



Chair Antonio Lopez  
Vice Chair Sylvia Ballin  
Board Member Jesse H. Avila  
Board Member Joel Fajardo  
Board Member Robert C. Gonzales  
Interim Executive Director  
Don Penman

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

**TUESDAY, FEBRUARY 19, 2013 – 6:00 PM**

**COUNCIL CHAMBERS  
117 MACNEIL STREET  
SAN FERNANDO, CA 91340**

CALL TO ORDER/ROLL CALL

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 in order to provide a full opportunity to every person who desires to address the Agency Board.

CONSENT CALENDAR

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

- 1) **APPROVAL OF MINUTES OF FEBRUARY 4, 2013 – REGULAR MEETING**
- 2) **ADOPTION OF RESOLUTION NO. 30 – APPROVAL OF WARRANT REGISTER**

SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY  
AGENDA – TUESDAY, FEBRUARY 19, 2013  
PAGE 2

**3) ANNUAL INVESTMENT POLICY**

Recommend that the Successor Agency approve the annual Investment Policy.

**4) APPOINTMENT OF INTERIM FINANCE DIRECTOR AS SIGNER OF WARRANTS**

Recommend that the Successor Agency designate the Interim Finance Director as one of the signers of warrants effective March 1, 2013.

NEW BUSINESS

**5) APPROVAL OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) NO. 13-14A**

Recommend that the Successor Agency adopt a Resolution approving ROPS No. 13-14A for the six-month period from July 1, 2013 through December 31, 2013, and taking certain related actions.

AGENCY DISCUSSION

STAFF COMMUNICATION

ADJOURNMENT

*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, Secretary*

*Signed and Posted: February 15, 2013 (4:00 p.m.)*

Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the City's Internet Website ([www.sfcity.org](http://www.sfcity.org)). These are also available for public reviewing prior to a meeting in the City Clerk's Office. Any public writings distributed by the Successor Agency to at least a majority of the Members regarding any item on this regular meeting agenda will also be made available at the City Clerk's Office 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's Office at (818) 898-1204 at least 48 hours prior to the meeting.



# **Successor Agency to the San Fernando Redevelopment Agency**

*This Page  
Intentionally  
Left Blank*



*This Page  
Intentionally  
Left Blank*

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

**FEBRUARY 4, 2013 – 6:00 PM  
REGULAR MEETING**

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

**CALL TO ORDER/ROLL CALL**

Chair Antonio Lopez called the meeting to order at 6:06 p.m.

Present:

Agency: Chair Antonio Lopez, Vice-Chair Sylvia Ballin, and Board Members Jesse H. Avila, Joel Fajardo, and Robert C. Gonzales

Staff: Interim Executive Director Don Penman, General Counsel Maribel S. Medina, and Secretary Elena G. Chávez

Interim Executive Director Penman introduced Interim Finance Director Rafaela King.

**APPROVAL OF AGENDA**

Motion by Vice-Chair Ballin, seconded by Board Member Avila, to approve the agenda. By consensus, the motion carried.

**PUBLIC STATEMENTS – WRITTEN/ORAL**

None

**CONSENT CALENDAR**

Motion by Vice-Chair Ballin, seconded by Board Member Gonzales, to approve the following Consent Calendar item:

- 1) APPROVAL OF THE MINUTES OF:

**SUCCESSOR AGENCY TO THE  
SAN FERNANDO REDEVELOPMENT AGENCY  
MINUTES – February 4, 2013  
Page 2**

- a) DECEMBER 3, 2012 – REGULAR MEETING
- b) JANUARY 22, 2013 – REGULAR MEETING

By consensus, the motion carried.

**AGENCY DISCUSSION**

None

**STAFF COMMUNICATION**

Interim Executive Director Penman reported that the City has retained Seifel Consulting to assist staff with the State Department of Finance issues and to help prepare the Recognized Obligation Payment Schedule (ROPS) 4.

**ADJOURNMENT (6:09 P.M.)**

By consensus, the meeting was adjourned.

*I do hereby certify that the foregoing is a true and correct copy of the minutes of February 4, 2013, meeting as approved by the Successor Agency to the San Fernando Redevelopment Agency.*

---

*Elena G. Chávez  
Secretary*





*This Page  
Intentionally  
Left Blank*

## **FINANCE DEPARTMENT**

### **MEMORANDUM**

**TO:** Chair Antonio Lopez and Board Members

**FROM:** Don Penman, Interim Executive Director/Deputy Finance Director

**DATE:** February 19, 2013

**SUBJECT:** Warrant Register

---

#### **RECOMMENDATION:**

It is recommended that the Successor Agency Adopt a Resolution (Attachment "A") approving the Warrant Register.

#### **BACKGROUND:**

1. On December 29, 2011, the California Supreme Court issued an opinion in California Redevelopment Association v. Matosantos, upholding Assembly Bill x1 26 (legislation dissolving redevelopment agencies) and invalidating Assembly Bill x1 27 (legislation permitting redevelopment agencies to continue operation if they made certain payments to the State).
2. On August 15, 2011, the City of San Fernando City Council adopted Resolution No. 7452 electing for the City to serve as the Successor Agency for the City's Redevelopment Agency upon the Agency's dissolution.
3. On February 1, 2012, as a result of the Supreme Court's decision, all redevelopment agencies in the State, including the San Fernando Redevelopment Agency, were dissolved. In addition, successor agencies were designated as successor entities to the former redevelopment agencies.
4. On February 6, 2012, the City Council, acting as the governing body of the Successor Agency to the San Fernando Redevelopment Agency, adopted Resolution No. 1 establishing rules and regulations for the operations of the Successor Agency as a new legal entity separate from the City, pursuant to Part 1.85 of Division 24 of the Health and Safety Code.
5. On April 16, 2012, the Successor Agency approved the draft ROPS 2 for the period July 1, 2012 through December 31, 2012 (Resolution No. 11) for subsequent presentation and approval of the Oversight Board.

