




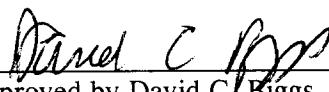
City of Carson

Report to Mayor and City Council

July 3, 2012
New Business Discussion

SUBJECT: CONSIDER THE STATUS OF ABX1 26 IMPLEMENTATION


Submitted by Clifford W. Graves
Economic Development General Manager


Approved by David C. Biggs
City Manager

I. SUMMARY

This report summarizes recent actions pursuant to the redevelopment agency dissolution requirement and legislative actions moving through the California Legislature.

II. RECOMMENDATION

RECEIVE and FILE.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

On February 1, 2012, the city began complying with the requirements of ABX1 26 (Redevelopment Agency Dissolution). On May 26, 2012, the Department of Finance (DOF) transmitted its Recognized Obligation Payment Schedule (ROPS) Approval Letter (Exhibit No. 1) outlining exclusions to the ROPS submitted by the city.

On June 21, 2012, the city responded to the ROPS approval letter exceptions and requested reconsideration of three items: Bonds, Wilmington/I405 Interchange Modification, and Carson Park Improvements Project. The city's response letter included expanded project narratives and a one-page ROPS delineating our request (Exhibit No. 2). Staff continues to refine the narratives and will submit updated narratives to DOF once complete. The extensive exhibits submitted with our request for reconsideration (Exhibit No. 3) are available for review at the Economic Development Work Group located at One Civic Plaza, Suite 500. On June 21, 2012, staff received notification from DOF that its review of our response will commence within two to three weeks (Exhibit No. 4).

Senate and Assembly staff members have been working with DOF representatives to negotiate significant changes to Assembly Bill No. 1484 (trailer bill - cleanup language to ABX1 26) that is attached to the state's budget. The trailer bill is set for consideration by both Houses on Wednesday, June 27, 2012. Information obtained from that or other scheduled hearings held between

the time this report was prepared and tonight's meeting will be presented to the City Council when this report is considered. A copy of the 73-page bill is available by entering the bill number at: www.leginfo.ca.gov/bilinfo.html.

The League of California Cities (League) secured a one-page outline of the proposed major provisions of the DOF trailer bill (Exhibit No. 5). The League opposes the DOF's sales and property tax "offset" proposal (Exhibit No. 6). The League's approach encourages cooperation and incentives rather than compulsion; notes we cannot afford additional conflict and litigation; and that the state and cities need to work together to support economic recovery.

Exhibit No. 7 is a copy of an email from Townsend Public Affairs, Inc., regarding the DOF trailer bill and notes that while not included in the one-page outline of the proposed major provisions to the DOF trailer bill, the bill will contain a form of alternative dispute resolution so that appeals are not conducted by DOF representatives.

A copy of the Oversight Board to the Successor Agency to the Dissolved Carson Redevelopment Agency (Board) June 25, 2012, agenda is included as Exhibit No. 8. The Board adopted Resolution No. OBSA12-04 confirming the transfer of real property to the Housing Authority for property located at 2535-2539 East Carson Street and approved/concurred with the city's response to the May 26, 2012, DOF approval letter.

The League continues to monitor legislation and follows the proposed cleanup bills that are moving through various committees of the legislature. Of these bills, Senate Bill 654 (Steinberg) and Assembly Bill 1585 (Perez) would permit retention of unencumbered housing fund balances; Senate Bill 1151 (Steinberg) would require successor agencies to prepare a long-range asset management plan to maximize the long-term asset value for ongoing economic development and housing funds; and, Senate Bill 986 (Dutton) would permit unencumbered bond proceeds to be retained and expended to fulfill the purposes for which the bonds were issued. Retention of unencumbered fund balances and bond proceeds would enable the Housing Authority to complete housing projects in the city. Senate Bill 1220 (Housing Opportunity Trust Fund Act of 2012) will not proceed this year and could be considered again sometime in the future. Exhibit No. 9 is a list of the ten bills and status of each legislative issue. Staff will continue to monitor the committee actions and will report progress in future reports.

V. FISCAL IMPACT

None.

VI. EXHIBITS

1. Department of Finance letter dated May 26, 2012 – Recognized Obligation Payment Schedule Approval letter. (pgs. 4-6)
2. City's response to Department of Finance - Recognized Obligation Payment Schedule Approval letter. (pgs. 7-16)
3. Exhibit List for Wilmington Avenue/I-405 Interchange Modifications and Carson Park Improvements Projects. (pg. 17)
4. DOF email dated June 21, 2012. (pg. 18)
5. Trailer Bill Outline dated June 21, 2012. (pg. 19)
6. League email dated June 25, 2012. (pg. 20)
7. Townsend Public Affairs, Inc. notification dated June 25, 2012. (pg. 21)
8. June 25, 2012 Agenda-Oversight Board to the Successor Agency to the dissolved Carson Redevelopment Agency. (pgs. 22-23)
9. Legislative Tracking. (pg. 24)

Prepared by: Linda F. Mann, Principal Administrative Analyst

TO:Rev03-08-12

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Development Services
Economic Development	Public Services

Action taken by City Council

Date_____ Action_____



DEPARTMENT OF
FINANCE

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET • SACRAMENTO CA • 95814-2706 • WWW.DOF.CA.GOV

May 26, 2012

Linda Mann, Principal Analyst
Economic Development Department
City of Carson
701 E Carson St.
Carson, CA 90745

Dear Ms. Mann:

Subject: Recognized Obligation Payment Schedule Approval Letter

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of Carson Successor Agency submitted Recognized Obligation Payment Schedules (ROPS) to the California Department of Finance (Finance) on May 14, 2012 for periods January to June 2012 and July to December 2012. Finance is assuming oversight board approval. Finance has completed its review of your ROPS, which included obtaining clarification for various items.

