

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY  
TO THE COMMUNITY REDEVELOPMENT AGENCY  
OF THE CITY OF PALMDALE  
DEVELOPMENT SERVICES BUILDING  
CONFERENCE ROOM  
38250 SIERRA HIGHWAY  
PALMDALE, CALIFORNIA  
SPECIAL MEETING AGENDA NO. 13  
AUGUST 8, 2013  
3:00 P.M.**

[www.cityofpalmdale.org](http://www.cityofpalmdale.org)

**1. CALL TO ORDER.**

Called to order at 3:04 p.m.

**2. ROLL CALL: CHAIR DAVID CHILDS, VICE CHAIR DAVID WALTER,  
BOARD MEMBERS MAZIE BREWINGTON, KENNETH  
SCOTT, JOHN BLALOCK, FORREST MCELROY, AND JOHN  
WALKER**

PRESENT: Chair Childs, Board Members Walter, Scott, Blalock, and McElroy.  
ABSENT: Board Members Brewington and Walker.

Motion: Excuse the absence of Board Members Brewington and Walker.

Moved by Board Member Walter, seconded by Board Member McElroy.

Vote: Motion carried (5-0)

Yes: Chair Childs, Board Members Walter, Scott, Blalock, and McElroy.

Absent: Board Members Brewington and Walker.

**3. WAIVER OF FULL READING OF RESOLUTION.**

Motion: Waive full reading of the resolution

Moved by Board Member Scott, seconded by Board Member Walter.

Vote: Motion carried (5-0)

Yes: Chair Childs, Board Members Walter, Scott, Blalock, and McElroy.

Absent: Board Members Brewington and Walker.

**4. Adopt Resolution No. OB 2013-007, a Resolution of the Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of**

Palmdale approving the issuance of Tax Allocation Refunding Bonds of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale and approving related actions of the Successor Agency.

Alternate Official Contact (AOC) Betsy St. John presented the staff report and introduced Victor Andrade of Citi Group and Financial Consultant Susan Harrell of Harrell & Company. AOC St. John informed the Board that there is a typo on Exhibit “A” Page 5 listing the Resolution number as “SA 2013-007” and it should be corrected to “SA 2013-017.”

Public Comments: None.

Board Member Blalock asked if anything has changed regarding the original bonds that would be financed from the last meeting. AOC St. John stated that yes two (2) bonds have been deleted from the list of six (6) bonds so now there are only four (4) bonds.

Board Member Blalock asked staff if by not using the County and using our own people to prepare the refunding of the bonds were there savings and could we quantify the savings. Chair Childs stated that a quantity could be provided.

Financial Consultant Susan Harrell stated that the total costs for the underwriter, bond counsel, and financial consultant resulted in \$460,000 in costs which was a savings compared to the County’s 20% which would have almost doubled the costs.

Board Member Blalock asked if this savings would result in more money to the entities versus using the County. AOC St. John agreed. Board Member Blalock stated that he is ok with the statement from the City that savings were realized and that he wants his statement on the record.

Motion: Adopt Resolution No. OB 2013-007 as amended.  
Moved by Board Member McElroy, seconded by Board Member Scott.

Vote: Motion carried (5-0)  
Yes: Chair Childs, Board Members Walter, Scott, Blalock, and McElroy.  
Absent: Board Members Brewington and Walker.

**5.** Approve the minutes from the previous meeting held on July 18, 2013.

Motion: Approve the Minutes.  
Moved by Board Member Walter, seconded by Board Member Blalock.

Vote: Motion carried (5-0)  
Yes: Chair Childs, Board Members Walter, Scott, Blalock, and McElroy.  
Absent: Board Members Brewington and Walker.

**5. PUBLIC COMMENTS:**

None.

**6. ADJOURNMENT.**

Motion: Approve adjourning at 3:45 p.m.

Moved by Board Member Blalock, seconded by Board Member McElroy.

Vote: Motion carried (5-0)

Yes: Chair Childs, Board Members Walter, Scott, Blalock, and McElroy.

Absent: Board Members Brewington and Walker.

PASSED, APPROVED, and ADOPTED this \_\_\_\_\_ day of October, 2013.