## Warrant Register

Page 2

6. On May 10, 2012, the Oversight Board approved ROPS 2 for subsequent submittal and approval of the California Department of Finance (DOF) and the Los Angeles County Auditor-Controller.

**ATTACHMENT:**

A. Warrant Register Resolution

**ATTACHMENT "A"****RESOLUTION NO. 30**

**RESOLUTION OF THE SUCCESSOR AGENCY OF THE  
SAN FERNANDO REDEVELOPMENT AGENCY  
ALLOWING AND APPROVING FOR PAYMENT  
DEMANDS PRESENTED ON DEMAND/ WARRANT  
REGISTER NO. 30**

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

1. That the demands (EXHIBIT "A") as presented, having been duly audited, for completeness, are hereby allowed and approved for payment in the amounts as shown to designated payees and charged to the appropriate funds as indicated.

2. That the Secretary shall certify to the adoption of this Resolution and deliver it to the City Treasurer.

**PASSED, APPROVED, AND ADOPTED** this 19<sup>th</sup> day of February, 2013.

\_\_\_\_\_  
Antonio Lopez, 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 19<sup>th</sup> day of February 2013, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

\_\_\_\_\_  
Elena G. Chávez, Secretary

**EXHIBIT "A"**

vchlist

02/14/2013 11:50:14AM

**Voucher List  
CITY OF SAN FERNANDO**

Page: 1

Bank code : bank2

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
10022	2/19/2013	890906 MEYERSJNAVE	2012120308		LEGAL FEES 98-110-0000-4270	270.00
					<b>Total :</b>	<b>270.00</b>
10023	2/19/2013	102848 RICHARDS, WATSON & GERSHON	187891		LEGAL SERVICES 98-110-0092-4270 98-110-0094-4270	53.00 53.00
					<b>Total :</b>	<b>106.00</b>
10024	2/19/2013	103452 U.S. BANK	3316532		BOND 2006 - ADMINISTRATION FEES 98-191-0088-4265	1,500.00
					<b>Total :</b>	<b>1,500.00</b>
		3 Vouchers for bank code :	bank2		<b>Bank total :</b>	<b>1,876.00</b>
		3 Vouchers in this report			<b>Total vouchers :</b>	<b>1,876.00</b>

Voucher Registers are not final until approved by Council.

Page: 1



*This Page  
Intentionally  
Left Blank*



## **CITY TREASURER'S OFFICE**

### **MEMORANDUM**

**TO:** Chair Antonio Lopez and Board Members  
Mayor Antonio Lopez and Councilmembers

**FROM:** Don Penman, Interim Executive Director & Interim City Administrator  
By: Margarita Solis, City Treasurer

**DATE:** February 19, 2013

**SUBJECT:** Annual Investment Policy

---

#### **RECOMMENDATION:**

It is recommended that the Successor Agency and the City Council approve the annual Investment Policy (Attachment "A").

#### **BACKGROUND:**

1. On January 1, 1996, SB 564 went into effect which requires that the City Treasurer render annually to the legislative body for consideration at a public meeting, a statement of investment policy.
2. Since 1996, the Investment Policy has been reviewed annually by the Executive Director, Finance Director and City Treasurer and has been presented to the City Council for approval.
3. The policy was reviewed by Interim Executive Director and Interim City Administrator, Don Penman and City Treasurer, Margarita Solis.

#### **ANALYSIS:**

There were no changes made to the Investment Policy from the previous year.

#### **CONCLUSION:**

Approval of the annual Investment Policy by the Successor Agency Board and City Council will ensure that the Successor Agency and the City comply with the SB 564 requirement.

Annual Investment Policy  
Page 2

**BUDGET IMPACT:**

None.

**ATTACHMENT:**

A. Investment Policy

**ATTACHMENT “A”****CITY OF SAN FERNANDO<sup>1</sup>  
STATEMENT OF INVESTMENT POLICY****PURPOSE**

This statement is intended to provide guidelines for the prudent investment of the City’s temporary idle cash, and outline the policies for maximizing the efficiency of the City’s cash management system. The ultimate goal is to enhance the economic status of the City while protecting its pooled cash.

**OBJECTIVE**

The City’s cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible. The City attempts to earn the highest yield obtainable while keeping within the investment criteria established for the safety and liquidity of public funds.

**POLICY**

San Fernando operates its temporary pooled idle cash investment under the prudent investor standard (i.e., such a trustee must act with the “care, skill, prudence and diligence..that a prudent investor...would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency”). This affords the City a broad spectrum of investment opportunities as long as the investment is deemed prudent and allowable under current legislation of the State of California (Government Code Section 53600 et seq.)

The Government Code permits, subject to limitations, investments in the following instruments:

- Securities of the U.S. Government, or its agencies
- Small Business Administration Loans
- Certificates of Deposit (or Time Deposits) placed with commercial banks and/or Savings and Loan companies.
- Negotiable Certificates of Deposit
- Bankers Acceptances
- Commercial Paper
- Local Agency Investment Fund (State Pool) Demand Deposits

---

<sup>1</sup> For purposes of this policy, “City” includes the Successor Agency to the San Fernando Redevelopment Agency.

## Investment Policy February 19, 2013

- Repurchase Agreements (Repos)
- Passbook Savings Account Demand Deposits
- Revenue Repurchase Agreements

Criteria for selecting investments and the order of priority are:

1. **SAFETY** – The safety and risk associated with an investment refers to the potential for loss of principal, interest or both. Protection of the public funds entrusted to the Treasurer is the paramount criteria used to evaluate the investment instruments available.
2. **LIQUIDITY** – This refers to the ability to convert an investment to cash at any moment in time with minimal risk of forfeiting a portion of principal or interest. Liquidity is an essential investment requirement especially in light of the City's need to be able to meet emergency financing demands of the community at any time.
3. **YIELD** – Yield is the potential dollar earnings an investment can provide, and sometimes is described as the rate of return. As a general rule, yields tend to mirror the inherent risk and liquidity characteristics of the particular investment and thus can only be evaluated after those investment criteria are satisfied.