Finance is approving the items listed in your ROPS except for the following:

January through June 2012 Period

- o Page 1, item no. 19, and page 2, item no. 7 - in the amount of \$9.7 million are for projects that have no signed expenditure contracts or have contracts signed after the June 27, 2011 deadline. HSC section 34163(b) prohibits a redevelopment agency from entering into a contract with any entity after June 27, 2011.
- o Page 1, items 16 and 17, and page 6, item no. 4 - in the amount of \$42.5 million. HSC section 34171 (d) (2) states that agreements, contracts, or arrangements between the city, county, or city and county that created the redevelopment agency and the former redevelopment agency are not enforceable obligations.
- o Page 1, item no. 15 state there is a contract between the City and Caltrans - in the amount of \$17.4 million. No documentation was provided to support that this is an enforceable obligation of the RDA.
- o Page 1, item no. 18 - in the amount of \$20 million for a pending legal settlement. HSC section 34171 (d) outlines characteristic of enforceable obligations and does not recognize reserves set aside as enforceable obligations other than bond indebtedness. Therefore, the \$20 million reserve is not enforceable. The statute does not currently recognize contingent or unknown obligations, thus creation of reserves for such things through a Recognized Obligation Payment Schedule is not permitted.
- o Page 2, line item 38 - in the amount of \$2.8 million. The requirement to set aside 20 percent of RDA tax increment for low and moderate income housing purposes ended with the passing of the redevelopment dissolution legislation. HSC section 34177 (d) requires that all unencumbered balances in the Low and

EXHIBIT NO. 01

4

Moderate Income Housing Fund be remitted to the county auditor controller for distribution to the taxing entities.

July through December 2012 Period

- o Page 1, items no. 1 – 7 and 9 – in the amount of \$9.8 million. HSC section 34171 (d) (1) (A) states that enforceable obligation means bonds, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of the outstanding bonds. It is our understanding that these reserves are not required under the terms of the bond indenture.
- o Page 2, item no. 2 and 8 - in the amount of \$9.9 million are for projects that have no signed expenditure contracts or have contracts signed after the June 27, 2011 deadline. HSC section 34163(b) prohibits a redevelopment agency from entering into a contract with any entity after June 27, 2011.
- o Page 1, item no. 13 is a contract between the City and Caltrans – in the amount of \$17.4 million. No documentation was provided to support that this is an enforceable obligation of the RDA.
- o Page 1, items 14 and 15, and page 6, item no. 1 - in the amount of \$36.5 million. HSC section 34171 (d) (2) states that agreements, contracts, or arrangements between the city, county, or city and county that created the redevelopment agency and the former redevelopment agency are not enforceable obligations.
- o Page 1, item no. 20 – in the amount of \$20 million for a pending legal settlement. HSC section 34171 (d) outlines characteristic of enforceable obligations and does not recognize reserves set aside as enforceable obligations other than bond indebtedness. Therefore, the \$20 million reserve is not enforceable. The statute does not currently recognize contingent or unknown obligations, thus creation of reserves for such things through a Recognized Obligation Payment Schedule is not permitted.

This is our determination with respect to any items funded from the Redevelopment Property Tax Trust Fund for the June 1, 2012 property tax allocations. If your oversight board disagrees with our determination with respect to any items not funded with property tax, any future resolution of the disputed issue may be accommodated by amending the ROPS for the appropriate time period. Items not questioned during this review are subject to a subsequent review, if they are included on a future ROPS. If an item included on a future ROPS is not an enforceable obligation, Finance reserves the right to remove that item from the future ROPS, even if it was not removed from the preceding ROPS.

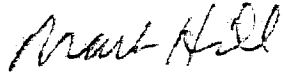
Please refer to Exhibit 12 at http://www.dof.ca.gov/assembly_bills_26-27/view.php for the amount of Redevelopment Property Tax Trust Fund (RPTTF) that was approved by Finance based on the schedule submitted.

As you are aware the amount of available RPTTF is the same as the property tax increment that was available prior to ABx1 26. This amount is not and never was an unlimited funding source. Therefore as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available in the RPTTF.

Ms. Mann
May 28, 2012
Page 3

Please direct inquiries to Robert Scott, Supervisor or Derk Symons, Lead Analyst at (916) 322-2985.

Sincerely,



MARK HILL
Program Budget Manager

cc: Ms. Kristina Burns, Program Specialist III, County of Los Angeles





CITY OF CARSON

June 21, 2012

Electronic Transmission Letter to:

RDA-SDSUPPOT@sco.ca.gov

Redevelopment_Administrati@doe.ca.gov

Derk.symons@doe.ca.gov

kburns@auditor.lacounty.gov

sahaiwe@auditor.lacounty.gov

wkwan@auditor.lacounty.gov

To all concerned parties:

**RE: CARSON RESPONSE TO DEPARTMENT OF FINANCE MAY 26, 2012
RECOGNIZED OBLIGATION PAYMENT APPROVAL LETTER
EXCEPTIONS**

The Carson Successor Agency has reviewed the exceptions noted in the Department of Finance's May 26, 2012 letter. The Agency believes that three of the exceptions were based on incomplete information.

Transmitted herewith are copies of project narratives and additional background information supporting the city's submittal for:

- Bonds
- Wilmington/I-405 Interchange Project Modification (Project No. 919)
- Carson Park Improvements (Project No. 1223).

The Bond justification narrative points out an error in interpreting these payment claims as bond reserves. Without this payment (\$10,221,739.06), the Agency will be unable to meet its debt service obligations. Please refer to the narrative.

EXHIBIT NO. 02



Page Two
Carson Response to DOF Exceptions
June 21, 2012

The I-405/Wilmington Avenue interchange modification (Project No. 919) includes federal and state funding commitments. Rights-of-way have been acquired. It has significant regional implications for the Port of Los Angeles, as well as for industrial and commercial businesses. Please refer to the attached narrative and background documents.

