



Chairperson, Belinda V. Faustinos, Los Angeles County  
Vice Chairperson, Gustavo V. Camacho, City of Pico Rivera  
Board Members:  
Ronald Bates, City of Pico Rivera  
Martin Galindo, Los Angeles County Board of Education  
Santos H. Kreimann, Los Angeles County  
Armando V. Moreno, Los Angeles County  
Vicky Santana, Los Angeles County, Rio Hondo Community College

Thursday, September 12, 2013  
Special Meeting 4:30 p.m.  
Council Chambers  
6615 Passons Blvd.  
Pico Rivera, California  
Resolution No. OB-13-13  
Agreement No. OB-002

**PLEDGE OF ALLEGIANCE:**

**AGENDA ITEMS:**

**1. Minutes.**

**Recommendation:**

- Approve special meeting of Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency minutes of January 10, 2013 and February 27, 2013.

**2. Agreement for Independent Counsel**

**Recommendation:**

1. Approve the engagement agreement among The Law Offices of Edward Z. Kotkin, and the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency.

Agreement No. \_\_\_\_\_

**3. Change Regular Meeting Schedule for the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency.**

**Recommendation:**

1. The Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency ("Oversight Board") change the schedule for regular meetings to the fourth Thursday of every February and September at 4:30 p.m.

**4. Long-Range Property Management Plan.**

**Recommendation:**

1. Adopt the resolution of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency approving the Successor Agency to the Pico Rivera Redevelopment Agency's Long-Range Property Management Plan ("LRMP").

Resolution No. \_\_\_\_\_ A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY, APPROVING THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY'S LONG-RANGE PROPERTY MANAGEMENT PLAN

**5. Recognized Obligation Payments Schedule 13-14B; Administrative Budget January through June 2014; and SERAF Loan Repayment Schedule.**

**Recommendation:**

1. Adopt the resolution of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency establishing the Recognized Obligation Payments Scheduled 13-14B (ROPS) for January through June 2014; approving the Administrative Budget for January through June 2014; and approving the projected Supplemental Education Revenue Augmentation Fund (SERAF) loan repayment schedule.

Resolution No. \_\_\_\_\_ A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY, PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 34180 AND 34117, ESTABLISHING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 13-14B FOR JANUARY THROUGH JUNE 2014, APPROVING THE ADMINISTRATIVE BUDGET FOR JANUARY THROUGH JUNE 2014, AND APPROVING THE PROJECTED SUPPLEMENTAL EDUCATION REVENUE AUGMENTATION FUND LOAN REPAYMENT SCHEDULE

**PUBLIC COMMENTS:** (Speakers have three (3) minutes to make their remarks on agenda items only.)

**OTHER ITEMS:**

**ADJOURNMENT:**

### **AFFIDAVIT OF POSTING**

I, Anna Jerome, Deputy City Clerk, for the City of Pico Rivera, DO HEREBY CERTIFY, under penalty of perjury under the laws of the State of California, that the foregoing notice was posted at the Pico Rivera City Hall bulletin board, the Pico Rivera Post Office and Pico Rivera Parks (Pico, Smith and Rivera) and distributed to members of the media on this the 6<sup>th</sup>, day of September, 2013.

Dated this 6<sup>th</sup>, day of September, 2013



Anna M. Jerome, CMC  
Deputy City Clerk

### **SB343 NOTICE**

In compliance with and pursuant to the provisions of SB343 any public writing distributed by the City Clerk to at least a majority of the City Council Members regarding any item on this regular meeting agenda will be available on the back table at the entrance of the Council Chamber at the time of the City Council meeting and at the counter of City Hall at 6615 Passons Boulevard, Pico Rivera, California during normal business hours.



Thursday, January 10, 2013

A Special Meeting of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency was held in the Council Chamber, Pico Rivera City Hall, 6615 Passons Boulevard, Pico Rivera, California.

Chairperson Faustinos called the meeting to order at 5:30 p.m.

**PLEDGE OF ALLEGIANCE:**

**PUBLIC COMMENTS:** None.

**AGENDA ITEMS:**

**1. Minutes.**

Motion by Boardmember Bates, seconded by Boardmember Kreimann to approve special meeting of Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency minutes of December 6, 2012. Motion carries by the following roll call vote:

**AYES:** Bates, Camacho, Gutierrez-Lohrman, Kreimann, Moreno, Faustinos

**NOES:** None

**ABSENT:** Santana

**2. Meeting Time for the Regular Meetings of the Oversight Board of the Successor Agency for the Pico Rivera Redevelopment Agency.**

No action taken as board members unanimously chose to keep the 4:30 p.m. meeting time.

