

SPECIAL MEETING AGENDA

Special Meeting of the Santa Paula Designated Local Authority, as
Successor Agency to the Santa Paula Redevelopment Agency,

Monday, September 29, 2014 at 5:30 p.m.
Santa Paula City Council Chambers
970 Ventura Street, Santa Paula, CA 93060

The Agenda for special meetings is posted 24 hours prior to each meeting outside of the Santa Paula City Hall located at 970 Ventura Street, Santa Paula, CA 93060, and is available at each meeting. The Agenda and related reports are also available at the Santa Paula City Clerk's Office and are available on the Designated Local Authority's website at www.kosmont.com. Any writing distributed within 24 hours of the meeting will be made available to the public by placing it with the City Clerk at the time it is distributed to the Designated Local Authority.

Call to Order

**Santa Paula Designated Local Authority, as
Successor Agency to the Santa Paula Redevelopment Agency**

Roll Call

Board Members: Sid White, Chair
 Rodney Diamond, Vice Chair
 Bert Partida, Treasurer

Public Comments:

Members of the public may comment on any item not appearing on the agenda and within the subject matter jurisdiction of the Boards. Comments will be limited to a maximum of 5 minutes per person, and each person may speak once during this time. Time cannot be yielded to another person. Under State Law, matters presented under this item cannot be discussed or acted upon at this time by the Boards. The public will be invited to make comments on agenda items when the item comes up for the Boards' consideration. Please state your name and address for the record.

Information Items:

- A. Update on State Controller’s Office Asset Transfer Review

- B. Status of Other Funds & Assets Due Diligence Review

Action Items:

- 1. Approval of contract with Liebold, McClendon and Mann for legal services for the Santa Paula Designated Local Authority.

Recommendation: It is recommended that the Santa Paula Designated Local Authority, acting as Successor Agency to the Santa Paula Redevelopment Agency, adopt Resolution No. 2014-02 approving a contract with Liebold, McClendon and Mann for legal services and authorizing Sid White, or his designee, to take all necessary action with respect thereto.

- 2. Approval of contract with Kosmont Companies for staffing and professional services for the Santa Paula Designated Local Authority.

Recommendation: It is recommended that the Santa Paula Designated Local Authority, acting as Successor Agency to the Santa Paula Redevelopment Agency, adopt Resolution No. 2014-03 approving a contract with Kosmont Companies for staffing and professional services and authorizing Sid White, or his designee, to take all necessary action with respect thereto.

- 3. Approval of ROPS 13-14B for the Santa Paula Designated Local Authority.

Recommendation: It is recommended that the Santa Paula Designated Local Authority, adopt Resolution No. 2013-04, a Resolution of the Santa Paula Designated Local Authority as Successor Agency to the Santa Paula Redevelopment Agency, approving the Recognized Obligation Payment Schedule (ROPS 14-15B) for the period January 1, 2015 through June 30, 2015 and authorizing Chris Jicha, or his designee, to take all necessary action with respect thereto.

Other:

- Board member comments
- Staff and counsel comments

Adjournment:

Americans with Disabilities Act Notice: Any individual, who because of a disability need special assistance to attend or participate in this meeting may request assistance by contacting the DLA Staff 24 hours in advance of the meeting.

DLA Staff Contact: Chris Jicha, (951)203-8730, cjicha@kosmont.com

Affidavit of Posting:

I, _____, City staff of the City of Santa Paula, do hereby affirm that a copy of the foregoing agenda was posted at City Hall 24 hours in advance of this meeting.

City of Santa Paula

Santa Paula Redevelopment Agency (RDA)
 Summary of RDA Asset Transfers
 1/1/2011 - 1/31/2012

