

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY  
TO THE COMMUNITY REDEVELOPMENT AGENCY OF  
THE CITY OF PALMDALE**

**BOARD CLERK'S CERTIFICATE**

I, Rebecca J. Smith, Board Clerk of the Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale, State of California, do hereby certify as follows:

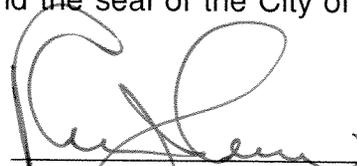
The attached is a full, true, and correct copy of Resolution No. OB 2014-011 adopted at the Special Meeting of the Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale duly held at the regular meeting place thereof, on February 25, 2014, at which meeting all of the members of the Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale had due notice and at which a majority thereof was present.

I further certify that I have carefully compared the same with the original Resolution No. OB 2014-011 on file and of record in my office and that said Resolution No. OB 2014-011 is a full, true, and correct copy of the original Resolution No. OB 2014-011 adopted at said meeting.

At said meeting, Resolution No. OB 2014-011 was adopted by the following vote:

AYES: Chair David Childs, Vice Chair David Walter,  
Board Members Scott, Blalock, McElroy, Walker  
and Knudson  
NOES: None  
ABSTAIN: None  
ABSENT: None

WITNESS my hand and the seal of the City of Palmdale this  
26<sup>th</sup> day of February 2014.

  
\_\_\_\_\_  
Rebecca J. Smith  
Board Clerk

OVERSIGHT BOARD  
OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT  
AGENCY OF THE CITY OF PALMDALE

COUNTY OF LOS ANGELES, CALIFORNIA

RESOLUTION NO. OB 2014-011

**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 JULY 1, 2014 (ADMINISTRATIVE BUDGET 14-15A)**

WHEREAS, The Community Redevelopment Agency of the City of Palmdale ("Redevelopment Agency") was a redevelopment agency in the City of Palmdale ("City"), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) ("Redevelopment Law"); and

WHEREAS, The City Council has adopted redevelopment plans for Palmdale's redevelopment project areas, and from time to time, the City Council has amended such redevelopment plans; and

WHEREAS, The Redevelopment Agency was responsible for the administration of redevelopment activities within the City; and

WHEREAS, Assembly Bill 1X 26 ("AB 26") was signed by the Governor on June 28, 2011 and upheld to be constitutional by the California Supreme Court on December 29, 2011; and

WHEREAS, AB 26 made certain changes to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code), including adding Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the California Health and Safety Code ("Health and Safety Code"); and

WHEREAS, On February 1, 2012, as a result of the Supreme Court's decision, all California redevelopment agencies were dissolved, successor agencies were established as successor agencies to the former redevelopment agencies pursuant to Health and Safety Code Section 34173, and successor agencies are tasked with paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and winding down the affairs of the former redevelopment agencies; and

WHEREAS, On June 27, 2012 the Governor of California signed Assembly Bill 1484 ("AB 1484") into law, making several substantive and technical amendments to AB 26 (AB 26 and AB 1484 together referred to as the "Dissolution Bills"); and

WHEREAS, On January 4, 2012 the City Council adopted Resolution No. CC 2012-002 declaring itself as the successor agency to the Community Redevelopment Agency of the City of Palmdale ("Successor Agency") upon the dissolution of the Redevelopment Agency; and

WHEREAS, On April 4, 2012 the City Council, acting in its capacity as the Successor Agency, adopted Resolution No. CC 2012-041 SA naming itself the "Successor Agency to the Community Redevelopment Agency of the City of Palmdale", the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

WHEREAS, Health and Safety Code Section 34179 ("Section 34179") establishes a seven (7) member local entity with respect to each successor agency and such entity is titled the "oversight board." The oversight board has been established for the Successor Agency (hereinafter referred to as the "Oversight Board"). The duties and responsibilities of the Oversight Board are set forth in Health and Safety Code Sections 34179 through 34181; and

WHEREAS, On April 13, 2012, the first meeting of the Oversight Board of the Successor Agency took place and Oversight Board Members were duly sworn into office; and

WHEREAS, Health and Safety Code Section 34177(j) ("Section 34177(j)") requires the Successor Agency to prepare an administrative budget for each six-month fiscal period and submit the administrative budget to the Oversight Board for approval. The administrative budget shall include all of the following: (i) estimated amounts for Successor Agency administrative costs for the upcoming six-month fiscal period; (ii) proposed sources of payment for Successor Agency administrative costs; and (iii) proposals for arrangements for administrative and operations services provided by the City or other entity; and