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David Childs  
Chair

ATTEST:

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Rebecca J. Smith  
Board Clerk

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY  
TO THE COMMUNITY REDEVELOPMENT AGENCY  
OF THE CITY OF PALMDALE  
DEVELOPMENT SERVICES BUILDING  
CONFERENCE ROOM  
38250 SIERRA HIGHWAY  
PALMDALE, CALIFORNIA  
SPECIAL MEETING AGENDA NO. 14  
SEPTEMBER 26, 2013  
3:00 P.M.**

[www.cityofpalmdale.org](http://www.cityofpalmdale.org)

**1. CALL TO ORDER.**

The Board Members discussed the absence of Chair Childs and the absence of Vice Chair Walter who had a family emergency. The Board concurred that they would appoint a temporary chair to run the meeting. Board Members unanimously appointed Board Member Kenneth Scott as Chair for this meeting.

Board Member Scott called the meeting to order at 3:02 p.m.

**2. ROLL CALL: CHAIR DAVID CHILDS, VICE CHAIR DAVID WALTER,  
BOARD MEMBERS MAZIE BREWINGTON, KENNETH  
SCOTT, JOHN BLALOCK, FORREST MCELROY, AND  
JOHN WALKER**

PRESENT: Board Members Scott, Blalock, McElroy, and Walker.

ABSENT: Chair Childs, Vice Chair Walter and Board Member Brewington.

Motion: Excuse the absence of Chair Childs, Vice Chair Walter and Board Member Brewington.

Moved by Board Member McElroy, seconded by Board Member Walker.

Vote: Motion carried (4-0)

Yes: Board Members Scott, Blalock, McElroy, and Walker.

Absent: Chair Childs, Vice Chair Walter and Board Member Brewington.

**3. WAIVER OF FULL READING OF RESOLUTION(S).**

Motion: Waive full reading of Resolutions.

Moved by Board Member Walker, seconded by Board Member Blalock.

Vote: Motion carried (4-0)

Yes: Board Members Scott, Blalock, McElroy, and Walker.

Absent: Chair Childs, Vice Chair Walter and Board Member Brewington.

**4. Adopt Resolution No. OB 2013-008, a Resolution of the Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale Authorizing the Adoption of the Recognized Obligation Payment Schedule for the Six Month Period beginning January 1, 2014 (ROPS 13-14B).**

Hamed Jones, Assistant to Alternate Official Contact (AOC) Betsy St. John, presented the staff report and also addressed the County's questions.

Board Member Scott asked if the \$1,579,955 on Line A of the first page summary affects the ROPS on Page 2? Assistant Jones replied that it will show up on the next pages.

Board Member Blalock asked what is the difference between retired and denied? Assistant Jones stated that the City did not request RPTTF for items that were denied and retired items could be fully paid obligations. He stated that this was the City's interpretation.

Board Member Scott asked if all items on the first page become obligations of the City or are they paid out of another fund? Assistant Jones replied that the debt of the Successor Agency owed to the Housing Authority is carried forward on all ROPS until paid.

Board Member Blalock asked if the last three items are new and then everything else was on a previous ROPS? Assistant Jones replied yes. Board Member Blalock asked if anything was denied. Assistant Jones replied that line items 156 and 157 were denied on the last ROPS which our staff will be negotiating with the State so he did not mark these as retired.

Board Member Walker asked if the items listed in the County memo were duplicates. Assistant Jones replied that Items 10 through 28 are total outstanding debt for each bond issue and did increase because the second line item relating to each bond issue was for a reserve amount. This could be considered double counting because the total outstanding debt was listed both for the regular bond debt service line item as well as the reserve debt service line

item, but it was done out of necessity in satisfying the DOF's spreadsheet requirements to list dollar amounts outstanding for each line item. However, this only increased the total debt outstanding and did not have any effect on the amount of RPTTF being requested in the current ROPS.

Board Member Walker asked if this artificially inflates debt? Assistant Jones stated that he will give an explanation to the DOF and the DOF will revise and approve the final ROPS in regards to items numbers 10, 12, 16, 18, 20, 22, 24, 26, and 28.

Board Member Blalock stated that they would approve the Resolution upon the condition that the final approved ROPS will eliminate the duplication of items reflected in item numbers 10, 12, 16, 18, 20, 22, 24, 26, and 28 in Column I and for Housing bond items numbers 41, 43, 45 and 47 in Column I to reflect actual or total outstanding debt.

There was further discussion regarding this item among Board members. The Board asked Assistant Jones what the total reserve balance was compared to the previous ROPS. Assistant Jones answered \$1.579 million compared to \$2.78 million.

Board Member Scott asked if this was non-redevelopment property tax funds? Assistant Jones replied that for this period they are not showing it under RPTTF since this was asked for from RPTTF in prior ROPS.