Transfer Date	Santa Paula RDA Transfers to:						Total
	City of Santa Paula (City)			RDA Designated Local Authority (DLA)			
	Cash	Capital	Receivables	Cash	Receivables	LHFR	
January 31, 2012	-	-	-	3,560,652 ^c	474,000 ^d	205,221 ^a	4,239,873
February 10, 2011	105,000 ^a	-	-	-	-	-	105,000
March 21, 2011	-	949,133 ^h	-	-	-	-	949,233
July 1, 2011	-	200,096 ⁱⁱ	-	-	-	-	200,096
August 1, 2011	105,000 ^b	-	-	-	-	-	105,000
Total Cash Transfers	210,000			3,560,652			
Total Receivables Transfers					474,000		
Total Land Held for Resale Transfers		1,149,325.00				205,221	
Subtotal	210,000	1,149,329	-	3,560,652	474,000	205,221	5,599,202
Unallowable Transfers to City	210,000	1,149,329	-				1,359,329
Allowable transfer to DLA				3,560,652	474,000	205,221	4,239,873
						Total Transferred	5,599,202

24.28%

- ^a On February 10, 2011 the RDA transferred \$105,000 in cash to the Santa Paula Housing Authority for the development of a low-income homeownership project
^b On August 1, 2011 the RDA transferred \$105,000 in cash to the Santa Paula Housing Authority for the development of a low-income homeownership project
 Transfers from Funds 555, 554, 550, 552, and 557 to DLA:

^c Cash	^d Receivables	^a LHFR
1,463,004	448,277	205,221
20,423	6,417	205,221
(33,612)	19,306	
1,751,311	474,000	
241,445		
28,484		
89,597		
<u>3,560,652</u>		

- ^f On March 21, 2011 the RDA transferred the Paseo Property (APN# 103-0-102-245) to the City, per grant deed. The property was valued at \$949,232.93. Based on the RDA's records, the property was moved from the RDA's Fixed Assets schedule to the City's as of 6/30/2009. Also, when the property was purchased, RDA's portion was \$347,252.51 (37%)
^g On July 1, 2011 the RDA transferred the Tower Theatre (APN# 103-0-113-095) to the City per grant deed. The property is valued at \$200,096. The property was deeded to the City, but is still residing on RDA's books as of 1/31/12. RDA's portion of this property is \$125,896, or 63%.

Preliminary results are subject to the State Controller's management review and approval. All items are subject to change until a final report is issued.

**REPORT TO THE SANTA PAULA DESIGNATED LOCAL AUTHORITY,
AS SUCCESSOR AGENCY TO THE SANTA PAULA REDEVELOPMENT AGENCY**

TO: DESIGNATED LOCAL AUTHORITY MEMBERS

FROM: CHRIS JICHA, STAFF TO THE DLA

DATE: SEPTEMBER 29, 2014

**SUBJECT: RESOLUTION OF THE SANTA PAULA DESIGNATED LOCAL AUTHORITY,
AS SUCCESSOR AGENCY TO THE SANTA PAULA REDEVELOPMENT
AGENCY, APPROVING A CONTRACT WITH LEIBOLD MCCLENDON &
MANN, PC FOR LEGAL SERVICES**

BACKGROUND

The Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency (“DLA”), was established by statute to take actions to wind down the affairs of the former Santa Paula Redevelopment Agency in accordance with the California Health and Safety Code.

Leibold McClendon & Mann, PC (LMM) has supported the DLA as General Counsel to the DLA since September 1, 2013 and prior to that as a subcontractor to Kosmont Companies. The DLA requires the legal services of LMM until the business of the DLA is completed so it is necessary to approve a contract for legal services for the period January 1, 2015 through December 31, 2015.

DISCUSSION

In order to fulfill its obligations with respect to the wind down of the affairs of the former Santa Paula Redevelopment Agency, the DLA requires the assistance of legal counsel. LMM has been acting as General Counsel to the DLA.

A form of legal services agreement is attached hereto and sets forth the cost, timing and other particulars of the proposed engagement of LMM.

Section 34177(b) of the Health and Safety Code provides that a Successor Agency may create enforceable obligations to conduct wind-down activities of the former Agency, including acquiring necessary professional staff, and legal staff is necessary to comply with the law and work through the various issues confronting the DLA as it winds down the affairs of the former Santa Paula Redevelopment Agency.

RECOMMENDATION

It is recommended that the Santa Paula Designated Local Authority, acting as Successor Agency to the Santa Paula Redevelopment Agency, adopt Resolution No. 2014-02 approving a contract between the Santa Paula Designated Local Authority and Leibold McClendon & Mann, PC for legal services from January 1, 2015 through December 31, 2015 and authorizing Sid White, or his designee, to take all necessary actions with respect thereto.

