforceable obligations and pursuant to Health and Safety Code Sections 34178(a) and 34180(h), the Successor Agency may enter into agreements with the City with the approval of the oversight board for the Successor Agency (the "Oversight Board").

D. Pursuant to Health and Safety Code Section 34177(j), the Successor Agency is required to prepare a proposed administrative budget for each fiscal period and submit each proposed administrative budget to the Oversight Board for its approval. Each proposed administrative budget shall include all of the following: (1) Estimated amounts for Successor Agency administrative costs for the applicable fiscal period; (2) Proposed sources of payment for the costs identified in (1); and (3) Proposals for arrangements for administrative and operations services provided by the City or another entity.

E. Pursuant to Health and Safety Code Section 34177(k), the Successor Agency is required to provide administrative cost estimates, from its approved administrative budget that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the County Auditor-Controller for each applicable fiscal period.

F. Staff of the Successor Agency seeks the Successor Agency's approval of the administrative budget for the period of July 1, 2017 through June 30, 2018 ("Admin Budget 17-18 A&B"), in the form attached to this Resolution as Exhibit "1", and the Successor Agency's authorization to submit the approved Admin Budget 17-18 A&B to the Oversight Board for its approval and to forward the information required by Health and Safety Code 34177(k) to the County Auditor-Controller.

G. Admin Budget 17-18 A&B has been prepared in accordance with Health and Safety Code Section 34177(j) and is consistent with the requirements of the Health and Safety Code and other applicable law. The proposed source of payment of the costs set forth in Admin Budget 17-18 A&B is property taxes from the County's Redevelopment Property Tax Trust Fund established for the Successor Agency.

H. The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 et seq., hereafter the "Guidelines"), and the City's environmental guidelines.

I. The activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:**

**Section 1.** The above recitals are true and correct and are a substantive part of this Resolution.

**Section 2.** This Resolution is adopted pursuant to the provisions of Part 1.85.

**Section 3.** The Successor Agency hereby approves the proposed administrative budget for the fiscal period commencing July 1, 2017 and ending June 30, 2018 attached hereto as Exhibit "1" and incorporated herein by reference.

**Section 4.** The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

**Section 5.** The Successor Agency Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

**PASSED AND ADOPTED** this 17<sup>th</sup> day of January, 2017.

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Robert C. Gonzales, Chair

**ATTEST:**

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Elena G. Chávez, Secretary

**STATE OF CALIFORNIA**           )  
**COUNTY OF LOS ANGELES**    ) ss  
**CITY OF SAN FERNANDO**       )

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the Successor Agency to the San Fernando Redevelopment Agency held on the 17<sup>th</sup> day of January, 2017, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

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Elena G. Chávez, Secretary

**EXHIBIT “1”**

**SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE  
CITY OF SAN FERNANDO**

**ADMINISTRATIVE BUDGET 17-18 A&B**

**(July 1, 2017 through June 30, 2018)**

**Exhibit "1"**

**Successor Agency to the San Fernando Redevelopment Agency  
Administrative Budget 17-18 A and B  
July 1, 2017 through June 30, 2018**

	<b>FY 17-18 A-B (Jul-Jun)</b>
<u>Direct Staff Costs</u>	
Reimbursement to the City of San Fernando, serving as Successor Agency, for direct staff costs, including, but not limited to, the following positions:	
City Manager	
Deputy City Manager/Public Works Director	
Executive Assistant to the City Manager	
City Clerk	
Community Development Director	
Associate Planner	
Community Preservation Officer (Code Enforcement)	
Finance Director	
Junior Accountant	
<u>Subtotal Direct Staff Costs</u>	<u>222,500</u>
<u>Direct O&amp;M</u>	
Contractual Services (Legal, Consulting)	22,500
Office Supplies	500
<u>Subtotal Direct O&amp;M</u>	<u>23,000</u>
<b>Total Direct Costs</b>	<b>245,500</b>
Indirect Cost Allocation (20% of O&M)	4,500
<b>Total Cost</b>	<b>250,000</b>