WHEREAS, Health and Safety Code Section 34177(k) ("Section 34177(k)") requires the Successor Agency to provide to the Los Angeles County Auditor-Controller for each six-month fiscal period the administrative cost estimates from its approved administrative budget that are to be paid from property tax revenues (i.e. former tax increment revenues) deposited in the County's Redevelopment Property Tax Trust Fund established for the Successor Agency; and

WHEREAS, On February 24, 2014, the Successor Agency approved Resolution No. SA 2014-007 approving the administrative budget for the six-month period beginning July 1, 2014 ("Administrative Budget 14-15A"), in the form attached to this Resolution, and authorized the submission of the approved Administrative Budget 14-15A to the Oversight Board for its approval and to forward the information required by Section 34177(k) to the Los Angeles County Auditor-Controller; and

WHEREAS, All other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS by the Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale that:

Section 1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency of any rights the Successor Agency may have to challenge the effectiveness and/or legality of all or any portion of the Dissolution Bills through administrative or judicial proceedings.

Section 3. The Successor Agency's Administrative Budget 14-15A that is attached hereto and incorporated by reference, and as previously approved by the Successor Agency, is hereby approved and adopted.

Section 4. The Oversight Board may direct staff of the Successor Agency to perform work in furtherance of the Oversight Board's duties and responsibilities under the Dissolution Bills.

Section 5. This Resolution shall take effect immediately upon its adoption.

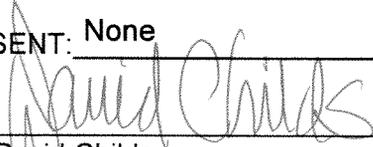
Section 6. The Board Clerk shall certify as to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 25th day of February, 2014, by the following vote:

AYES: Childs, Walter, Scott, Blalock, McElroy, Walker, and Knudson

NOES: None

ABSTAIN: None ABSENT: None

  
\_\_\_\_\_  
David Childs  
Chair

ATTEST:   
\_\_\_\_\_  
Rebecca J. Smith  
Board Clerk

**Exhibit A to Resolution No. SA 2014-007**

Successor Agency to the Community Redevelopment Agency of the City of Palmdale  
 Administrative Budget  
 For the Six-Month Period Beginning July 1, 2014

MUNIS	Item	Housing Authority Fund 293	Successor Agency Fund 460
701000 -			
708000	Salaries & Benefits	\$ 150,000	\$ 100,000
710000	Training & Meetings		\$ 5,000
721110	Cont Svc - Agency Attorney		134,150
722310	Cont Svc - Legal Advertising		3,500
722450	Cont Svc - Document Center & Copier Lease		2,500
722480	GIS Service Charge		12,500
723100	Cont Svc - Maint & Repair - Equip		400
726110	Telephone & Dataline		50
726500	Postage		1,000
729100	Utilities - Water		120
731000	Utilities - Gas		250
731700	Utilities - Electric		5,250
735100	Office & Operating Supplies		1,570
735102	Successor Agency & Oversight Board		500
831101	Rent		6,305
		<u>Total \$ 150,000</u>	<u>\$ 273,095</u>

Source of Funding:  
 Redevelopment Property Tax Trust Fund



# PALMDALE

*a place to call home*

SUCCESSOR AGENCY  
TO THE COMMUNITY  
REDEVELOPMENT  
AGENCY OF THE  
CITY OF PALMDALE

## SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE

### SECRETARY'S CERTIFICATE

JAMES C. LEDFORD, JR.  
*Chair*

TOM LACKEY  
*Vice Chair*

LAURA BETTENCOURT  
*Director*

MIKE DISPENZA  
*Director*

STEVEN D. HOFBAUER  
*Director*

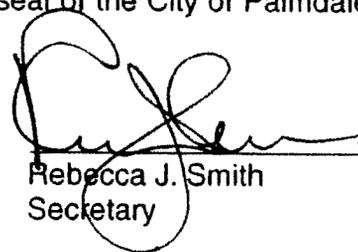
I, Rebecca J. Smith, Secretary of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale, State of California, do hereby certify as follows:

The attached is a full, true, and correct copy of the staff report presented at the February 24, 2014 Successor Agency to the Community Redevelopment Agency of the City of Palmdale Special Meeting and entitled:

Approval of Resolution No. SA 2014-007, approving the Administrative Budget for the Six Month period beginning July 1, 2014 (Administrative Budget 14-15a)

I further certify that I have carefully compared the same with the staff report on file and of record in my office and that said staff report is a full, true, and correct copy of the original staff report approved at said meeting.