**3. Due Diligence Review of Other Funds.**

Finance Director Matsumoto stated that before the Board is the due diligence report for the Successor Agency for other funds, non-housing funds that was brought before the Board at the December 6, 2012 meeting for public comment. He stated that this item is being brought back before the Board for approval, which must be approved by January

15, 2013. The purpose, he stated, is to calculate the amount of excess funds available for distribution of other taxing entities and the Board indicates that there are none.

Boardmember Kreimann asked for clarification regarding why the \$38.4 million is not included as part of the liabilities of the agency. Director Matsumoto explained it's because of the governmental accounting standards. He stated that because the Water Authority and the city are related parties, the accounting standards require that they be shown in the fund financial statements and not just in the long term debt note.

Board Counsel Houston stated that the purpose of the DDR is to identify if there are funds available for transfer to various taxing entities. He stated that even if we take into account this particular item as a budgeted item, we would only show a greater deficit that was available for transfer so that the negative would become a larger negative amount.

Motion by Boardmember Bates, seconded by Vice Chairman Camacho to adopt Resolution No. OB-11-13 approving the due diligence review report.

Resolution No. OB-11-13 A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY APPROVING THE DUE DILIGENCE REVIEW PERFORMED PURSUANT TO HEALTH AND SAFETY CODE SECTION 34179.5

**AYES:** Bates, Camacho, Gutierrez-Lohrman, Kreimann, Moreno, Faustinos

**NOES:** None

**ABSENT:** Santana

**PUBLIC COMMENTS:** None.

**OTHER ITEMS:** None.

**ADJOURNMENT:**

Chairperson Faustinos adjourned the meeting at 5:46 p.m. There being no objection it was so ordered.

**AYES:** Bates, Camacho, Gutierrez-Lohrman, Kreimann, Moreno, Faustinos

**NOES:** None

**ABSENT:** Santana

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Chairperson, Belinda Faustinos

**ATTEST:**

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Anna M. Jerome, Deputy City Clerk

I hereby certify that the foregoing is a true and correct report of the proceedings of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency special meeting dated January 10, 2013 and approved by the Oversight Board on September 12, 2013.

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Anna M. Jerome, Deputy City Clerk



Thursday, February 27, 2013

A Special Meeting of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency was held in the Council Chamber, Pico Rivera City Hall, 6615 Passons Boulevard, Pico Rivera, California.

Alternate Vice Chairperson Archuleta called the meeting to order at 5:05 p.m.

**PLEDGE OF ALLEGIANCE:** Alternate Vice Chairperson Archuleta

**PUBLIC COMMENTS:** None.

**AGENDA ITEMS:**

**1. Minutes.**

Motion by Boardmember Santana, seconded by Boardmember Bates to carry over/table the minutes of January 10, 2013, to the next Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency meeting. Motion carries by the following roll call vote:

**AYES:** Archuleta, Bates, Kreimann, Santana

**NOES:** None

**ABSENT:** Gutierrez-Lohrman, Moreno, Faustinos

**2. Addition of Counsel to Existing Engagement Agreement with Cummins & White, LLP.**

Director of Finance Matsumoto stated that Oversight Board Counsel Houston thought it prudent to select alternate counsel in the event that he is not available. He stated that Edward Kotkin is of counsel for Cummins & White, LLP and the recommendation is that the Oversight Board approve Edward Kotkin as an alternate when Counsel Houston is unavailable.

Motion by Boardmember Bates, seconded by Boardmember Santana to discuss and take action on a minute action authorizing addition of counsel pursuant to existing legal services agreement between the Oversight Board and Cummins & White, LLP

(previously approved by the Oversight Board as Agreement No. OB-001). Motion carries by the following roll call vote:

**AYES:** Archuleta, Bates, Kreimann, Santana  
**NOES:** None  
**ABSENT:** Gutierrez-Lohrman, Moreno, Faustinos

**3. Recognized Obligation Payment Schedule and Administrative Budget July through December 2013.**

Director of Finance Matsumoto stated that the matter before the Board is required by state law which requires that the Oversight Board establish a ROPS 90-days before the property tax distribution. The property tax distribution, he stated, is June 1, 2013, and so the ROPS are due approximately March 1, 2013. He stated that there are no new items added to the ROPS. The Department of Finance, he stated, has taken the position that the city loans are not enforceable obligations until after the Successor Agency obtains a finding of completion. He stated that the city objects to that decision, but no legal action has been taken at this time. Currently, he stated, we do not anticipate sufficient property tax payments to make all of the ROPS payment, so the city will use other funds to make the bond payments. He stated that staff will be filing a notice of insufficiency with the county by May 1, 2013.