Attachments:

Resolution No. 2014-02
Agreement for Legal Services

RESOLUTION NO. 2014-02

A RESOLUTION OF THE SANTA PAULA DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR AGENCY TO THE SANTA PAULA REDEVELOPMENT AGENCY, APPROVING A CONTRACT WITH LEIBOLD MCCLENDON & MANN, PC FOR LEGAL SERVICES

WHEREAS, the Santa Paula Designated Local Authority (“DLA”), as Successor Agency to the Santa Paula Redevelopment Agency, has been established to take actions to wind down the affairs of the former Redevelopment Agency of the City of Santa Paula in accordance with the California Health and Safety Code; and

WHEREAS, Leibold McClendon & Mann, PC has been acting as General Counsel to the DLA since September 1, 2013 and in its capacity as a sub-consultant to Kosmont Companies since the formation of the DLA; and

WHEREAS, in order to fulfill its obligations with respect to the wind down the affairs of the former Redevelopment Agency of the City of Santa Paula, the Designated Local Authority requires the assistance of legal counsel; and

WHEREAS, Section 34177(b) of the Health and Safety Code provides that a Successor Agency may create enforceable obligations to conduct wind-down activities of the former Agency, including acquiring necessary professional staff; and

WHEREAS, the DLA desires to approve a contract with Leibold McClendon & Mann, PC to perform the duties of the office of General Counsel beginning as of January 1, 2015; and

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

NOW, THEREFORE, THE DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR AGENCY OF THE SANTA PAULA REDEVELOPMENT AGENCY, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference.

SECTION 2. The DLA hereby approves a contract with Leibold McClendon & Mann, PC to perform the duties of the office of General Counsel beginning as of January 1, 2015, subject to the terms and conditions set forth in the Agreement for Legal Services attached hereto. Pursuant to Health & Safety Code Section 34173, the Successor Agency’s liability is limited to the total sum of property tax revenues it receives pursuant to Part 1.85 of AB X1 26.

SECTION 3. Sid White, or his designee, is hereby authorized to enter into such Agreement for Legal Services on behalf of the DLA and take such other actions as may be required by the Health & Safety Code, and any other actions as may be necessary in furtherance of the foregoing contract in accordance with applicable law.

SECTION 4. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this resolution are severable. The DLA hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 5. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED, APPROVED AND ADOPTED at a special meeting of the Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency, held this 29th day of September, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson, Designated Local Authority, as
Successor Agency to the Redevelopment
Agency of the City of Santa Paula

ATTEST:

Secretary

Attachment: Agreement for Legal Services

INSERT LMM LEGAL SERVICES AGREEMENT

**REPORT TO THE SANTA PAULA DESIGNATED LOCAL AUTHORITY,
AS SUCCESSOR AGENCY TO THE PISMO BEACH REDEVELOPMENT AGENCY**

TO: DESIGNATED LOCAL AUTHORITY MEMBERS

FROM: CHRIS JICHA, STAFF TO THE DLA

DATE: SEPTEMBER 29, 2014

**SUBJECT: RESOLUTION OF THE SANTA PAULA DESIGNATED LOCAL AUTHORITY,
AS SUCCESSOR AGENCY TO THE SANTA PAULA REDEVELOPMENT
AGENCY, APPROVING A CONTRACT WITH KOSMONT COMPANIES FOR
STAFF AND SUPPORT SERVICES**

BACKGROUND

The Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency (“DLA”), was established by statute to take actions to wind down the affairs of the former Santa Paula Redevelopment Agency in accordance with the California Health and Safety Code.

Kosmont Companies (Kosmont) was engaged by the DLA to serve as Staff to the DLA through December 31, 2014. The DLA continues to require the staff and support services of Kosmont until the business of the DLA is completed so it is necessary to approve a contract for staff and support services for the period January 1, 2015 through December 31, 2015.

DISCUSSION

In order to fulfill its obligations with respect to the wind down of the affairs of the former Santa Paula Redevelopment Agency, the DLA requires the assistance of Kosmont for staff and support services. Kosmont has been acting as Staff to the DLA.

A form of staff and support services agreement is attached hereto and sets forth the cost, timing and other particulars of the proposed engagement of Kosmont. The rates are unchanged from the current contract and are detailed in the staff and support services agreement.