### Types of Investments

The City purchases Government and agency paper which are the highest quality investments available in terms of safety and liquidity. Also, Certificates of Deposit that are federally insured or collateralized with Government Securities are purchased. Only Bankers Acceptance eligible for purchase by the Federal Reserve System and direct issue commercial papers with Moody's A-1 rating and Standard & Poor's P-1 rating are purchased.

### Considerations for Investments

The City attempts to obtain the highest yield possible when selecting investments, providing that criteria for safety and liquidity are met. Ordinarily, because investments normally carry a positive yield curve, (i.e., longer term investments have higher rates than shorter maturities), the City attempts to stagger its maturities to meet anticipated cash needs in such a way that new investment money can be placed in maturities that carry a higher rate that is available in the short market of 30 days or under. Furthermore, maturities are selected to anticipate cash needs of the City, thereby obviating the need for forced liquidation.

## **Investment Policy February 19, 2013**

### City Constraints

The Treasurer manages the City's investment portfolio with many State and self-imposed constraints. He/she does not speculate, deal in futures or options, or buy stocks. Longer term investments (i.e., over one year) are limited to maturities of five years or less.

The City strives to maintain the level of investment of all funds as near 100% as possible, through daily and projected cash flow determinations. Idle cash management and investment transactions are the responsibility of the City Treasurer after consultation with the Finance Director.

Other requirements and limitations for specific types of investments are shown in Appendix "A".

The basic premise underlying the City's investment philosophy is, and will continue to be, to insure that money is always safe and available when needed.

The City Treasurer or the Deputy Treasurer and/or Finance Director in the absence of the City Treasurer shall continually review the financial condition of proposed depositories of City funds. The City should demand a copy of the latest financial statements and audit reports prior to investment and any reports issued during the period of the investment.

**Investment Policy  
February 19, 2013**

**APPENDIX "A"**

**CITY OF SAN FERNANDO  
INVESTMENT STRATEGY**

1. When making an investment decision, the purchase of an investment is made with the intent of holding that investment to maturity.
2. Cash flow projections are fully utilized to balance the liquidity needs at all times.
3. At least bi-weekly, economic forecasts are obtained from financial experts in the field through bankers and brokers.
4. Close rapport is maintained with the City Administrator, Finance Director, Public Works and other departments having a significant impact on cash flow.
5. The City will invest all City and Successor Agency to the San Fernando Redevelopment Agency funds and the estimated checking accounts float, except for those amounts required by the City's banks to pay for bank services furnished to the City.
6. Depending on market conditions, time deposits are maintained in commercial banks and savings and loan institutions. Particular attention is paid to investment opportunities available from financial institutions within the City of San Fernando so as to contribute to the economic vitality of the community.
7. Safekeeping: Securities purchased from brokers/dealers shall be held in third party safekeeping by the Trust department of Union Bank of California who is the City's third party custodian. Said securities shall be held in the name of the City of San Fernando with the trustee executing investment transactions as directed by the Treasurer.
8. Guidelines for approved types of investments are:

CERTIFICATES OF DEPOSIT: Cash will be invested only in FDIC Insured, Certificates of Deposit or fully collateralized Certificates of Deposit. Collateral for a given investment must be 110% of principal for government securities collateral and 150% of principal for first mortgage collateral. No more than 1% of the portfolio, not to exceed \$1million, shall be invested in any one institution. An institution must meet the following criteria to be considered by the City:

For investments greater than \$100,000 the institution must maintain \$100 million in assets. For investments greater than \$300,000 the institution must maintain at least \$300 million in assets.

The City will not invest in any institution less than five years old.

**Investment Policy  
February 19, 2013**

The institution must maintain a net worth to asset ratio of at least 3% for Savings and Loan, 6% for Banks, and a positive earnings record.

Investments in Certificates of Deposit shall not exceed a term of five years.

Thrift savings institutions shall follow the same requirements as applied to savings and loan investments.

**BANKERS ACCEPTANCES:** The City will only invest through the 15 largest banks in the United States or the 100 largest banks in the world (in terms of assets). Such investments shall not exceed 180 days maturity or 40% of the City's portfolio. The maximum investment with any one institution will not exceed the lesser of \$1 million or 30% of the City's portfolio.

**TREASURY BILLS & NOTES:** The City will require safekeeping documentation of the treasury instrument in Union Bank of California Trust Account in the City's name. Union Bank of California is the third party custodian for the City of San Fernando.

**GOVERNMENT AGENCY SECURITIES:** The City will require physical delivery of these securities to Union Bank of California Trust Account in the City's name. Such securities including Government National Mortgage Assn., Federal National Mortgage Assn., Federal Land Bank and Federal Farm Credit Banks, are permitted with the approval of the City Treasurer and Administrative Services Director. Total investments in these types of documents shall be limited to forty-five (45) percent of the total investment portfolio of the City.

**COMMERCIAL PAPER:** The City will require physical delivery of these securities to Union Bank of California Trust Account in the City's name. Commercial paper will be used solely as a short-term investment not to exceed 15 days. A rating of Standard and Poors A-1 or Moody's P-1 is required. The City will only invest in the largest 15 banks (in terms of total assets) in the United States which meet the requirements of Government Code section 53601(g). The Investment in any one institution will not exceed \$500,000 and purchases of eligible commercial paper may not exceed 15% of the City's portfolio.

**STATE LOCAL AGENCY INVESTMENT FUND:** The investment with the Local Agency Investment Fund may not, by State regulation, exceed \$15 million.