The Carson Park Improvements Project (Project No. 1223) is a part of a 2003 cooperative agreement, a 2009 architectural service agreement, and report to the Agency action approving moving the project in June 2010. Please consider the attached documentation in support of this project.

Your expeditious review of this request for reconsideration is appreciated.

Yours truly,

A handwritten signature in black ink, appearing to read "Clifford W. Graves".

CLIFFORD W. GRAVES, FAICP
ECONOMIC DEVELOPMENT GENERAL MANAGER

Attachments: Narratives and Support documents.

cc: (Attachments: narratives only)
Mayor and City Councilmembers
Oversight Board/Successor Agency to the Dissolved Carson Redevelopment Agency
City Manager

Carson July-December 2012 ROPS
BONDS NARRATIVE

This represents a clarification of the ROPS Filed by the Carson Successor Agency for the period July - December 2012 as revised on May 23, 2012. The Agency requires and claims \$9,858,214.06 for principal and interest due on Agency Tax Allocation Bonds during July to December 2012 period plus \$ 363,525.00 due under the City Series 2009 A Lease Revenue Bonds for a total of \$10,221,739.06. The prior ROPS mistakenly referred to these payment claims as bond reserves. Without this payment of \$10,221,739.06 the Agency will be unable to meet its debt service obligations.

Additionally, the Agency is legally required under all but the 2007 A and 2009 LRB bond indentures to deposit all Tax Revenues collected between October 2 and October 1 of any year into the Agency Special Fund for deposit to the Bond Trustee for debt service. This is after payments of County collection fees and senior pass through and prior to any other expenditures. Once enough money has been collected to fund all the senior bond debt service during a bond year, the subordinate bond debt service of the Series 2007A and 2009 LRB is next in line. Whether this claim is best filed in this ROPS or the January - June ROPS in 2013 is undetermined and we would seek advice from the DOF. Under the Bond Indentures, Tax Revenues collected from the 2012/2013 Tax Roll received in January of 2013 and May of 2013 are legally pledged to the April 1 and October 1, 2013 debt service first and any surplus pledged to the 2007. A subordinate bond debt service due on the 2007 A Bonds July 1, 2013 and January 1, 2014 and then to the 2009 LRB Debt Service.

Carson July-December 2012 ROPS
WILMINGTON I-405 INTERCHANGE MODIFICATION NARRATIVE

The Wilmington Avenue Interchange Modification at the I-405 Freeway is a project that is a collaboration of Federal, State and local funding. It is also a project that will enhance safety, efficiency and vitality of the region.

Starting in 2003, the city began submitting requests for federal assistance to complete the Wilmington Avenue Interchange Modification at I-405 Project. Federal funding in the amount of \$4,000,000.00 was awarded through the Safe, Accountable, Flexible, Efficient, Transportation Act (SAFETEAU-LU - Public Law 109-59) in 2005. Additional funding, in the amount of \$11,362,000.00, was obtained through the 2007 Metropolitan Transit Authority Call for Projects. The project funding sources and amounts are outlined in the following chart:

Federal funds - SAFETEAU-LU - 2005	\$ 4,000,000.00
State and federal funds, MTA - 2007 Call for Projects	\$ 11,362,000.00
Agency Merged and Amended Redevelopment Project Area:	
FY 2006/07	\$ 1,800,000.00
FY 2007/08	\$ 1,000,000.00
	\$
FY 2008/09	-
FY 2009/10	\$ 4,000,000.00
FY 2010/11	\$ 2,628,000.00
Total Agency	\$ 9,428,000.00
Unfunded	\$ 2,780,000.00
TOTAL	\$ 27,570,000.00

The Wilmington Avenue Interchange Modification at I-405 Project is located in the City of Carson, 5.5 km east of the SR-110/I-405 and 5.8 km west of the I-710/I-405 interchanges. The proposed project includes modification of the ramps, construction of new I-405 northbound ramp, and widening of Wilmington Avenue from 223rd Street, south of I-405, to 220th Street north of the Interchange. Additionally, this project proposes to synchronize all traffic signals at this location, extending from 220th Street to the north, to 223rd Street to the south.

REGIONAL SIGNIFICANCE AND INTERMODEL INTEGRATION

Wilmington Avenue in the vicinity of I-405 is a designated truck route connecting the Port of Los Angeles to northerly destinations. This interchange also provides access to the truck traffic generated by industrial/commercial businesses. The traffic volume at the interchange -



nearly 30,000 ADT – illustrates the importance of Wilmington Avenue as a regional arterial, and documents the heavy interaction with traffic to and from the south and north on I-405.

Wilmington Avenue is a major arterial serving the South Bay sub-regional area cities of Carson, Compton, and Los Angeles. Wilmington Avenue is parallel to Alameda Street, an arterial dedicated to extremely heavy port-related truck traffic, and is currently used as a bypass route for trucks leaving or heading to the massive San Pedro Bay port complex which includes the ports of Los Angeles and Long Beach. It also provides access to the I-405 and the SR-91 in the City of Carson. The I-405 is part of the National Highway System and serves as an interstate/interregional and commute travel highway. Interchange capacity and operational improvements will not only support transportation and air quality goals, but will also meet the policies within the general plans of the City, County, and Southern California Association of Government's (SCAG) Regional Comprehensive Plan and Guide (RCPG).

At the 405 Freeway, Wilmington Avenue handles almost 40,000 vehicles a day, many of them trucks related to port activities. The industrial area south of the intersection is primarily served by Wilmington Avenue and has over 4,000 direct employees. The current backup causes huge delays for local businesses and truckers, pushing many onto other roads that are not truck routes or are already at capacity. The result is that businesses are unable to expand or hire additional workers.

Vehicles waiting to get through the area create significant pollution while idling since the delay can be ten minutes or more during the morning or later afternoon. This is not a pollution problem caused by business activity but simply from waiting. The planned improvements would make for a safer, healthier and more prosperous region.