WITNESS my hand and the seal of the City of Palmdale this 26<sup>th</sup> day of February 2014.

  
\_\_\_\_\_  
Rebecca J. Smith  
Secretary

38250 Sierra Highway

Palmdale, CA 93550-4798

Tel: 661/267-5125

Fax: 661/267-5155

TDD: 661/267-5167

*Auxiliary aids provided for  
communication accessibility*

*upon 72 hours notice and request.*



## CITY OF PALMDALE

### REPORT to the Chair and Directors of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale from the Executive Director

DATE: February 24, 2014

SUBJECT: Approval of Resolution No. SA 2014-007 approving the Administrative Budget For the Six Month Period Beginning July 1, 2014 (Administrative Budget 14-15A)

ISSUING DEPARTMENT: Finance

#### **SUMMARY**

Issues:

Should the Successor Agency approve Resolution No. SA 2014-007, a Resolution of the Board of Directors of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale Approving the Administrative Budget for the Six Month Period Beginning July 1, 2014?

Recommendation:

It is recommended that the Successor Agency approve Resolution No. SA 2014-007, a Resolution of the Board of Directors of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale Approving the Administrative Budget for the Six Month Period Beginning July 1, 2014.

Fiscal Impact:

The Administrative Budget for the six-month period beginning July 1, 2014 totals \$423,095. These funds will be included in various line items in Fund 293 and Program 20 of Fund 460 in the fiscal year 2014-15 budget, and are included on the Recognized Obligation Payment Schedule (ROPS).

#### **BACKGROUND**

Assembly Bill 1X 26 (AB 26) was signed by the Governor on June 28, 2011 and upheld as constitutional by the California Supreme Court. On June 27, 2012 the Governor signed Assembly Bill 1484 (AB 1484). AB 26 and AB 1484 (together the Dissolution Bills) made sweeping changes to California Redevelopment Law eliminating redevelopment agencies state wide, establishing successor agencies, and requiring the successor agencies to pay, perform and enforce the enforceable obligations of the former redevelopment agencies and to wind down the affairs of the former redevelopment agencies.

Section 34177(j) of the Dissolution Bills requires the Successor Agency to prepare an Administrative Budget for each six-month fiscal period and submit it to the Oversight Board for approval.

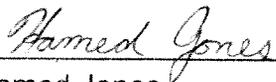
Section 34177(k) of the Dissolution Bills further requires the Successor Agency to provide the Los Angeles County Auditor-Controller the administrative cost estimates from its approved Administrative Budget that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund.

For fiscal year 2014-15 and each year thereafter, Section 34171(b) of the Dissolution Bills authorizes the payment of administrative costs in the greater amount of i) \$250,000 or ii) up to three percent (3%) of the property tax allocated to the Successor Agency in its Redevelopment Obligation Retirement Fund, subject to fund availability and Oversight Board approval. Staff has estimated this amount and allocated it to various Successor Agency costs as detailed in Exhibit A to Resolution No. SA 2014-007.

The attached Resolution No. SA 2014-007 seeks the Successor Agency's approval of the Administrative Budget and their authorization to i) forward the Administrative Budget to the Oversight Board for its approval, and ii) forward the information required by Section 34177(k) to the Los Angeles County Auditor Controller, and iii) take any and all other actions and execute any and all such other documents as are necessary, convenient or appropriate to comply with the Dissolution Bills and to effectuate the intent of this Resolution on behalf of the Successor Agency.

Staff recommends approval of Resolution No. SA 2014-007 attached to this staff report.

Submitted by:



Hamed Jones  
Budget Manager

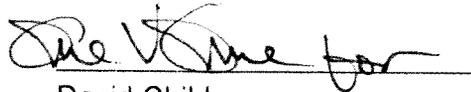
Reviewed by:



Anne Ambrose  
Director of Administrative Services



Karen Johnston  
Finance Manager



David Childs  
Acting Executive Director

Attachment:

1. Resolution No. SA 2014-007



# PALMDALE

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SUCCESSOR AGENCY  
TO THE COMMUNITY  
REDEVELOPMENT  
AGENCY OF THE  
CITY OF PALMDALE

## SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE

### SECRETARY'S CERTIFICATE

JAMES C. LEDFORD, JR.  
*Chair*

TOM LACKEY  
*Vice Chair*

LAURA BETTENCOURT  
*Director*

MIKE DISPENZA  
*Director*

STEVEN D. HOFBAUER  
*Director*

I, Rebecca J. Smith, Secretary of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale, State of California, do hereby certify as follows:

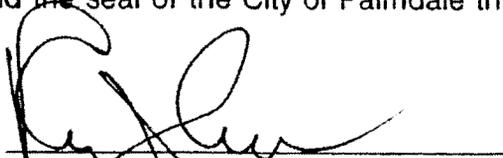
The attached is a full, true, and correct copy of Resolution No. SA 2014-007 adopted at the Special Meeting of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale duly held at the regular meeting place thereof, on February 24, 2014, at which meeting all of the members of said Board of Directors of the Successor Agency had due notice and at which a majority thereof was present.

I further certify that I have carefully compared the same with the original Resolution No. SA 2014-007 on file and of record in my office and that said Resolution No. SA 2014-007 is a full, true, and correct copy of the original Resolution No. SA 2014-007 adopted at said meeting.

At said meeting, Resolution No. SA 2014-007 was adopted by the following vote:

- AYES: Chair Ledford, Vice Chair Lackey, Directors Bettencourt, and Dispenza
- NOES: None
- ABSTAIN: None
- ABSENT: Hofbauer

WITNESS my hand and the seal of the City of Palmdale this 26<sup>th</sup> day of February 2014.



Rebecca J. Smith  
Secretary

38250 Sierra Highway

Palmdale, CA 93550-4798

Tel: 661/267-5125

Fax: 661/267-5155

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SUCCESSOR AGENCY  
TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF  
PALMDALE

COUNTY OF LOS ANGELES, CALIFORNIA

RESOLUTION NO. SA 2014-007

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY  
REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE APPROVING THE  
ADMINISTRATIVE BUDGET FOR THE SIX MONTH PERIOD BEGINNING  
JULY 1, 2014 (ADMINISTRATIVE BUDGET 14-15A)**

WHEREAS, The Community Redevelopment Agency of the City of Palmdale ("Redevelopment Agency") was a redevelopment agency in the City of Palmdale ("City"), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) ("Redevelopment Law"); and

WHEREAS, The City Council has adopted redevelopment plans for Palmdale's redevelopment project areas, and from time to time, the City Council has amended such redevelopment plans; and

WHEREAS, The Redevelopment Agency was responsible for the administration of redevelopment activities within the City; and

WHEREAS, Assembly Bill 1X 26 ("AB 26") was signed by the Governor on June 28, 2011 and upheld to be constitutional by the California Supreme Court on December 29, 2011; and

WHEREAS, AB 26 made certain changes to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code), including adding Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the California Health and Safety Code ("Health and Safety Code"); and

WHEREAS, On February 1, 2012, as a result of the Supreme Court's decision, all California redevelopment agencies were dissolved, successor agencies were established as successor agencies to the former redevelopment agencies pursuant to Health and Safety Code Section 34173, and successor agencies are tasked with paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and winding down the affairs of the former redevelopment agencies; and

WHEREAS, On June 27, 2012 the Governor of California signed Assembly Bill 1484 ("AB 1484") into law, making several substantive and technical amendments to AB 26 (AB 26 and AB 1484 together referred to as the "Dissolution Bills"); and

WHEREAS, On January 4, 2012 the City Council adopted Resolution No. CC 2012-002 declaring itself as the successor agency to the Community

Redevelopment Agency of the City of Palmdale ("Successor Agency") upon the dissolution of the Redevelopment Agency; and

WHEREAS, On April 4, 2012 the City Council, acting in its capacity as the Successor Agency, adopted Resolution No. CC 2012-041 SA naming itself the "Successor Agency to the Community Redevelopment Agency of the City of Palmdale", the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

WHEREAS, Health and Safety Code Section 34179 ("Section 34179") establishes a seven (7) member local entity with respect to each successor agency and such entity is titled the "oversight board." The oversight board has been established for the Successor Agency (hereinafter referred to as the "Oversight Board"). The duties and responsibilities of the Oversight Board are set forth in Health and Safety Code Sections 34179 through 34181; and

WHEREAS, On April 13, 2012, the first meeting of the Oversight Board of the Successor Agency took place and Oversight Board Members were duly sworn into office; and

WHEREAS, Health and Safety Code Section 34177(j) ("Section 34177(j)") requires the Successor Agency to prepare an administrative budget for each six-month fiscal period and submit the administrative budget to the Oversight Board for approval. The administrative budget shall include all of the following: (i) estimated amounts for Successor Agency administrative costs for the upcoming six-month fiscal period; (ii) proposed sources of payment for Successor Agency administrative costs; and (iii) proposals for arrangements for administrative and operations services provided by the City or other entity; and