**PASSBOOK SAVINGS ACCOUNTS:** Savings accounts shall be maintained for accounts under \$100,000 that are received too late in the day to invest in other instruments.

9. **Prohibited and Restricted Investments:** The City will not invest in derivative-type investments which are now prohibited by law, viz., inverse floaters, range notes, interest-only strips derived from a mortgage pool, equity linked securities, swaps, margin/leveraging,

**Investment Policy**  
**February 19, 2013**

and any security that could result in zero interest accrual if held to maturity. The City will not invest in reverse repurchase agreements. The City will not engage in speculative buying.

10. The investment plan and strategy are reviewed and updated as needed, and no less often than annually.





*This Page  
Intentionally  
Left Blank*

## CITY TREASURER'S OFFICE

### MEMORANDUM

**TO:** Chair Antonio Lopez and Board Members  
Mayor Antonio Lopez and Councilmembers

**FROM:** Don Penman, Interim Executive Director & Interim City Administrator  
By: Margarita Solis, City Treasurer

**DATE:** February 19, 2013

**SUBJECT:** Appointment of Interim Finance Director as Signer of Warrants

---

#### **RECOMMENDATION:**

It is recommended that the Successor Agency and the City Council designate the Interim Finance Director as one of the signers of warrants effective March 1, 2013.

#### **BACKGROUND:**

1. On April 12, 2010, the new Finance Manager was hired and therefore became the individual that signed all City-issued checks in lieu of the Finance Director.
2. On April 19, 2010, the City Council designated the Finance Manager as *Deputy Finance Director* for the purpose of replacing the departing Finance Director's signature on all warrants issued to vendors and employees.
3. On July 31, 2010, the Finance Manager was appointed to the Interim City Administrator position and remained as a signer of all warrants.
4. On March 21, 2011, the Finance Manager was appointed to the City Administrator position and remained as a signer of all warrants.
5. On December 6, 2012, City Planner Fred Ramirez was appointed to the Interim City Administrator position and was designated as a signer of all warrants.
6. On February 1, 2013, the City hired Rafaela King as the Interim Finance Director.

## Appointment of Interim Finance Director as Signer of Warrants

Page 2

### **ANALYSIS:**

Section 2-712 of the City Code regarding signing of warrants states that the Finance Director, or the Director's Deputy, present the claims or demands against the City to the City Council. City checks include the following three signature descriptions: Mayor; Treasurer or Deputy; and Finance Director or Deputy.

The City Code is written to allow a Finance Director or Deputy to present claims and this position has been temporarily filled with an Interim Finance Director. Since the City Code is written to allow a Finance Director or Deputy to present claims, it is necessary to designate the Interim Finance Director as a signer until a Finance Director is appointed.

### **CONCLUSION:**

It is recommended that the City Council designate the Interim Finance Director as signer of warrants issued to vendors and employees as permitted by the City Code, due to the current vacancies in the Finance Director and Finance Manager positions.

### **BUDGET IMPACT:**

None.



*This Page  
Intentionally  
Left Blank*

## **FINANCE DEPARTMENT**

### **MEMORANDUM**

**TO:** Chair Antonio Lopez and Board Members

**FROM:** Don Penman, Interim City Administrator  
By: Rafaela King, Interim Finance Director

**DATE:** February 19, 2013

**SUBJECT:** Approval of Recognized Payment Obligation Schedule (ROPS) No. 13-14A

---

#### **RECOMMENDATION:**

It is recommended that the Successor Agency adopt a Resolution (Attachment "A") approving ROPS No. 13-14A for the six-month fiscal period from July 1, 2013 through December 31, 2013, and taking certain related actions.

#### **BACKGROUND:**

1. Pursuant to AB X1 26, the Successor Agency must prepare a Recognized Obligation Payment Schedule (ROPS) for each six-month fiscal period (commencing each January 1 and July 1), listing the payments to be made by the Successor Agency during such period. All ROPS must be approved by the Oversight Board. Furthermore, each Oversight Board-approved ROPS must be submitted to the State Department of Finance (DOF) for final review and approval.
2. On June 27, 2012, the Governor signed the State budget trailer bill AB 1484, which became effective immediately. AB 1484 imposes new requirements and deadlines, beginning with the ROPS covering the period from January 1, 2013 through June 30, 2013 (ROPS No. 3).
3. On February 14, 2013, ROPS No. 13-14A was presented to and approved by the Oversight Board.

#### **ANALYSIS:**

##### **Deadlines for ROPS Submission and Review**

AB 1484 does not specify a deadline for the Successor Agency to submit ROPS No. 13-14A to the Oversight Board for approval. However, the Successor Agency must submit an Oversight

## Approval of Recognized Payment Obligation Schedule (ROPS) No. 13-14A

Page 2

Board-approved ROPS No. 13-14A to the DOF, the Office of the State Controller, and the County Auditor-Controller no later than March 1, 2013. The Successor Agency must submit the ROPS to the DOF electronically in the manner of DOF's choosing. A copy of the Oversight Board-approved ROPS must be posted on the Successor Agency's website.

The DOF may eliminate or modify any items on the ROPS before approving the ROPS. The DOF must make its determination regarding the enforceable obligations and the amount and funding source for each enforceable obligation listed on a ROPS no later than 45 days after the ROPS is submitted. Within five business days of the DOF's determination, the Successor Agency may request to "meet and confer" with the DOF on disputed items.

The County Auditor-Controller may object to the inclusion of any item on the ROPS that is not demonstrated to be an enforceable obligation and may object to the funding source proposed for any item. The County Auditor-Controller must provide notice of its objections to the DOF, the Successor Agency, and the Oversight Board prior to the conclusion of the DOF's 45 day review period.