Assistant Jones stated that in Item No. 155, this is repayment as approved with a 3 year schedule but that the Successor Agency is estimating that additional RPTTF from the ROPS 13-14A period may be available to repay the City loan sooner. Board Member Walker asked if there was anything irregular in placing the item here. Assistant Jones stated yes due to the loan agreement being approved with a 3 year repayment schedule, but that it will go to the Successor Agency for approval in October and then back to the Oversight Board for approval.

Assistant Jones spoke regarding Item Nos. 160-164 and stated these were land dispositions costs after receiving the finding of completion. Board Member Walker stated these were on here just in case costs were incurred after the finding of completion? Assistant Jones replied yes, because the Successor Agency has not yet received the finding of completion and would not be allowed to incur any land disposition costs until receiving the notice of completion and preparing a long range property management plan. The Successor Agency will not likely receive the finding of completion until the ROPS 13-14B period and is carrying these line items forward from ROPS 13-14A.

Public Comments: None.

Motion: Adopt Resolution No. OB 2013-008 with condition that the final approved ROPS will eliminate the duplication of items reflected in item numbers 10, 12, 16, 18, 20, 22, 24, 26, and 28 in Column I and for Housing bond item numbers 41, 43, 45 and 47 in Column I to reflect actual or total outstanding debt.

Moved by Board Member Walker, seconded by Board Member Blalock.

Vote: Motion carried (4-0)  
Yes: Board Members Scott, Blalock, McElroy, and Walker.  
Absent: Chair Childs, Vice Chair Walter and Board Member Brewington.

5. Adopt Resolution No. OB 2013-009, a Resolution of the Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale approving the Administrative Budget for the Six Month Period Beginning January 1, 2014 (Administrative Budget 13-14B).

Hamed Jones, Assistant to Alternate Official Contact (AOC) Betsy St. John, presented the staff report and also addressed the County's questions.

Board Member Blalock asked what the difference was between this Resolution and the ROPS? Assistant Jones stated that the City is required to prepare an administrative budget, which will tie into the RPTTF Admin column totals in ROPS 13-14B.

Board Member Blalock asked if there is a cap of administrative enforceable obligations for a 6 month period and if they are going up? Assistant Jones replied that there is a cap of admin costs and that the cap is 3% of total approved enforceable obligations, but they are going down. Board Member Blalock asked 11.9 million? Assistant Jones replied yes.

Board Member Blalock asked if the next agenda item is an administrative item? Assistant Jones stated no and that it is related to the ROPS and bond covenants.

Public Comments: None.

Motion: Adopt Resolution No. OB 2013-009.  
Moved by Board Member Walker, seconded by Board Member Blalock.

Vote: Motion carried (4-0)  
Yes: Board Members Scott, Blalock, McElroy, and Walker.  
Absent: Chair Childs, Vice Chair Walter and Board Member Brewington.

6. Review and Approve an Agreement with Harrell & Company Advisors, LLC for financial services, in an amount not to exceed \$100,000, Agreement No. A-4396.

Hamed Jones, Assistant to Alternate Official Contact (AOC) Betsy St. John, presented the staff report.

Board Member Blalock asked if Harrell & Company Advisors LLC are the subject of controversy with the Airport. Assistant Jones replied "No".

Board Member Walker asked which line of the ROPS? Assistant Jones replied that it is on Lines 166 and 167 and is split between the two line items based on the project area size.

Board Member Scott asked if they will cover only 10% of the debt. Assistant Jones replied that this is a five (5) year agreement up to \$100,000. Board Member Scott asked if the charges are only for one 13-14 ROPs and cannot be billed until 1/1/14 and forward? Assistant Jones replied yes, the amounts requested on ROPS 13-14B will only be based on services provided in that time period. Since this agreement was not placed on ROPS 13-14A, the Successor Agency would not be requesting RPTTF until the 6 month period beginning 1/1/14.

Public Comments: None.

Motion: Approve Agreement No. A-4396.

Moved by Board Member Walker, seconded by Board Member Blalock.

Vote: Motion carried (4-0)

Yes: Board Members Scott, Blalock, McElroy, and Walker.

Absent: Chair Childs, Vice Chair Walter and Board Member Brewington.

## 7. PUBLIC COMMENTS:

None.

**8. ADJOURNMENT.**

Motion: Approve adjourning at 4:03 p.m.

Moved by Board Member Walker, seconded by Board Member McElroy.

Vote: Motion carried (4-0)

Yes: Board Members Scott, Blalock, McElroy, and Walker.

Absent: Chair Childs, Vice Chair Walter and Board Member Brewington.

PASSED, APPROVED, and ADOPTED this \_\_\_\_\_ day of October, 2013.

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David Childs  
Chair

ATTEST:

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Rebecca J. Smith  
Board Clerk