In regard to the ROPS, Boardmember Kreimann requested that in the future Director of Finance Matsumoto delineate in the note section other funding sources for the shortfall or include it as part of the discussion in the report.

Motion by Boardmember Bates, seconded by Boardmember Santana to adopt Resolution No. OB-12-13 of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency establishing the Recognized Obligation Payment Schedule (ROPS) for the July 1, 2013 through December 31, 2013, time period and approving the Administrative Budget for that same time period. Motion carries by the following roll call vote:

Resolution No. OB-12-13 A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY, PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 34180 AND 34117, ESTABLISHING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 13-14A FOR JULY THROUGH DECEMBER 2013

**AYES:** Archuleta, Bates, Kreimann, Santana  
**NOES:** None  
**ABSENT:** Gutierrez-Lohrman, Moreno, Faustinos

**PUBLIC COMMENTS:** None.

**OTHER ITEMS:** None.

**ADJOURNMENT:**

Alternate Vice Chairperson Archuleta adjourned the meeting at 5:19 p.m. There being no objection it was so ordered.

**AYES:** Archuleta, Bates, Kreimann, Santana  
**NOES:** None  
**ABSENT:** Gutierrez-Lohrman, Moreno, Faustinos

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Chairperson, Belinda Faustinos

**ATTEST:**

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Anna M. Jerome, Deputy City Clerk

I hereby certify that the foregoing is a true and correct report of the proceedings of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency special meeting dated February 27, 2013, and approved by the Oversight Board on September 12, 2013.

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Anna M. Jerome, Deputy City Clerk



**To:** Oversight Board of the Successor Agency to the Pico Rivera  
Redevelopment Agency

**From:** Assistant City Manager

**Meeting Date:** September 12, 2013

**Subject:** AGREEMENT FOR INDEPENDENT COUNSEL

**Recommendation:**

Approve the engagement agreement among The Law Offices of Edward Z. Kotkin, and the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency.

**Fiscal Impact:**

The cost of the Oversight Board independent counsel is estimated at \$30,000 per year.

**Discussion:**

On July 19, 2012, the Oversight Board requested the Successor Agency provide independent counsel. On August 20, 2012, the Chair of the Oversight Board, with assistance from an additional board member and Successor Agency staff, selected Cummins & White as independent counsel.

On October 4, 2012 the Oversight Board approved Agreement No. OB-001, an Engagement Agreement with Cummins & White, LLP to provide legal services to the Oversight Board. Michael Houston, a partner at Cummins & White, LLP, has been the attorney primarily performing legal services to the Oversight Board. On February 27, 2013, the Oversight Board approved Edward Kotkin, of Counsel to Cummins & White, LLP, as an alternate attorney.

Michael Houston was recently appointed as the full-time City Attorney for the City of Anaheim and can no longer provide the services as independent counsel to the Oversight Board. Cummins & White expressed interest in focusing in areas other than municipal law. Staff believes that Mr. Kotkin is fully capable and qualified in performing the duties and services as independent counsel to the Oversight Board.

The material differences between the Edward Z. Kotkin agreement and the Cummins & White agreement with the Oversight Board are:

1. Substitution of firm names and addresses from Cummins & White, LLP to The Law Offices of Edward Z. Kotkin.
2. Change in Errors and Omissions Insurance coverage from five million dollars (\$5,000,000) to one million dollars (\$1,000,000) per claim and in the aggregate. This change is not material as the industry standard for this type of insurance coverage is typically \$1,000,000 or more.

With the exception of the aforementioned differences, both agreements are virtually the same. The cost of the Oversight Board independent counsel will remain at an estimated cost of \$30,000 per year and at the rate of \$225 per hour for all general legal services.