### Penalties for Failure to Make Timely Submission

If the Successor Agency does not submit an Oversight Board-approved ROPS by March 1, 2013, the City of San Fernando will be subject to a civil penalty of \$10,000 per day for every day that the ROPS is not submitted to the DOF. The penalty is to be paid to the County Auditor-Controller for distribution to the taxing entities. If the Successor Agency does not timely submit a ROPS, creditors of the Successor Agency, the DOF, and affected taxing entities may request a writ of mandate to require the Successor Agency to immediately perform this duty. Additionally, if the Successor Agency does not submit a ROPS within 10 days of March 1<sup>st</sup>, the Successor Agency's Administrative Cost Allowance for that period will be reduced by 25 percent.

If the Successor Agency fails to submit an Oversight Board-approved ROPS to the DOF within five business days of "the date upon which the ROPS is to be used to determine the amount of property tax allocations", the DOF may determine whether the County Auditor-Controller should distribute any of property tax revenues to the taxing entities, or whether any amount should be withheld for enforceable obligations pending approval of the ROPS.

### Environment Assessment

It is staff's assessment that the administrative actions undertaken by the Oversight Board for the Successor Agency as it relates to the adoption of the attached Resolution and approval of the ROPS No. 13-14A for submittal to DOF, the Office of the State Controller, and the County Auditor-Controller no later than March 1, 2013, is not a project under California Environmental Quality Act and will not have any significant environmental impact environmental impact therefore no additional action is required.



## Approval of Recognized Payment Obligation Schedule (ROPS) No. 13-14A

Page 3

**CONCLUSION:**

Adoption of the attached Resolution will allow the Successor Agency to submit ROPS No. 13-14A to the DOF by the required March 1, 2013 deadline. Subsequent DOF approval of the ROPS No. 13-14A will allow the Successor Agency to pay its enforceable obligations for the period from July 1, 2013 to December 31, 2013. Furthermore, approval of ROPS No. 13-14A will allow the Successor Agency to continue its work to wind down the affairs of the dissolved redevelopment agencies pursuant to applicable state regulations.

**ATTACHMENT:**

A. Resolution

**ATTACHMENT "A"****RESOLUTION NO. \_\_\_\_\_****A RESOLUTION OF THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2013 AND ENDING DECEMBER 31, 2013, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH****RECITALS:**

A. Pursuant to Health and Safety Code Section 34177(l), the Successor Agency to the San Fernando Redevelopment Agency (the "Successor Agency") must prepare a proposed Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed ROPS to the oversight board for the Successor Agency (the "Oversight Board") for approval.

B. Pursuant to Health and Safety Code Section 34177(l)(2)(B), at the same time that the Successor Agency submits a ROPS to the Oversight Board for approval, the Successor Agency must submit a copy of such ROPS to the State Department of Finance (the "DOF"), the County administrative officer, and the County Auditor-Controller.

C. Pursuant to Health and Safety Code Section 34177(l)(2)(C) and (m), the Successor Agency must (1) submit the Oversight Board-approved ROPS for the six-month fiscal period from July 1, 2013 through December 31, 2013 ("ROPS No. 13-14A"), to the DOF, the Office of the State Controller, and the County Auditor-Controller no later than March 1, 2013; and (2) post a copy of the Oversight Board-approved ROPS No. 13-14A on the Successor Agency's website.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY (THE "BOARD") HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS 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 Health and Safety Code Section 34177.

Section 3. The Board hereby approves proposed ROPS No. 13-14A, substantially in the form attached hereto as Exhibit A as previously approved by the Oversight Board on February 14, 2013. The Executive Director of the Successor Agency, in consultation with the Successor Agency's legal counsel, may modify ROPS No. 13-14A as the Executive Director or the Successor Agency's legal counsel deems necessary or advisable to comply with applicable state law.

Section 4. Staff is hereby authorized and directed to submit a copy of ROPS No. 13-14 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 to submit a copy of Oversight Board-approved ROPS No. 13-14A to the DOF, the Office of the State Controller, and the County Auditor-Controller.

Section 6. Staff is hereby authorized and directed to post a copy of the Oversight Board-approved ROPS No. 13-14A 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 the 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.

**PASSED, APPROVED, AND ADOPTED** this 19<sup>th</sup> day of February 2013.

---

Antonio Lopez, Chair

**ATTEST:**

---

Elena G. Chávez, City Clerk

**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 19<sup>th</sup> day of February, 2013, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

---

Elena G. Chavez, City Clerk

## SUCCESSOR AGENCY CONTACT INFORMATION

## EXHIBIT "A"

**Successor Agency**

ID: **141**  
County: **Los Angeles**  
Successor Agency: **San Fernando City**

**Primary Contact**

Honorific (Ms, Mr, Mrs)	<b>Mr.</b>
First Name	<b>Don</b>
Last Name	<b>Penman</b>
Title	<b>Interim City Administrator</b>
Address	<b>117 Macneil Str</b>
City	<b>San Fernando</b>
State	<b>CA</b>
Zip	<b>91340</b>
Phone Number	<b>818-898-1202</b>
Email Address	<b>dpenman@sfcity.org</b>

**Secondary Contact**

Honorific (Ms, Mr, Mrs)	
First Name	<b>Sonia</b>
Last Name	<b>Garcia</b>
Title	<b>Junior Accountant</b>
Phone Number	<b>818-898-1215</b>
Email Address	<b>sgarcia@sfcity.org</b>

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE

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

Name of Successor Agency:     **SAN FERNANDO CITY (LOS ANGELES)**

Outstanding Debt or Obligation		Total
Total Outstanding Debt or Obligation		\$36,224,756
Current Period Outstanding Debt or Obligation		Six-Month Total
A	Available Revenues Other Than Anticipated RPTTF Funding	\$0 *
B	Enforceable Obligations Funded with RPTTF	\$3,799,455
C	Administrative Allowance Funded with RPTTF	\$125,000
D	Total RPTTF Funded (B + C = D)	\$3,924,455
E	Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i>	\$3,924,455
F	Enter Total Six-Month Anticipated RPTTF Funding	\$0
G	Variance (F - D = G) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	(\$3,924,455)

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 (lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)
I	Enter Actual Obligations Paid with RPTTF
J	Enter Actual Administrative Expenses Paid with RPTTF
K	Adjustment to Redevelopment Obligation Retirement Fund (H - (I + J) = K)
L	Adjustment to RPTTF (D - K = L)
	\$1,601,454
	\$1,588,614
	\$12,840
	\$0
	\$3,924,455

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.