**ATTACHMENT “B”****RESOLUTION NO. 118****A RESOLUTION OF THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2017 THROUGH JUNE 30, 2018 AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH****RECITALS:**

A. Pursuant to Part 1.85 of the Community Redevelopment Law (commencing with Health and Safety Code Section 34170) (“Part 1.85”), the Successor Agency to the San Fernando Redevelopment Agency (“Successor Agency”) is required to undertake a number of actions related to winding down the affairs of the former Redevelopment Agency pursuant to Health and Safety Code Section 34177(h).

B. Pursuant to Health and Safety Code Section 34171(m), a “Recognized Obligation Payment Schedule” (“ROPS”) means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each fiscal period as provided in Section 34177(o)(1) of the Health and Safety Code. Therefore, the amounts listed on a ROPS are solely estimates of minimum payment amounts required of the Successor Agency for enforceable obligations for the upcoming ROPS period.

C. Pursuant to Health and Safety Code Section 34177(o)(1), the Successor Agency is required to submit the ROPS for the period of July 1, 2017 through June 30, 2018 (“ROPS 17-18 A&B”), after its approval by the Oversight Board, to the Department of Finance and the County Auditor-Controller no later than February 1, 2017.

D. The proposed ROPS 17-18 A&B is attached to this Resolution as Exhibit “1”, and is presented to the Successor Agency for review and approval.

E. The proposed ROPS 17-18 A&B attached to this Resolution as Exhibit “1” is consistent with the requirements of the Health and Safety Code and other applicable law.

F. Pursuant to Health and Safety Code Section 34177(o)(1)(A), the Successor Agency shall submit a copy of the Oversight Board-approved ROPS 17-18 A&B to the Department of Finance electronically and the Successor Agency shall complete the ROPS 17-18 A&B in the manner provided by the Department of Finance.

G. The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act (“CEQA”), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 et seq., hereafter the “Guidelines”), and the City’s environmental guidelines.

H. The activity proposed for approval by this Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity

approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:**

**Section 1.** The above recitals are true and correct and are a substantive part of this Resolution.

**Section 2.** This Resolution is adopted pursuant to the provisions of Part 1.85.

**Section 3.** The Successor Agency Board hereby approves and adopts the ROPS 17-18 A&B, substantially in the form attached to this Resolution as Exhibit “1” as will be submitted for approval to the Oversight Board on January 26, 2017. The Executive Director of the Successor Agency, in consultation with the Successor Agency’s legal counsel, may modify ROPS 17-18 A&B as the Executive Director or the Successor Agency’s legal counsel deems necessary or advisable to comply with applicable state law and consistent with the enforceable obligations of the Successor Agency.

**Section 4.** The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to submit a copy of ROPS 17-18 A&B to the DOF, the County Auditor-Controller and the County administrative officer as designated by the County.

**Section 5.** Staff is hereby authorized and directed, jointly and severally, to submit a copy of the Oversight Board-approved ROPS 17-18 A&B to the DOF, the Office of the State Controller, and the County Auditor-Controller.

**Section 6.** Staff is hereby authorized and directed, jointly and severally, to post a copy of the Oversight Board-Approved ROPS 17-18 A&B on the Successor Agency’s Internet website (being a page on the Internet website of the City of San Fernando).