Michael Matsumoto  
Assistant City Manager

MM:CO

Attachments

1. Engagement Agreement among The Law Offices of Edward Z. Kotkin and the Oversight Board to the Successor Agency to the Pico Rivera Redevelopment Agency.
2. Curriculum Vitae of Edward Z. Kotkin, The Law Offices of Edward Z. Kotkin

## **ENGAGEMENT AGREEMENT**

**THIS ENGAGEMENT AGREEMENT** is made between the Oversight Board to the Successor Agency to the Pico Rivera Redevelopment Agency, a California local governmental agency (referred to as "Client"), and The Law Offices of Edward Z. Kotkin, a Professional Law Corporation ("Lawyers"). Client and Lawyers hereby agree as follows:

1. **Services.** Client engages Lawyers to provide all legal services ("Services") reasonably required to represent Client in connection with the matter(s) ("Matter") described in the attached Schedule "A" of Services ("Schedule"), as well as such other matters as may be specifically directed by Client; as noted below, if litigation is instituted or defended, an additional retainer deposit may be required prior to commencing representation on litigation. Client shall be truthful with Lawyers in discussing the Matter and shall keep Lawyers apprised of all developments regarding the Matter.

2. **Fees.**

A. Client agrees to compensate Lawyers for the Services at the hourly rates set forth in Schedule "B" of Fees. Fees will be billed by time-keepers in one-tenth (1/10) hour increments. These fees are subject to increases from time to time as may be agreed to between Client and Lawyers.

B. Time billed to Client's account may include, without limitation, time spent waiting in court, time spent in travel and time spent in office conferences between the legal personnel assigned to the Matter. When such personnel engage in office conferences, each person will account for the amount of time expended. Likewise, if more than one of Lawyers' legal personnel attends a meeting, court hearing or other proceeding, each will account for the amount of time expended. Adjustments in time to reflect value of research and development that was previously done may be made; but in no case will such exceed the actual time that would be expended had such research and development not previously been done in part or whole by the firm on another matter.

C. Lawyers may furnish Client with estimates of the amounts of fees which will be charged for certain Services from time to time. All such estimates are provided for Client's budgeting purposes. These estimates are by their nature inexact and are not binding on either Client or Lawyers. However, Lawyers will endeavor to realize estimates wherever possible.

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

3. **Costs and Expenses.** Client agrees to pay Lawyers all costs and expenses incurred in rendering Services. However, Lawyers shall not be required to advance any amount to pay costs or expenses attributable to Client. Costs and expenses may include, without limitation, long-distance telephone calls, messenger and other delivery fees, postage, charges for computer research and outside assisted legal research, travel expenses such as mileage (except that fees and costs incurred from traveling from Orange County to Client's offices in Pico Rivera for regular and special meetings of the Oversight Board shall not be billed to Client), parking, which shall be in addition to the hourly rates for travel time, clerical staff, overtime, word processing charges, process server's fees, filing fees and other charges assessed by courts and other public agencies, court reporter's fees, jury fees, witness fees, investigator's fees, expert's fees or consultant's fees, copy costs (at our customary rate, unless volume and then allows for copying by outside service), and other similar items. Except as may be listed on the Schedule, all such items will be charged to Client at Lawyers' cost. No substantial costs will be incurred without Client's advance approval.

4. **Statements.** Lawyers will send Client statements on a monthly basis setting forth the fees and costs incurred by Client. Client shall pay each such statement upon receipt. Client shall notify Lawyers promptly in writing if Client disputes any entry for legal services or costs on any statement; and if Client fails to do so within thirty (30) days after receipt thereof, all such entries shall be acknowledged as correct as between Lawyers and Client. If Client so requests, Attorney will provide a statement within ten (10) days. The statements shall include the amount, rate, basis of calculation or other method of determination of the fees and costs, which costs will be clearly identified by item and amount.

5. **Deposit.** At this time, no deposit is requested, as reflected in Schedule "A." At any time during the representation of Client, Lawyers may request a retainer to be used as a deposit as security against future fees and, if Lawyers' services are required for litigation, an additional retainer may be required. Typically, the amount to be requested as an additional retainer will be equal to Lawyers' estimate of a high month's worth of fees to be incurred in connection with Lawyers' representation of Client.

6. **Intentionally Deleted.**

7. **Results.** Lawyers have made no promises or guarantees to Client concerning the outcome of the Matter, and nothing in this Agreement shall be construed as such a promise or guarantee.