WHEREAS, Health and Safety Code Section 34177(k) ("Section 34177(k)") requires the Successor Agency to provide to the Los Angeles County Auditor-Controller for each six-month fiscal period the administrative cost estimates from its approved administrative budget that are to be paid from property tax revenues (i.e. former tax increment revenues) deposited in the County's Redevelopment Property Tax Trust Fund established for the Successor Agency; and

WHEREAS, Staff of the Successor Agency seeks the Successor Agency's approval of the administrative budget for the six-month period beginning July 1, 2014 ("Administrative Budget 14-15A"), in the form attached to this Resolution as Exhibit A, and the Successor Agency's authorization to submit the approved Administrative Budget 14-15A to the Oversight Board for its approval and to forward the information required by Section 34177(k) to the Los Angeles County Auditor-Controller; and

WHEREAS, All other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS by the Board of Directors of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale that:

Section 1. The Board of Directors hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency of any rights the Successor Agency may have to challenge the effectiveness and/or legality of all or any portion of the Dissolution Bills through administrative or judicial proceedings.

Section 3. The Successor Agency's Administrative Budget 14-15A that is attached hereto as Exhibit A is hereby approved and adopted.

Section 4. The Executive Director, or designee, is hereby authorized and directed to: i) submit the approved Administrative Budget 14-15A to the Oversight Board for its review and approval; and ii) submit to the Los Angeles County Auditor-Controller the administrative cost estimates from Administrative Budget 14-15A that are to be paid from property tax revenues deposited in the County's Redevelopment Property Tax Trust Fund established for the Successor Agency; and iii) take any and all other actions and execute any and all such other documents as are necessary, convenient or appropriate to comply with the Dissolution Bills and to effectuate the intent of this Resolution on behalf of the Successor Agency.

Section 5. This Resolution shall take effect immediately upon its adoption.

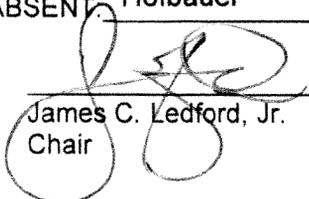
Section 6. The Secretary shall certify as to the adoption of this Resolution.

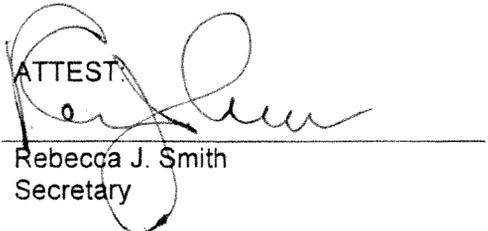
PASSED, APPROVED and ADOPTED this 24th day of February, 2014, by the following vote:

AYES: Ledford, Lackey, Bettencourt, and Dispenza

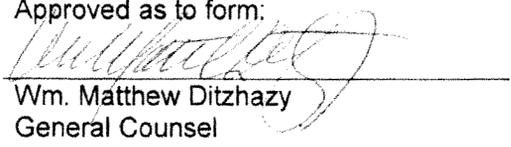
NOES: None

ABSTAIN: None ABSENT: Hofbauer

  
James C. Ledford, Jr.  
Chair

ATTEST  
  
Rebecca J. Smith  
Secretary

Approved as to form:

  
Wm. Matthew Ditzhazy  
General Counsel

**Exhibit A to Resolution No. SA 2014-007**

Successor Agency to the Community Redevelopment Agency of the City of Palmdale  
 Administrative Budget  
 For the Six-Month Period Beginning July 1, 2014

MUNIS	Item	Housing Authority Fund 293	Successor Agency Fund 460
701000 -			
708000	Salaries & Benefits	\$ 150,000	\$ 100,000
710000	Training & Meetings		\$ 5,000
721110	Cont Svc - Agency Attorney		134,150
722310	Cont Svc - Legal Advertising		3,500
722450	Cont Svc - Document Center & Copier Lease		2,500
722480	GIS Service Charge		12,500
723100	Cont Svc - Maint & Repair - Equip		400
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731000	Utilities - Gas		250
731700	Utilities - Electric		5,250
735100	Office & Operating Supplies		1,570
735102	Successor Agency & Oversight Board		500
831101	Rent		6,305
Total		\$ 150,000	\$ 273,095

Source of Funding:  
 Redevelopment Property Tax Trust Fund