Section 34177(b) of the Health and Safety Code provides that a Successor Agency may create enforceable obligations to conduct wind-down activities of the former Agency, including acquiring necessary professional staff, and legal staff is necessary to comply with the law and work through the various issues confronting the DLA as it winds down the affairs of the former Santa Paula Redevelopment Agency.

RECOMMENDATION

It is recommended that the Santa Paula Designated Local Authority, acting as Successor Agency to the Santa Paula Redevelopment Agency, adopt Resolution No. 2014-03 approving a contract between the Santa Paula Designated Local Authority and Kosmont Companies for staff and support services from January 1, 2015 through December 31, 2015 and authorizing Sid White, or his designee, to take all necessary actions with respect thereto.

Attachments:

Resolution No. 2014-03
Agreement for Staff and Support Services

RESOLUTION NO. 2014-03

A RESOLUTION OF THE SANTA PAULA DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR AGENCY TO THE SANTA PAULA REDEVELOPMENT AGENCY, APPROVING A CONTRACT WITH KOSMONT COMPANIES FOR STAFF AND PROFESSIONAL SERVICES

WHEREAS, the Santa Paula Designated Local Authority (“DLA”), as Successor Agency to the Santa Paula Redevelopment Agency, has been established to take actions to wind down the affairs of the former Redevelopment Agency of the City of Santa Paula in accordance with the California Health and Safety Code; and

WHEREAS, Kosmont Companies has been acting as Staff to the DLA since the formation of the DLA; and

WHEREAS, from January 1, 2014 through December 31, 2014, the DLA has contracted with Kosmont Companies to provide staff and professional services for the DLA; and

WHEREAS, as of December 31, 2014, the DLA contract with Kosmont Companies for staff and professional services expires; and

WHEREAS, in order to fulfill its obligations with respect to the wind down the affairs of the former Redevelopment Agency of the City of Santa Paula, the Designated Local Authority requires staffing and professional services; and

WHEREAS, Section 34177(b) of the Health and Safety Code provides that a Successor Agency may create enforceable obligations to conduct wind-down activities of the former Agency, including acquiring necessary professional staff; and

WHEREAS, the DLA desires to approve a contract with Kosmont Companies to perform the duties of staff beginning as of January 1, 2015; and

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

NOW, THEREFORE, THE DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR AGENCY OF THE SANTA PAULA REDEVELOPMENT AGENCY, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference.

SECTION 2. The DLA hereby approves a contract with Kosmont Companies to perform the duties of DLA staff beginning as of January 1, 2015, subject to the terms and conditions set forth in the Agreement for Staff and Support Services attached hereto. Pursuant to Health & Safety Code Section 34173, the Successor Agency’s liability is limited to the total sum of property tax revenues it receives pursuant to Part 1.85 of AB X1 26.

SECTION 3. Sid White, or his designee, is hereby authorized to enter into such Agreement for Staff and Support Services on behalf of the DLA and take such other actions as may be required by the Health & Safety Code, and any other actions as may be necessary in furtherance of the foregoing contract in accordance with applicable law.

SECTION 4. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this resolution are severable. The DLA hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 5. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED, APPROVED AND ADOPTED at a special meeting of the Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency, held this 29th day of September, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson, Designated Local Authority, as
Successor Agency to the Redevelopment
Agency of the City of Santa Paula

ATTEST:

Secretary

Attachment: Agreement for Staff and Support Services

INSERT KOSMONT CONTRACT

**REPORT TO THE SANTA PAULA DESIGNATED LOCAL AUTHORITY,
AS SUCCESSOR AGENCY TO THE SANTA PAULA REDEVELOPMENT AGENCY**

TO: SANTA PAULA DESIGNATED LOCAL AUTHORITY MEMBERS
FROM: CHRISTOPHER JICHA, SUCCESSOR AGENCY STAFF
DATE: SEPTEMBER 29, 2014
**SUBJECT: APPROVAL OF ROPS 14-15B FOR THE SANTA PAULA DESIGNATED
LOCAL AUTHORITY**

BACKGROUND

The Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency (“DLA”), was established by statute to take actions to wind down the affairs of the former Santa Paula Redevelopment Agency in accordance with the California Health and Safety Code.