/s/

JUDITH H. FRANK

CHAIR TO THE OVERSIGHT BOARD, SAN FERNANDO



2/14/13

Name

Title

Signature

Date

\* To Be Determined

Oversight Board Approval Date: **February 14, 2013**

SAN FERNANDO CITY (LOS ANGELES)  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-14A)  
July 1, 2013 through December 31, 2013

Item #	Project Name / Debt Obligation	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2013-14	Funding Source					Six-Month Total
									Bond Proceeds	Reserve Balance	Admin Allowance	RP/TF	Other	
							\$36,224,756	\$4,349,090	\$0	\$0	\$125,000	\$3,799,455	\$0	\$3,924,455
1	1998 Tax Allocation Bond Series	4/6/1998	9/15/2014	US Bank	Bonds issued for the purpose of refinancing prior bonds from 1987 & 1991 ("prior bonds") and refinancing additional RDA activities. Council Resolution #6088.	#1 & 3	1,392,375	715,051	0	0	0	697,726	0	697,726
2	2006 Tax Allocation Bond Series	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.	#3	9,239,859	1,143,846	0	0	0	1,005,496	0	1,005,496
3	1998 & 2006 Tax Allocation Bonds			US Bank	Fiscal agent fees & continuing disclosure fees charged by the Trustee (U.S. Bank) to administer the 1998 & 2006 bonds.	#1 & 3	on-going	6,829	0	0	0	5,329	0	5,329
4	Retirement Override Assessment			City of San Fernando Retirement Fund	Accounting entry adjustment for the period from FY 2004-05 through FY 2009-10. Per Redevelopment Plan for project area #4 Tax Increment allocation requirements taxes levy known as the "Retirement Fund of the City of San Fernando", tax rate levied for said tax fund where deposited into Project Area 4 and should have been recorded separately into the Retirement Fund per the Redevelopment Plan adopted July 18, 1994. Ord. #1447.	#4	0	0	0	0	0	0	0	0
5	n/a			BLANK		#2 & 4	0	0	0	0	0	0	0	0
6	Agency repayment of Sewer Fund loan	2/17/2010	5/14/2014	San Fernando Public Finance Authority - Sewer Fund	Per Council Resolution #7362 dated 2/16/2010, the utility sewer fund invested monies into Project Area #2 & 4.	#2 & 4	460,194	460,194	0	0	0	460,194	0	460,194
7	Administrative Cost (Personnel Cost)			Employees of RDA/Successor Agency	Salaries and medical benefits for employees undertaking the activities of the Successor Agency (July 1, 2012 through June 30, 2013), including general legal services and indirect cost.	#1, 2, 3, 3A & 4	on-going	209,100	0	0	93,850	0	0	93,850
8	State Controllers Transaction Report			Thales Consulting	Preparation of the State Controllers Financial Transaction Report for FY 2011-12 per Health and Safety Code Section 33080. this report is due within six months after the end of the fiscal year. Note: Approved by Oversight Board as professional services contract under ROPS No. 1 that are separate from the Administrative Costs for Agency staff and legal Counsel.	#1, 2, 3, 3A, 4 & LMHF	0	0	0	0	0	0	0	0
9	Administrative Cost (Annual Audit)	7/1/2012	6/30/2015	Teaman, Ramirez & Smith, Inc.	Annual Financial Audit Reports required per Health & Safety code section 33080 for FY 2010-2011. Note: Approved by Oversight Board as professional services contract under ROPS No. 1 that are separate from the Administrative Costs for Agency staff and legal Counsel.	#1, 2, 3, 3A, 4 & LMHF	16,300	5,400	0	0	5,400	0	0	5,400
10	Administrative Cost (Property Tax analysis)			HDL, Coren & Cone	RDA/Successor Agency property tax analysis and audit services. Note: Approved by Oversight Board as professional services contract under ROPS No. 1 that are separate from the Administrative Costs for Agency staff and legal Counsel.	#1, 2, 3, 3A & 4	on-going	4,500	0	0	2,250	0	0	2,250
11	Legal Services	5/17/1999		Agency Attorneys	Legal Services provided to the Successor Agency LMHF	#1, 2, 3, 3A, 4 & LMHF	on-going	15,000	0	0	7,500	0	0	7,500
12	Wilshire Ventures - Attorney Fees (Project Specific)			Alshire Wynder, LLP	Ongoing Agency litigation regarding expired Exclusive Negotiation Agreement with Wilshire Ventures.	#1	on-going	30,107	0	0	0	5,000	0	5,000
13	LAUSD Litigation (Project Specific)	5/17/1999		Richards, Watson & Gershon	Ongoing attorney fees associated with defense of the Agency/Successor Agency regarding LAUSD lawsuit challenging prior fiscal years pass through payments.	#1, 2, 3, 3A & 4	on-going	18,000	0	0	0	12,576	0	12,576
14	Project #17/89 Annex	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	#1A	3,076,430	223,859	0	0	0	111,929	0	111,929
15	DDA with Haagen/Tiangus	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.	#1A	18,783,582	60,000	0	0	0	60,000	0	60,000



Oversight Board Approval Date: **February 14, 2013**

SAN FERNANDO CITY (LOS ANGELES)  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-14A)  
July 1, 2013 through December 31, 2013