This project is vitally important to the South Bay area, and is included in the South Bay Council of Governments "Transportation Capital Improvement Priority List" dated December 7, 2006.

The project specifically supports the purpose of the Multi-County Goods Movement planning process:

"The ability to efficiently move freight/goods throughout Southern California's transportation network is crucial to the mobility and economic vitality of the region, the state and the nation. With international trade flourishing, local communities will continue to see a steady increase in trucks and freight trains carrying freight/goods handled by the San Pedro Bay Ports, Los Angeles International Airport and other major gateways and ports of entry throughout Southern California."



The intersection of Wilmington Avenue at 223rd Street continually shows up, year after year, as one of the city's top ten high collision intersections. According to the Los Angeles Sheriff's Department - Carson Station there have been 22 collisions at the intersection in the period from January 1, 2010 to June 19, 2012. In the same time frame there have been 3 injured persons.

PROJECT NEED AND BENEFIT TO TRANSPORTATION SYSTEM

The ramps to and from the southbound and northbound I-405 are heavily used due to local and regional circulation system characteristics. The Wilmington Avenue interchange is a very desirable regional interchange option for traffic that wishes to continue from the northbound I-405 in a westerly or southwesterly direction. Currently, Wilmington Avenue in the vicinity of the I-405 interchange experiences severe traffic congestion in the AM and PM peak hours. With the addition of new improved I-405 improved ramps the Level of Service (LOS) for the freeway and for Wilmington Avenue will be considerably improved. As a result, the existing arterial bottleneck will be eliminated and system operations will be improved. Safety is a problem at the Wilmington Avenue/223rd Street intersection (just south of the I-405). The proposed improvements would reduce congestion, improve air quality, increase capacity, reduce accidents, and improve safety. The LOS would be improved from Level "F" to Level "B". The following chart shows the number of collisions that have occurred at Wilmington Avenue/223rd Street intersection.

Year	Annual Collisions
2005	20
2006	22
2007	22
2008	15
2009	12
2010	17
2011	Data not available yet.

The project, when constructed, will provide improved access to regional economic centers and key facilities including the British Petroleum Refinery (formerly ARCO), which provides significant amount of jet fuel supplies to commercial aircraft operating at the Los Angeles International Airport, and 25% of all of the gasoline consumed within Los Angeles County.

The following is a timeline of events after the 2005 SAFETEAU-LU and 2007 MTA wards:

On February 21, 2006 - the Agency Board authorized staff to prepare and advertise "Request for Qualification" to prepare Environmental Report, Plans, Specifications, and Estimates -

Project No. 919: Wilmington Avenue/223rd Street/I-405 Freeway Interchange Modification, utilizing CRA funds for design phase of this project.

On September 5, 2006 - the Agency Board approved a Professional Services Agreement with Parsons in the amount of \$1,804,200.00, to prepare the Project Report, Environmental Document, and Geometric Approval Drawings, to obtain the Project Approval; and for the preparation of PS&E for Project No. 919: Wilmington Avenue Interchange Modification at the I-405 Freeway. Document attached.

November 8, 2006 - the Agency Board adopted Resolution No. 06-145, "a resolution of the City Council of the city of Carson, California, approving cooperative agreement no. 07-4771 with the California Department of Transportation (Caltrans) for the Wilmington Avenue Interchange Modification at the I-405 Freeway" for design phase of this project.

November 28, 2006 - Cooperative Agreement between Department of Transportation and the city of Carson to work at partners modification of the State Route 405 Interchange at Wilmington Avenue. Document attached

December 4, 2007 - On December 4, 2007, October 7, 2008, December 15, 2009, and November 16, 2010, the Agency Board approved four Amendments to the Professional Services Agreement with Parsons to reflect an increase in the scope of work. The total Professional Services Agreement with Parsons is \$2,509,424.52. First Amendment to the Agreement for Professional Services - Parsons Transportation Group Inc., adding to Scope of Work not to exceed \$96,972.21. Document included.

October 7, 2008 - Second Amendment to the Agreement for Professional Services - Parsons Transportation Group Inc., adding to Scope of Work not to exceed \$359,732.98. Document attached

February 17, 2009 - the Agency Board approved a Professional Services Agreement with TCM Group, Inc. to provide Construction Management Services for Project No. 919: Wilmington Avenue Interchange Modification at the I-405 freeway; for a negotiated fee not-to-exceed \$ 2,994,788.00. Document included.

November 13, 2009 - Memorandum of Understanding between the Los Angeles County Metropolitan Transportation Authority and the City of Carson outlining project funding and scope of work. Document attached.

December 15, 2009 Staff Report - Third amendment to the professional agreement with Parsons Transportation Group Inc. for Project No 919: Wilmington Avenue Interchange medication at the I-405 Freeway. Parsons Transportation Group Inc. to prepare the

Environmental Document and plan, specifications and estimates for the project not exceed \$179,652.93. Document attached.

May 18, 2010 - the Agency Board/City Council executed a memorandum of understanding (MOU) with the Los Angeles County Metropolitan Transportation Authority (Metro) for the Wilmington Avenue Interchange Modification at the I-405 Freeway". According to this MOU, Metro will contribute \$11,362,000 (34.7% of the estimated project cost) to this project with the condition of the Carson Redevelopment Agency matching amount of \$17,404,000, which equals to the 53.1% of the estimated project cost.

May 18, 2010 - The Agency Board adopted Resolution No. 10-045, "a resolution of the City Council of the city of Carson, California, approving cooperative agreement no. 07-4861 with the California Department of Transportation (Caltrans) for the Wilmington Avenue Interchange Modification at the I-405 Freeway" for construction phase of this project.

July 27, 2010 - Caltrans approved the Plans, Specifications and Estimates (PS&E) for Project No. 919: Wilmington Avenue Interchange Modification at the I-405 Freeway.