**Section 7.** The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including requesting additional review by the DOF and an opportunity to meet and confer on any disputed items, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

**Section 8.** The Successor Agency Board determines that the activity approved by this Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

**PASSED AND ADOPTED** this 17<sup>th</sup> day of January, 2017.

---

Robert C. Gonzales, Chair

**ATTEST:**

---

Elena G. Chávez, Secretary

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES    ) ss**  
**CITY OF SAN FERNANDO        )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the Successor Agency to the San Fernando Redevelopment Agency held on the 17<sup>th</sup> day of January, 2017, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

---

Elena G. Chávez, Secretary



**EXHIBIT “1”**

**SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE  
CITY OF SAN FERNANDO**

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE 17-18 A&B**

**(July 1, 2017 through June 30, 2018)**

EXHIBIT "1"

Recognized Obligation Payment Schedule (ROPS 17-18) - Summary

Filed for the July 1, 2017 through June 30, 2018 Period

Successor Agency:	San Fernando City
County:	Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		17-18A Total (July - December)	17-18B Total (January - June)	ROPS 17-18 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 3,819,335	\$ -	\$ 3,819,335
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	3,819,335	-	3,819,335
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 1,636,328	\$ 347,205	\$ 1,983,533
F	RPTTF	1,511,328	222,205	1,733,533
G	Administrative RPTTF	125,000	125,000	250,000
H	Current Period Enforceable Obligations (A+E):	\$ 5,455,663	\$ 347,205	\$ 5,802,868

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

San Fernando City Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail																						
July 1, 2017 through June 30, 2018																						
(Report Amounts in Whole Dollars)																						
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
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	ROPS 17-18 Total	17-18A (July - December)					17-18A Total	17-18B (January - June)					17-18B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 38,801,375		\$ 5,802,868	\$ -	\$ -	\$ 3,819,335	\$ 1,511,328	\$ 125,000	\$ 5,455,663	\$ -	\$ -	\$ -	\$ 222,205	\$ 125,000	\$ 347,205
2	2006 Tax Allocation Bond Series	Bonds Issued On or Before 12/31/10	12/21/2006	9/15/2020	US Bank	Bonds issued for the purpose of City Yard relocation, North MacLay Streetscape, and the Regional Aquatics Facility. Council Resolution #7158, RDA Resolution #952.	No. 3	3,068,837	N	\$ 1,327,402				1,310,197		\$ 1,310,197				17,205		\$ 17,205
3	1998 & 2006 Tax Allocation Bonds	Fees	4/6/1998	9/15/2020	US Bank	Fiscal agent fees & continuing disclosure fees charged by the Trustee (U.S. Bank) to administer the 1998 & 2006 bonds.	No. 1 & 3	3,500	N	\$ -						\$ -						\$ -
7	Administrative Cost (Personnel Cost)	Admin Costs	7/1/2017	6/30/2018	City of San Fernando	Administrative fee paid to the City of San Fernando as the Successor Agency to the San Fernando Redevelopment Agency per Health & Safety code 34171(b).	No. 1,1A, 2, 3, 3A, & 4	250,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
12	Wilshire Ventures - Attorney Fees (Project Specific)	Legal	2/9/2009	6/30/2017	Aleshire Wynder, LLP	Ongoing Agency litigation regarding expired Exclusive Negotiation Agreement with Wilshire Ventures.	No. 1		Y	\$ -						\$ -						\$ -
13	LAUSD Litigation (Project Specific)	Legal	5/17/1999	6/30/2018	Richards, Watson & Gershon	Ongoing attorney fees associated with defense of the Agency/Successor Agency regarding LAUSD lawsuit challenging prior fiscal years pass through payments.	No. 1,1A, 2, 3, 3A, & 4	10,000	N	\$ 10,000				5,000		\$ 5,000				5,000		\$ 5,000
14	Project #1/89 Annex Loan Agreement	Third-Party Loans	11/9/1988	6/30/2018	County of Los Angeles	Repayment of Agency loan agreement #60882 with Los Angeles County for deferral of pass through payments to meet Agency's debt service obligations	No. 1A	3,009,992	N	\$ 200,000						\$ -				200,000		\$ 200,000
15	DDA with Haagen/Tiangus	OPA/DDA/Construction	10/16/1989	6/27/2018	San Fernando Mission Partnership	Payment of Developer loan per Disposition and Development Agreement (DDA) between the Agency and the Developer (San Fernando Mission Partnership/Tiangus) to facilitate redevelopment project at San Fernando Mission Blvd.	No. 1A	25,144,624	N	\$ 95,000				95,000		\$ 95,000						\$ -
19	Bond Arbitrage Report	Fees	4/6/1998	6/30/2017	US Bank	Bond arbitrage report for 1998 TAB.	No. 1 & 3		N	\$ -						\$ -						\$ -
31	SERAF Loan Payments	SERAF/ERAF	1/19/2010	6/30/2017	City of San Fernando as Successor Agency of the RDA Low Moderate Income Housing Fund	Housing Fund Loan to the Redevelopment Project Areas to make the FY 2009-2010 Supplemental Educational Revenue Augmentation Fund (SERAF) payment per Health and Safety Code Section 33690 (a)(1).	No. 1,1A, 2, 3, 3A, & 4	1,745,087	N	\$ 101,131				101,131		\$ 101,131						\$ -
33	Public Works City Yard Facility Construction/Improvements	Improvement/Infrastructure	8/6/2007	8/6/2017	City of San Fernando	Improvement and construction of a Public Works Yard per a Cooperation Agreement between the City of San Fernando and Successor Agency to the San Fernando RDA.	#3A	5,569,335	N	\$ 3,819,335			3,819,335			\$ 3,819,335						\$ -
34									N	\$ -						\$ -						\$ -
35									N	\$ -						\$ -						\$ -
36									N	\$ -						\$ -						\$ -
37									N	\$ -						\$ -						\$ -
38									N	\$ -						\$ -						\$ -
39									N	\$ -						\$ -						\$ -
40									N	\$ -						\$ -						\$ -
41									N	\$ -						\$ -						\$ -
42									N	\$ -						\$ -						\$ -
43									N	\$ -						\$ -						\$ -
44									N	\$ -						\$ -						\$ -
45									N	\$ -						\$ -						\$ -
46									N	\$ -						\$ -						\$ -
47									N	\$ -						\$ -						\$ -
48									N	\$ -						\$ -						\$ -
49									N	\$ -						\$ -						\$ -
50									N	\$ -						\$ -						\$ -