Item #	Project Name / Debt Obligation	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2013-14	Funding Source					Six-Month Total
									Bond Proceeds	Reserve Balance	Admin Allowance	RP/TF	Other	
16	SERAF Loan Payments	1/19/2010	6/30/2015	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).	#1, 1A, 2, 3, 3A, & 4	1,798,811	0	0	0	0	0	0	0
17	Retirement Tax Override			City of San Fernando Retirement Fund	Property Tax Increment from the Project area attributable to the City's Levy of its Retirement Tax Override. The Gross Tax Increment revenue collected in November 2011 through January 2012 was \$3,382,517.43, which included the City's Levy of its Retirement Tax Override of \$746,194. The County included the retirement tax override amount when calculating the residual amount due.	#1, 1A, 2, 3, 3A, & 4	0	0	0	0	0	0	0	0
18	Due Diligence Review as required by AB 1484			Eadie & Payne	As part of AB 1484, California Health and Safety Code Section #34179.5(a) requires each successor agency to select and employ a licensed accountant to complete a "due diligence" review.	#1, 2, 3, 3A, 4 & LMHF	16,700	16,700	0	0	0	16,700	0	16,700
19	Bond Arbitrage Report			US Bank	Bond arbitrage report for 1998 TAB prepared in November 2012.	#1 & 3	3,675	3,675	0	0	0	3,675	0	3,675
20	Outstanding obligation to City Related to Adjustment for Historical Retirement Tax Override Levies			City of San Fernando Retirement Obligation	Accounting entry adjustment for the period from FY 2004-05 through FY 2009/10. Property taxes levied through the Retirement Tax Override were attributed to Project Area 4 as tax increment, when they should have been deposited directly into the City's Retirement Fund.	#4	492,348	492,348	0	0	0	492,348	0	492,348
21	Retirement Tax Override			City of San Fernando Retirement Obligation	The FY 2011/12 Retirement Tax Override of \$0.2842 due and payable to the City of San Fernando was \$746,194. However, this amount was considered tax increment for purposes of the \$34183.5 calculation (July 2012 true-up), when it should have been considered as the retirement property tax override, and thus, allocated to the City for its PERS obligation.	#1, 1A, 2, 3, 3A, & 4	746,194	746,194	0	0	0	746,194	0	746,194
22	Credit for ROPS / Passthrough Payment Obligations paid by Successor Agency (obligations were also paid by LA County)			City of San Fernando Successor Agency	Pass Through County Adjustment relates to amounts reported on ROPS 1 for pass through owed to LA County that was already deducted.	#1, 1A, 2, 3, 3A, & 4	182,288	182,288	0	0	0	182,288	0	182,288
23	Redevelopment Dissolution Advisory Services	6/30/2013	2/1/2013	Selfel Consulting Inc.	Redevelopment dissolution advisory services provided to the Successor Agency.	#1, 1A, 2, 3, 3A, & 4	16,000	16,000	0	0	16,000	0	0	16,000

SAN FERNANDO CITY (LOS ANGELES)  
Pursuant to Health and Safety Code section 34186 (a)  
PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS II)  
July 1, 2012 through December 31, 2012

Item #	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMIHF		Bond Proceeds		Reserve Balance		Admin Allowance		RPTTF		Other	
					Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual
1	1998 Tax Allocation Bond Series	US Bank	Bonds issued for the purpose of refinancing prior bonds from 1987 & 1991 ("prior bonds") and refinancing additional RDA activities. Council Resolution #6088.	#1 & 3	\$0		\$0		\$0		\$125,000	\$12,840	\$2,508,508	\$1,588,614	\$0	\$0
													649,602			
2	2006 Tax Allocation Bond Series	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.	#3									841,723			
3	1998 & 2006 Tax Allocation Bonds	US Bank	Fiscal agent fees & continuing disclosure fees charged by the Trustee (U.S. bank) to administer the 1998 & 2006 bonds.	#1 & 3									3,500		3,465	
4	Retirement Override Assessment	City of San Fernando Retirement Fund	Accounting entry adjustment for the period from FY 2004-05 through FY 2009-10. Per Redevelopment Plan for project area #4 Tax Increment allocation requirements taxes levy known as the "Retirement Fund of the City of San Fernando", tax rate levied for said tax fund where deposited into Project Area 4 and should have been recorded separately into the Retirement Fund per the Redevelopment Plan adopted July 18, 1994 Ord. #1447.	#4									50,000			
5	State CallHFA Loan	California Housing Finance Agency (CalHFA)	BLANK										690,073		DOF Disallowed	
6	Agency repayment of Sewer Fund loan	San Fernando Public Finance Authority - Sewer Fund	Per Council Resolution #7362 dated 2/16/2010, the utility sewer fund invested monies into Project Area #2 & 4.	#2 & 4									79,492		17,666	
7	Administrative Cost (Personnel Cost)	Employees of RDA/Successor Agency	Salaries and medical benefits for employees undertaking the activities of the Successor Agency (July 1, 2012 through June 30, 2013), including general legal services and indirect cost.	#1, 2, 3, 3A & 4						90,410		1,551				
8	State Controllers Transaction Report	Thales Consulting	Preparation of the State Controllers Financial Transaction Report for FY 2011-12 per Health and Safety Code Section 33080, this report is due within six months after the end of the fiscal year. Note: Approved by Oversight Board as professional services contract under ROPS No. 1 that are separate from the Administrative Costs for Agency staff and legal Counsel.	#1, 2, 3, 3A, 4 & LMIHF						3,540		0				
9	Administrative Cost (Annual Audit)	Teanan, Ramirez & Smith, Inc. & other auditor T.B.D. for (AB 1484 Due Diligence Review)	Annual Financial Audit Reports required per Health & Safety Code section 33080 for FY 2010-2011. Note: Approved by Oversight Board as professional services contract under ROPS No. 1 that are separate from the Administrative Costs for Agency staff and legal Counsel.	#1, 2, 3, 3A, 4 & LMIHF						11,550		5,400				
10	Administrative Cost (Property Tax analysis)	HDL, Coren & Cone	RDA/Successor Agency property tax analysis and audit services. Note: Approved by Oversight Board as professional services contract under ROPS No. 1 that are separate from the Administrative Costs for Agency staff and legal Counsel.	#1, 2, 3, 3A & 4						4,500		1,506				
11	Legal Services	Richards, Watson & Gershon	Legal Services provided to the Successor Agency LMIHF	#1, 2, 3, 3A, 4 & LMIHF						15,000		4,383				
12	Wilshire Ventures - Attorney Fees (Project Specific)	Aleshire Wynder, LLP	Ongoing Agency litigation regarding expired Exclusive Negotiation Agreement with Wilshire Ventures.	#1									25,107		3,640	
13	LAUSD Litigation (Project Specific)	Richards, Watson & Gershon	Ongoing attorney fees associated with defense of the Agency/Successor Agency regarding LAUSD lawsuit Challenging prior fiscal years pass through payments.	#1, 2, 3, 3A & 4									9,000		12,576	
14	Project #17/89 Annex	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.	#1A									100,000		DOF Disallowed	
15	DDA with Haagen/Tiangus	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.	#1A									60,000		60,000	
16	SERAF Loan Payments	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).	#1, 1A, 2, 3, 3A, & 4									0		0	