June 1, 2010 - 2010 Amendments to the Redevelopment Plans for Project Area No. 1, Merged and Amended Project Area, and Project Area No. 4.

June 9, 2010 - Cooperative Agreement between Caltrans and the city of Carson to work at partners for the widening of the existing on and off-ramp of Interstate 405 and Wilmington Avenue Interchange and construction of a new northbound on-ramp.

November 16, 2010 - Fourth Amendment to the Agreement for Professional Services - Parsons Transportation Group Inc., adding to Scope of Work not to exceed \$98,866.40.

September 20, 2011 - Memorandum from State of California Department of Transportation, Implementation of 2010 Caltrans Construction Contract Standards.



Carson July-December 2012 ROPS
CARSON PARK NARRATIVE

The Carson Park Master Plan is one of the city's 5-Year CIP projects - Project No. 1223, funded by the Carson Redevelopment Agency (Agency) through a cooperative agreement between the city of Carson and the Agency on July 17, 2003 with allocations from other projects in CIP on June 15, 2010.

To help define the components of the park, located at 21411 S. Orrick Avenue, the local Carson Park community was surveyed in January 2009. The response generated a list of items that included a gymnasium, computer room, baseball and soccer fields, outdoor basketball courts and tennis courts, among other things. In July 2009 a RFP/RFQ was submitted to 18 firms, of which eight responded. Five of the eight firms were interviewed. The architectural firm of Westberg and White, Inc. (W&W) was selected in December of 2010.

Based on the input solicited from the residents, W & W completed the conceptual design that includes the amenities that the Carson Park community preferred. On May 25, 2010, a town hall meeting was conducted where residents were given the opportunity to review the conceptual design, provide comments, and ask questions. W&W completed and revised the conceptual design based on the comments and suggestions made by the residents at the town hall meeting and the plan was approved. To support the expanded park uses, 41 parking spaces will be added for a total of 139 on-site parking spaces.

Total construction cost for implementation of the Carson Park Master Plan was originally estimated at \$13.8 million, including construction management and contingency costs. It now appears that the cost, will be closer to \$11.8 million. In June 2011, the City Council approved the plans and specifications and authorized staff to solicit construction bids for the project. In September of 2011, after holding a competitive bid, a construction contract for Project No. 1223, the Carson Park Master Plan was awarded to CWS Systems as the general contractor in the amount of \$8.8 million. Also in September, a professional services contract for construction management of the project was awarded to Vanir Construction Management, Inc., in the amount of \$706,000. Construction began on the project in October 2011 and is scheduled for completion in October of 2012.

The project is proceeding based on standard procedures dating to 2009. This was a deliberate process involving the residents and ending with the constructions contract. Beyond a betrayal of those residents who did participate in the park development process, if the project were to be terminated, it would betray the residents who helped plan it and expect to enjoy it. The city would be left with a useless nonfunctional 10 acres, intended to be one of the city's premier public parks. The city would also be vulnerable to breach of contract claims.

Attachments: 2003 Cooperation Agreement
 Carson Park Master Plan Agreement, December 2009
 Report to Redevelopment Agency, dated June 15, 2010.
 Carson Park Agreement, December 2011

RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per ABX128 - Section 34167 and 34169 (*)
 REVISED 6-21-2012 (Carson Response to 02/06/2012 DOF Exceptions)

Project Name / Debt Obligation	Project Area Name**	Payee	Description	Source of Payment	Total Outstanding Debt or Obligation	Total Due During FY 2012-2013	Payments by Month, FY 2012-2013***							Total
							July	Aug	Sept	Oct	Nov	Dec		
1) Tax Allocation 2003B	1	Bank of New York	Bond Issue for Capital Projects	RDA Prop'd TI Fd	62,172,418.75	1,332,212.50					686,108.25			\$ 686,108.25
2) Tax Allocation Refunding 2003	1	Bank of New York	Bond Issue for Capital Projects	RDA Prop'd TI Fd	2,301,871.84	232,243.13					192,031.25			\$ 192,031.25
3) Tax Allocation Refunding 2001	1	Bank of New York	Bond Issue for Capital Projects	RDA Prop'd TI Fd	14,283,000.00	2,851,037.50					2,578,750.00			\$ 2,578,750.00
4) Tax Allocation Refunding 2009A	1	Bank of New York	Bond Issue for the Bids Project	RDA Prop'd TI Fd	44,628,108.25	1,808,887.50					1,105,793.75			\$ 1,105,793.75
5) Tax Allocation Bond 2003A MAA	M&A	Bank of New York	Bond Issue for Capital Projects	RDA Prop'd TI Fd	15,331,131.25	1,371,700.00					1,098,850.00			\$ 1,098,850.00
6) Tax Allocation Bond 2003B MAA	M&A	Bank of New York	Bond Issue for Capital Projects	RDA Prop'd TI Fd	3,626,326.16	333,500.01					250,834.38			\$ 250,834.38
7) Tax Allocation Bond 2003C MAA	M&A	Bank of New York	Bond Issue for Capital Projects	RDA Prop'd TI Fd	12,054,628.16	800,872.78					614,161.88			\$ 614,161.88
8) Tax Allocation Bond 2007A	M&A	Bank of New York	Bond Issue for Capital Projects	RDA Prop'd TI Fd	30,433,318.78	871,300.00	378,150.00							\$ 378,150.00
9) Tax Allocation Bonds 2008	4	Bank of New York	Bond Issue for Capital Projects	RDA Prop'd TI Fd	45,801,715.14	1,642,447.50					1,005,823.75			\$ 1,005,823.75
10) Tax Allocation Bonds 2010A-1	CC	Bank of New York	Bond Issue for Housing Projects	RDA Prop'd TI Fd	17,485,198.87	1,613,408.65					1,287,581.55			\$ 1,287,581.55
11) Tax Allocation Bonds 2010A-2	CC	Bank of New York	Bond Issue for Housing Projects	RDA Prop'd TI Fd	47,449,458.73	1,294,062.50					647,031.25			\$ 647,031.25
12) Carson LRB 2009	1	Bank of New York	Remediation Project - The Bids	RDA Prop'd TI Fd	24,683,687.50	727,050.00					383,525.00			\$ 383,525.00
13) City/Agency Coop Agmt	CC	CITY OF CARSON	Wilmington/005 Inheritance - Proj 919	Bond Proceeds	16,798,458.75	16,798,458.75	8,399,228.38	8,399,228.38						\$ 16,798,458.75
14) Contract for Services	CC	PARSONS	Construction mgmt - Project 919	Bond Proceeds	84,378.87	84,378.87	15,730.00	15,730.00	15,730.00					\$ 47,190.00
15) Construction Contract	CC	CWS SYSTEMS, INC	Carson Park Master Plan - Proj. 1223	RDA Prop'd TI Fd	9,825,518.00	9,825,518.00	1,637,886.00	1,637,886.00	1,637,886.00					\$ 6,553,544.00
16) Contract for Services	CC	UNIR	Const. Mt Project 1223	Bond Proceeds	948,859.77	948,859.77	91,143.30	91,143.30	91,143.30					\$ 364,570.20
17) Contract for Services	CC	WESTBERG AND W	Design services - Project 1223	Bond Proceeds	181,280.80	181,280.80	30,215.13	30,215.13	30,215.13					\$ 120,845.39
Subtotal Items 01-12 Debt Service Payments							\$ 278,150.00	\$ -	\$ -	\$ 9,843,588.06	\$ -	\$ -	\$ 10,221,738.06	
Subtotal Items 13-14 Project 919 Wilmington/005							\$ 16,880,836.72	\$ 8,413,858.38	\$ 15,730.00	\$ 15,730.00	\$ 15,730.00	\$ 15,730.00	\$ 68,690,838.73	
Subtotal Items 15-17 Project 1223							\$ 10,553,666.57	\$ 1,758,844.43	\$ 1,758,844.43	\$ 1,758,844.43	\$ 1,758,844.43	\$ 1,758,844.43	\$ 7,666,866.57	
Grand Total							\$ 378,315,178.14	\$ 10,172,802.81	\$ 1,774,874.43	\$ 11,813,283.48	\$ 1,774,874.43	\$ 1,774,874.43	\$ 37,666,242.38	