San Fernando City Recognized Obligation Payment Schedule (ROPS 17-18) - 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, <a href="#">see Cash Balance Tips Sheet.</a>								
A	B	C	D	E	F	G	H	I
	Cash Balance Information by ROPS Period	Fund Sources						Comments
		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	
ROPS 15-16B Actuals (01/01/16 - 06/30/16)								
1	Beginning Available Cash Balance (Actual 01/01/16)	1,149,067		229,000	125,000	152,018		The computation of the beginning cash balance is as follow: 1) ROPS 15-16A remaining balance of \$8,973, 2) \$27,018 from a DDA, & 125K from the sale of property 3) \$125K received from the sale of property & reclassified and approved by DOF to be used for line item no.14 on ROPS 16-17A & 4) \$229,000 per SCO audit report for unallowable transfer & 5) \$1,149,067 are reserves held with trustee per indenture.
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016				3,452	27,017	2,015,570	1) ROPS 14-15B period adjustment of \$3,452 was approved by DOF to be expensed in ROPS 15-16B, 2) \$27,017 received from DDA & 3) \$2,015,570 is the amount received on January 1, 2016 from RPTTF for ROPS 15-16B covering period January 2016 through June 2016.
3	Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)				3,452		1,859,398	
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				125,000		211,500	DOF approved \$336,500 for ROPS 16-17A & payment was received on June 1, 2016 of \$211,500 & Other funds of \$125K were reclassified to pay for line item no. 14.
5	ROPS 15-16B RPTTF Balances Remaining	No entry required					156,172	FOPS 15-16b RPTTF Balances remaining from item no. 2 \$150,632, item no. 3 \$110, item no. 13 \$5430.16.
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ 1,149,067	\$ -	\$ 229,000	\$ -	\$ 179,035	\$ (211,500)	