SAN FERNANDO CITY (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	1998 Tax Allocation Bond Series	Includes \$663,863 for ROPS 13-14A and an unfunded ROPS III obligation of \$33,863.
2	2006 Tax Allocation Bond Series	Includes \$855,248 for ROPS 13-14A and an unfunded ROPS III obligation of \$150,248.
3	1998 & 2006 Tax Allocation Bonds	Includes \$3,500 for ROPS 13-14A and an unfunded ROPS III obligation of \$1,829.
4	Retirement Override Assessment	
5	n/a	
6	Agency repayment of Sewer Fund loan	Includes \$157,426 for ROPS 13-14A and an unfunded ROPS III obligation of \$302,768.
7	Administrative Cost (Personnel Cost)	Salaries and medical benefits for employees undertaking the activities of the Successor Agency (July 1, 2013 through December 31, 2013), including general legal services and indirect cost.
8	State Controllers Transaction Report	
9	Administrative Cost (Annual Audit)	Annual Financial Audit Reports required per Health & Safety code section 33080 for FY 2011-2012. Note: Approved by Oversight Board as professional services contract under ROPS No. 1 that are separate from the Administrative Costs for Agency staff and legal Counsel.
10	Administrative Cost (Property Tax analysis)	
11	Legal Services	
12	Wilshire Ventures - Attorney Fees (Project Specific)	The \$5,000 amount is an unfunded ROPS III obligation to Aleshire Wynder, LLP.
13	LAUSD Litigation (Project Specific)	Includes \$3,576 for ROPS 13-14A and an unfunded ROPS III obligation of \$9,000.
14	Project #1/89 Annex	The \$111,929.27 amount is an unfunded ROPS III obligation to the County of Los Angeles.
15	DDA with Haagen/Tiangus	Per DDA, loan payments end in 2018, regardless of whether loan has been paid in full.
16	SERAF Loan Payments	If Finding of Completion (FOC) is issued prior to approval of ROPS 13-14A or ROPS 13-14B, loan repayments may begin in FY 2013-14. Amount will not exceed annual cap, which is equal to one half of the increase in the amount distributed to taxing entities per §34183(a)(4) in that fiscal year and the amount distributed in FY 2012-13.
17	Retirement Tax Override	Refer to note for Item #20.
18	Due Diligence Review as required by AB 1484	The \$16,700 amount is an unfunded ROPS III obligation to Eadie & Payne.
19	Bond Arbitrage Report	Payment for this enforceable obligation made in January 2013, by the City on behalf of the Successor Agency.

SAN FERNANDO CITY (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
20	Obligation Related to Adjustment for Historical Retirement Tax Override Levies	Accounting entry adjustment for the period from FY 2004/05 through FY 2009/10. For these six fiscal years, property taxes levied through the Retirement Tax Override were attributed to Project Area 4 as property tax increment, when they should have been deposited directly into the City's retirement fund, Fund 18. In 1946, voters approved ballot measure authorizing levying of additional property tax rate to generate property taxes necessary to pay pension obligation. In FY 1982/83, City imposed property tax rate of \$0.28420 on each \$100 of assessed value in order to pay for City's annual PERS obligation. The Consolidated Redevelopment Plan for Project Area 4 Section V.B.5 (Tax Increments) states the following.... <i>That portion of tax revenues allocated to the Agency pursuant to paragraph (2) above which is attributable to the tax rate levied for that tax override fund commonly known as the "Retirement Fund of the City of San Fernando," shall be allocated to, and when collected shall be paid into the "Retirement Fund of the City of San Fernando. "</i>
21	Retirement Tax Override	The FY 2011/12 Retirement Tax Override of \$0.2842 due and payable to the City of San Fernando was \$746,194. However, this amount was considered tax increment for purposes of the §34183.5 calculation (July 2012 true-up), when it should have been considered as the retirement property tax override, and thus, allocated to the City's Fund 18 for its PERS obligation. Government Code §34183(a) states the following.... <i>Notwithstanding subdivision (e) of Section 33670, that portion of the taxes in excess of the amount identified in subdivision (a) of Section 33670, which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness for the acquisition or improvement of real property shall be allocated to, and when collected shall be paid into, the fund of that taxing agency.</i>
22	Credit for ROPS I Passthrough Payment Obligations paid by Successor Agency (obligations were also paid by LA County)	The Successor Agency paid the pass through payments to taxing entities for the ROPS I period. The County also made these same pass through payments. Adjustment would credit Successor Agency for \$182,288 paid to taxing entities.
23	Redevelopment Dissolution Advisory Services	