16

EXHIBITS
Wilmington Avenue at I-405 Interchange Modifications

11-28-2006 District Agreement No. 07-4771 (Cooperative Agreement/ City and Caltrans.
09-05-2006 Agreement for Professional Services-Engineering Services: Parsons
Transportation Group Inc.
12/94/2007 First Amendment to agreement with Parsons Transportation
Group Inc.
10/07/2008 Second Amendment to agreement with Parsons Transportation
Group Inc.
12/05/2009 Third Amendment to agreement with Parsons Transportation
Group Inc.
11/16/10 Fourth Amendment to agreement with Parsons Transportation
Group Inc.
02/17/2009 Construction Management Services Agreement with TCM Group, Inc.
11/13/2009 MOU/2007 Call for Projects: LACMA
06/09/2010 Cooperative Agreement/ Caltrans
09/20/2011 Caltrans memorandum 2010 Construction Standards

EXHIBITS
Carson Park Improvements Project

2003 Cooperation Agreement
December 2009 Carson Park Master Plan Agreement
June 15, 2010 Report to Redevelopment Agency.
December 2011 Carson Park Agreement

EXHIBIT NO. 03



Linda Mann

From: Scott, Robert [Robert.Scott@dof.ca.gov]
Sent: Thursday, June 21, 2012 8:46 AM
To: Linda Mann
Subject: FW: Carson Response to DOF 5-26-12 ROPS Payment Approval Letter PART I: BONDS and CARSON PARK (Project 1223) DOCUMENTS

Importance: High

Follow Up Flag: Follow up
Flag Status: Flagged

Ms. Mann

Thank you for your efforts to help us understand the details of Carson's ROPS. We will review your request for reconsideration as soon as we can. We should be able to get to this within the next two to three weeks. If you have a need for a quicker response, please let me know. If you have questions, please send me an email note or call me at the number shown below. Thank you.

Robert Scott, CPA
Department of Finance
915 L Street
Sacramento, CA 95814

(916) 322-2985 ext. 3105

From: Linda Mann [<mailto:Lmann@carson.ca.us>]
Sent: Thursday, June 21, 2012 6:47 AM
To: Symons, Derk; Karen Burns; RDA; Redevelopment Administration; Stacey Ahaiwe; Wai Shui Kwan
Subject: Carson Response to DOF 5-26-12 ROPS Payment Approval Letter PART I: BONDS and CARSON PARK (Project 1223) DOCUMENTS
Importance: High

Attached please find:

- 1) Transmittal letter
- 2) Bonds narrative
- 3) Carson Park Improvements Project No. 1223: narrative and exhibits
- 4) ROPS spreadsheet

PART II of our response (I-405/Wilmington Avenue Interchange Modifications) narrative and exhibits will be transmitted separately.

Please let me know if you have questions or require additional documentation.

Linda F. Mann, Principal Analyst
Carson Economic Development Work Group
(310) 233-4807

EXHIBIT NO. 04



RDA Trailer Bill Outline

June 21, 2012

The Senate and Assembly staffs have been meeting with the Department of Finance to negotiate significant changes to the trailer bill language proposed in the May Revision. The revised TBL will provide significant benefits to successor agencies that voluntarily comply with the provisions of AB 26X which require the dissolution of the former redevelopment agency assets and the distribution of former tax increment revenues through the property tax system.