Health and Safety Code Section 34169 requires the Successor Agency to prepare and adopt a “Recognized Obligation Payment Schedule” that lists all obligations of the former redevelopment agency that are enforceable within the meaning of subdivision (d) of Section 34167 for six month periods including January 1, 2015 through June 30, 2015.

DISCUSSION

AB 1484 requires that the ROPS for January 2015 through June 2015 be submitted to DOF and the State Controller’s office, after approval by the Oversight Board, no later than October 3, 2014. The DOF has five (5) days after submittal to request a review and forty-five (45) days to review the ROPS if it decides to do so. If the ROPS is not submitted by the deadline, the City is subject to a \$10,000 fine for every day the ROPS is late and the administrative cost allowance for the Successor Agency is reduced by 25% after 10 days. Kosmont staff has requested a waiver of the late fee from DOF given the recent change in staffing of the DLA.

The attached ROPS 14-15B for the period January 1, 2015 – June 30, 2015 follows the form prescribed by the DOF and incorporates the obligations identified in the previous ROPS. DOF has made some changes to the form, and certain items previously listed on the form have been updated.

RECOMMENDATION

It is recommended that the Santa Paula Designated Local Authority, acting as Successor Agency to the Santa Paula Redevelopment Agency, adopt Resolution No. 2014-04 Approving the Recognized Obligation Payment Schedule (ROPS) 14-15B for the Period of January 1, 2015 Through June 30, 2015.

Attachments: Resolution No. 2014-04
ROPS 14-15B

RESOLUTION NO. 2014-04

A RESOLUTION OF THE SANTA PAULA DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR AGENCY OF THE SANTA PAULA REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 14-15B) FOR JANUARY 1, 2015 THROUGH JUNE 30, 2015

WHEREAS, the Santa Paula Designated Local Authority, as Successor Agency of the Santa Paula Redevelopment Agency (the "Successor Agency") is charged with implementing recognized enforceable obligations and winding down of the affairs of the former Redevelopment Agency of the City of Santa Paula (the "Agency") in accordance with the California Health and Safety Code; and

WHEREAS, Health and Safety Code Section 34169 requires the Successor Agency to prepare and adopt a "Recognized Obligation Payment Schedule" that lists all obligations of the former redevelopment agency that are enforceable within the meaning of subdivision (d) of Section 34167 for six month periods, including January 1, 2015 through June 30, 2015; and

WHEREAS, AB 1484 requires that the ROPS 14-15B for the period January 1, 2015 through June 30, 2015 must be submitted to the Department of Finance and the State Controller's office, after approval by the Oversight Board, no later than October 3, 2014 or be subject to penalties; and

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

NOW, THEREFORE, THE SANTA PAULA DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR AGENCY OF THE SANTA PAULA REDEVELOPMENT AGENCY, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference.

SECTION 2. The Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency, hereby approves the Schedule attached hereto as Exhibit A as the Recognized Obligation Payment Schedule 14-15B for January 1, 2015 through June 30, 2015. Pursuant to Health & Safety Code Section 34173, the Successor Agency's liability, including, but not limited to, its liability for the obligations on the attached schedule, is limited to the total sum of property tax revenues it receives pursuant to Part 1.85 of AB X1 26.

SECTION 3. Christopher Jicha, or his designee, or another employee of Kosmont Companies designated by Larry Kosmont, is hereby authorized to submit the ROPS to such parties as may be required in accordance with the Health & Safety Code, and to take such other actions on behalf of the Successor Agency with respect to the ROPS as may be necessary in accordance with applicable law.

SECTION 4. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 5. This Resolution shall take effect from and after the date of its passage and adoption in accordance with, and subject to, all applicable requirements of the Health & Safety Code.

PASSED, APPROVED AND ADOPTED at a special meeting of the Santa Paula Designated Local Authority, as Successor Agency of the Santa Paula Redevelopment Agency, held this 29th day of September, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson, Santa Paula Designated Local Authority, as Successor Agency to the Santa Paula Redevelopment Agency

ATTEST:

Secretary

Attachment: ROPS 13-14B

INSERT ROPS 14-15B