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**8. Termination of Services.**

A. Client shall have the right to terminate Lawyers' services at any time upon written notice to Lawyers. Such termination shall not, however, relieve Client of the obligation to pay the amounts owed to Lawyers for services rendered and costs incurred prior to such termination. After receiving a termination notice, Lawyers shall immediately cease to render additional services, except for such services as Lawyers may be required to provide under applicable law or as Lawyers deem reasonably necessary to transfer the Matter to Client or to successor legal counsel and Lawyers shall be compensated for all such services. Client will fully cooperate with Lawyers' efforts to withdraw and transfer the Matter.

B. Lawyers shall have the right to immediately terminate this Agreement at any time upon written notice to Client. After delivering such termination notice, Lawyers shall immediately cease to render additional services, except for such services as Lawyers may be required to provide under applicable law or as Lawyers deem reasonably necessary to transfer the Matter to Client or to successor legal counsel. Upon such termination, Client shall take all steps necessary to free Lawyers of any obligation to perform further legal services, including without limitation, the execution of any documents necessary to complete Lawyers' discharge or withdrawal. The rights of Lawyers hereunder are in addition to those created by statute or recognized by rules of professional conduct.

**9. Arbitration.**

A. Other than a dispute over the amount of fees or costs due and owing, any dispute concerning the rights of any of the parties hereto, including, but not limited to, any dispute over alleged malpractice, shall, if any such dispute cannot be resolved between the parties hereto, be decided by arbitration by a retired judge of the Superior Court to be agreed upon by the parties. Client understands that it may well be entitled to a jury trial as to any claim against Lawyers for malpractice or for other claims and that Client waives hereby any such right. Client represents that it has had the opportunity to consult independent counsel of its choice regarding its waiver of any right to a jury as specified above and as to the other terms of this Agreement and has either done so or has knowingly and willingly of its own free choice chosen not to consult such independent counsel. If the parties cannot agree upon an arbitrator, the presiding judge of the Superior Court of Los Angeles shall be requested to appoint a retired judge to act in such capacity, upon petition of any party hereto. In the event the presiding judge fails or refuses for thirty (30) days after a request to make such appointment, the court shall be petitioned to appoint a lawyer licensed to practice in California as sole arbitrator.

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The prevailing party in any proceeding, whether arbitration, Superior Court or Federal Court action, related to any provision of this agreement will be awarded attorneys' fees and costs incurred in that action or proceeding, including without limitation the value of the time spent by Lawyers to prosecute or defend such an action, or support other counsel in the prosecution or defense of such action calculated at the hourly rates(s) then normally charged by Lawyers to clients which it represents on an hourly basis.

**B.** In the event of a dispute hereunder over the amount of fees or costs due and owing to Lawyers, Lawyers are required to serve Client prior to or at the time of filing an action or other proceeding against Client via personal service or first class mail the California State Bar's "Notice of Client's Right to Arbitrate" form. Client's failure to request arbitration within thirty (30) days after receipt of the "Notice of Client's Right to Arbitrate" form from Lawyers shall be deemed a waiver of Client's right to arbitration. (California Business & Professions Code § 6201.) In the event of Client's failure to request arbitration within thirty (30) days, Lawyers in their discretion shall have the right to proceed with an action to collect fees and costs either via a civil action or by arbitration. In the event that Client elects to arbitrate the fee dispute within thirty (30) days or Lawyers choose to proceed with arbitration following Client's waiver of its right to arbitrate, such arbitration shall be held in accordance with the procedures of the California State Bar Association.

The prevailing party in any proceeding for the collection of fees and costs, whether by arbitration or Superior Court action, will be awarded attorneys' fees and costs incurred in that action or proceeding, including without limitation the value of the time spent by Lawyers to prosecute or defend such an action, or support other counsel in the prosecution or defense of such action calculated at the hourly rates(s) then normally charged by Lawyers to clients which it represents on an hourly basis.

**10. Entire Agreement.**

**A.** This Agreement contains the entire understanding among the parties hereto and supersedes any prior understandings and agreements among them with respect to the subject matter herein. There are no representations, agreements, arrangements or understandings among the parties, oral or written, relating to the subject matter of this Agreement that are not fully expressed herein. Any statements, promises or inducements, whether made by any party or agent of any party, that are not contained in this written Agreement shall not be valid or binding. This Agreement may not be enlarged, modified or altered except by a written agreement signed by all the parties hereto.

**B.** The place of performance of this Agreement shall be California. Client hereby agrees to submit to the jurisdiction of the California State or Federal Courts in the

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County of Los Angeles with respect to any action that is brought to enforce the terms of this Agreement.