RDA Loan Repayment. Cities and counties will be eligible to have their RDA loans repaid, beginning in 2013-14. The loans amount to a significant obligation statewide, probably in the range of \$2-3 billion. A similar provision is included in Speaker Perez's AB 1585.

Real Property Assets. The real and personal property of the former RDAs, but not the cash assets, would be placed in local trusts and returned to the successor agencies. The value of the real property assets is unknown, but probably in the range of \$2- \$5 billion statewide. A similar provision is included in pro Tem Steinberg's SB 1151.

Bond Proceeds. Cities and counties would be allowed to keep and spend the proceeds of bonds issued prior to January 1, 2011 that were "stranded" by the RDA dissolution legislation. This will make about \$1 billion in bond proceeds available to communities throughout the state. A similar provision was included in Senator Dutton's SB 986.

Housing. The TBL makes significant new resources available for low and moderate income housing by defining "housing assets" to be transferred to the housing successor agency to include all low and moderate income properties acquired with any source of funds, and their associated lease and rental revenues. Additionally, the bill requires RDA loan repayments to cities and counties to first be directed to the retirement any outstanding balances owed on loans from the Low and Mod funds, and establishes a 20% set aside on the RDA loan repayments going forward.

Tax Offset Authority. The TBL authorizes the Department of Finance and county auditor-controllers to offset sales and use tax and property tax revenues to successor agencies if they fail to comply with the asset dissolution and property tax distribution requirements imposed by AB 26X. The exercise of the clawback of offset authority of the state is subject to judicial review, and parties with standing, the cities or successor agencies, may sue to enforce their rights, including the right to seek a TRO to enjoin the action prior to resolution by the court.

No "Netting" of Redevelopment Pass-Throughs. The TBL makes no change to current law with respect to the "netting" of pass-through agreements between the former RDAs and local agencies. Thus, the DOF interpretation of this law will remain operative, and the state will not be able to score an additional \$250 million property tax distribution to the schools.

Linda Mann

From: Jeff Kiernan [jkiernan@cacities.org]
Sent: Monday, June 25, 2012 6:35 PM
To: Jeff Kiernan
Subject: RE: Budget & Legislation Update from the League of CA Cities
Attachments: 2012-06-21 RDA Trailer Bill Outline.pdf

Oops, here is the RDA trailer bill attachment.

From: Jeff Kiernan
Sent: Monday, June 25, 2012 6:11 PM
Subject: Budget & Legislation Update from the League of CA Cities

Good Afternoon Mayors, Council Members & Local Stakeholders,

Here is a quick update on the budget and a few items we are following at the League...

Budget Trailer bills expected to be taken up Wednesday

Last week it seemed like the budget bills would be taken up on Tuesday, but now it appears that the legislative leaders will continue to negotiate details today, put them in print and committee tomorrow before a vote on them on Wednesday.

RDA Trailer Bill: We still haven't seen any actual bill language, but some pieces of the proposal have been leaking out. A summary document is attached here, but the key message is to tell your legislators to ask the Assembly Speaker and Senate Pro Tem to OPPOSE the Department of Finance's punitive sales and property tax "offset" proposal.

Suggested talking points:

- Cooperation and Incentives Are Preferable to Compulsion
- We Can't Afford More Conflict and Litigation
- The State and Cities Need to Come Together to Support the Economic Recovery

Hot Bill Update

- **AB 904 (Skinner)** – Local Government Parking Spaces, **OPPOSE**. Please continue to send in letters opposing one-size-fits-all parking bill. It is now scheduled to be taken up in Senate Governance and Finance Committee on July 3rd.
- **AB 2231 (Fuentes)** – Sidewalk Repairs, **OPPOSE**. After this bill failed to pass the Assembly on May 30th, I thought it was dead - however, on Wednesday the Assembly Local Government Committee revived AB 2231 and waived multiple rules allowing it to pass out of the Assembly and move to the Senate. As currently in print, AB 2231 would require voter approval before cities and counties could repeal an existing ordinance that states that the jurisdiction would take responsibility for sidewalk repair. The bill is expected to move quickly, and cities are encouraged to submit updated oppose letters as soon as possible.
- **AB 2312 (Ammiano)** – Marijuana Dispensaries, **OPPOSE**. Good news! This bill was shelved by the author today. You can read more about it HERE via the SacBee.

Pension Reform

There are signs that the legislature will take up pension reform very soon. No details yet, but stay tuned!

Strong Cities Strong State

If your city hasn't completed your Strong Cities Strong State campaign profile please connect with me about how we can move the project forward over the next few days/weeks.

EXHIBIT NO. 06

20

Linda Mann

From: Cliff Graves
Sent: Monday, June 25, 2012 8:55 AM
To: Jeff Westbrook; Linda Mann
Subject: FW: RDA trailer bill outline
Attachments: RDA trailer outline.pdf

Importance: High

From: David Biggs
Sent: Monday, June 25, 2012 7:01 AM
To: Cliff Graves
Subject: FW: RDA trailer bill outline
Importance: High

FYI

From: Niccolo De Luca [mailto:ndeluca@townsendpa.com]
Sent: Friday, June 22, 2012 3:25 PM
To: David Biggs; Raymond Cruz
Subject: RDA trailer bill outline
Importance: High

David and Ray,

TPA was able to secure the attached one pager which is the outline of the major provisions of the RDA trailer bill.

I have been told, that while not included on the attached document, that the trailer bill will contain a form of alternative dispute resolution so that appeals are not conducted by the Department of Finance.

At this point it is unclear how much wiggle room there is on the RDA trailer bill, but it is anticipated that the trailer bill will be considered by both Houses on Tuesday afternoon.

We will continue to keep you updated as new information becomes available.

Niccolo De Luca
Director, Northern California
Townsend Public Affairs, Inc.
510-835-9050, Ext. 201
510-681-7306 Cell phone
510-835-9030 Fax number

EXHIBIT NO. 07



AGENDA

REGULAR MEETING OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED CARSON REDEVELOPMENT AGENCY

**Career Center Conference Room
Economic Development Workgroup
One Civic Plaza, Suite 500
Carson, CA 90745**

JUNE 25, 2012

5:00 P.M.

AGENDA POSTED: JUNE 21, 2012

"In accordance with the Americans with Disabilities Act of 1990, if you require a disability related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the City Clerk's office at 310-952-1720 at least 48 hours prior to the meeting." (Government Code Section 54954.2)

CALL TO ORDER:

ROLL CALL:

APPROVAL OF MINUTES: JUNE 11, 2012 REGULAR

NOTICE TO THE PUBLIC

Public testimony may be given on any agenda item as it is called and will be LIMITED TO THREE MINUTES PER SPEAKER. Please fill out a Speaker Form in order to be identified correctly in the minutes. The forms are provided on the podium in the Council Chambers. All Speaker Forms must be given to the Secretary at the beginning of the meeting.

NEW BUSINESS DISCUSSION (Items 1-2)

ITEM NO. (1) CONSIDER RESOLUTION OBSA12-04 CONFIRMING THE TRANSFER OF REAL PROPERTY LOCATED AT 2535 – 2539 EAST CARSON STREET TO THE CARSON HOUSING AUTHORITY

Recommendation for the Oversight Board:

WAIVE further reading and ADOPT Resolution No. OBSA12-04, "A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF CARSON, CALIFORNIA, CONFIRMING THE TRANSFER OF REAL PROPERTY LOCATED AT 2535 – 2539 EAST CARSON STREET TO THE CARSON HOUSING AUTHORITY."

EXHIBIT NO. 08



ACTION:

ITEM NO. (2) CONSIDER RESPONSE TO DEPARTMENT OF FINANCE EXCLUSIONS FOR THE JULY 1, 2012 THROUGH DECEMBER 31, 2012 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS)

Recommendation for the Oversight Board:

APPROVE and CONCUR with the response to the Department of Finance as outlined in Exhibit No. 1.

ACTION:

ORAL COMMUNICATIONS – MEMBERS OF THE PUBLIC

This is the appropriate time for members of the general public to address the Oversight Board on items not on the posted Agenda but are items of interest that are within the subject matter jurisdiction of the Oversight Board. Any person wishing to speak at this time is requested to complete a Speaker Form, available on the podium or by the Public Agenda Binder in the Council Chamber. ORAL COMMENTS WILL BE LIMITED TO THREE (3) MINUTES PER SPEAKER. Under the provisions of the Brown Act, no action can be taken on these items, and there can be no dialogue or discussion of the Items with the Oversight Board other than to place it on the Agenda for a future meeting if appropriate.

ORAL COMMUNICATIONS II (OVERSIGHT BOARD)

ORAL COMMUNICATIONS I (STAFF)

ADJOURNMENT

Bill	Author	Topic	latest update	latest action
Assembly Bills				
1	AB 32	Lara & Manuel Pérez	Cap and Trade emission credits, suggestion of funds be used to fund economic development. Governor has earmarked these funds for high speed rail.	02/01/12 Died pursuant to Art. IV, Sec. 10(c) of the Constitution. From committee: Filed with the Chief Clerk pursuant to Joint Rule 56. Bill is inactive.
2	AB 1585	Perez	Would add flexibility to Successor Agency administrative cost as outlined in AB1X 26.	06/25/12 From committee chair, with author's amendments: amend, and re-refer to committee. Reach second time, amended, and re-referred to committee on Transportation and Health. Hearing date: 7/3/12.
3	AB 1692	Wieckoski	Adds successor agencies to list of agencies subject to neutral evaluation process before declaring bankruptcy.	06/04/12 In Senate. Read first time. To on Committee on Rules for assignment.
Senate Bills				
4	SB 654	Steinberg	Deals with the transfer of low and moderate housing funds depending on if the redevelopment agency elects to retain the housing assets or not. Retention of unencumbered housing fund balances.	04/16/12 Referred to Committee on Housing & Community Development and Local Government.
5	SB 986	Dution	Deals with the disposition of unencumbered bond proceeds and expending them to the successor agency if they are performing an obligation required by enforceable obligation to fulfill the purposes for which the bonds were issued.	05/31/12 Amendments by Sen. Huff tabled on motion of Sen. Corbett. (Ayes 21. Noes 13. Page 3747). Read third time. Urgency clause refused adoption. (Ayes 7. Noes 18. Page 3747).
6	SB 1151	Steinberg	Deals with the long term planning of asset management and maximizing long term value of real property and assets.	06/19/12 Hearing postponed by committee.
7	SB 1156	Steinberg	Declares establishment of a new joint powers authorities and financing option for development of sustainable economic development and affordable housing.	06/20/12 From committee with author's amendments. Read second time and amended. Re-referred to Committee on Housing & Community Development.
8	SB 1220	DeSaulnier	Housing Opportunity Trust Fund Act of 2012, a \$75 recording fee to all real estate transactions. Proceeds are slated for a Trust Fund (at the state level) and will be expended for the purpose of supporting affordable housing efforts.	05/31/12 Read third time. Refused passage. (Ayes 25. Noes 133. Page 3749).
9	SB 1335	Pavley	Limited ability for successor agency to retain and reuse brownfields, retention of brownfield properties for the purposed of development of a sustainable, transient oriented or infill project.	05/24/12 Held in committee and under submission.
10	SB 1472	Pavely & DeSaulnier	Declares intent of legislature to provide communities w/ additional tools to fight blight; spot bill, would allow for additional tools to fight blight.	06/19/12 From committee with author's amendments. Read second time and amended. Re-referred to Committee on Housing & Community Development.

Dead
for
2012

tracking website: <http://www.leginfo.ca.gov/bilinfo.html>
BOLD indicates change from last report.

EXHIBIT NO. 0 8