C. It is mutually understood and agreed that this Agreement shall be governed by the laws of the State of California, both as to interpretation and performance.

11. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction or arbitrator to be illegal or unenforceable, said provision shall be deemed to be severed and deleted and neither such provision, its severance nor its deletion shall affect the validity of the remaining provisions of this Agreement.

12. **Notice.** All notices, requests, demands or other communications necessary to be given hereunder shall be in writing and shall be deemed to have been given if delivered or if mailed by United States Mail, postage prepaid, to the parties at the following addresses (or at such other addresses as a party may notify the other party of in writing in accordance with this section).

If to Lawyers address to: The Law Offices of Edward Z. Kotkin  
Xerox Centre  
1851 East First Street, Suite 900  
Santa Ana, CA 92705-4066  
Attention: Edward Z. Kotkin

If to Client address to: Oversight Board to the Successor Agency to the Pico Rivera  
Redevelopment Agency  
c/o Michael Matsumoto, Director of Finance  
P.O. Box 1016  
6615 Passons Blvd.  
Pico Rivera, CA 90660-1016  
**Marked as follows: Only to be opened by Oversight Board Staff**

13. **Cooperation of Clients.** It is understood and agreed that Client shall notify Lawyers of any change of address or telephone number(s) where Client can be reached and shall furnish sufficient information so that Client may be contacted in a reasonable and timely manner during the course of Lawyers' representation of Client. It is further understood and agreed that if the representation of Client involves litigation in the State of California, it may require the presence of Client or its representative, at its expense, for the purpose of discovery or trial. It is further understood and agreed that successful defense of any litigation will require the cooperation and assistance of Client which Client agrees to

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give to Lawyers. It is further understood and agreed that the absence of reasonable cooperation will, at Lawyers' option, be sufficient grounds to warrant withdrawal of Lawyers from representation of Client.

**14. Retention/Destruction of Client's File.**

A. Client is entitled to a copy of the file materials maintained or generated by Lawyers with respect to Client's representation by Lawyers, except those undisclosed work product materials reflecting Lawyers' impressions, conclusions, opinions, legal research or theories, internal accounting records and other documents not reasonably necessary to Client's representation (hereinafter "Client File"), upon reasonable notice and at Client's expense. Where Lawyers withdraw, Client cancels this Agreement and substitutes Lawyers out as attorneys of record in any litigation in which Lawyers were representing Client, or upon completion of the work for which Lawyers were retained by Client, Client is entitled, upon giving Lawyers reasonable notice, to custody of the original Client File and Lawyers, at their expense, are entitled to keep a copy of any of said Client File materials they deem desirable.

B. Subject to Paragraph 14(a) above, at the conclusion of the handling by Lawyers of the Matter to which this Agreement pertains, Lawyers may at any time, in Lawyers' absolute discretion, store the original Client File or destroy all or part of said file. Subject to Paragraph 14(a) above, and unless other arrangements are made, under Lawyers' document retention policy, Lawyers will begin to destroy portions of the original Client File once the matter is closed. Should Client wish to retain the file after the matter is closed, Client must contact Lawyers at the time the matter is concluded.

**15. Errors and Omissions Insurance Coverage.** Lawyers represent that they maintain errors and omissions insurance coverage applicable to the services to be rendered under this Agreement. The policy limits of that coverage are one million dollars (\$1,000,000.00) per claim and one million dollars (\$1,000,000.00) in the aggregate.

**16. Payment of Client Fees by Another Party.**In connection with this Agreement, we are required by California Rules of Professional Responsibility, Rule 3-310(F) and Business and Professions Code section 6068 to obtain a waiver of conflicts from the Client because a third party (the Successor Agency of the Pico Rivera Redevelopment Agency) will be responsible for legal fees and costs incurred by this firm in representing the Client. Any such agreement to pay Lawyers' fees will not affect Client's obligation to pay attorney fees and costs under this agreement, nor will Lawyers be obligated under this agreement to enforce such agreement. Any such amounts actually received by Lawyers, however, will be

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credited against the attorney fees set forth in this agreement. The fact that the Successor Agency may agree to pay some or all of Client's attorney fees will not make that entity a client of Lawyers and that entity will have no right to instruct Lawyers in matters pertaining to the services Lawyers render to Client. Unless Client gives written permission to discuss all or a portion of Client's matters with the entity paying all or a portion of the attorney fees, Lawyers will not disclose any confidential information to the entity. By signing this agreement and initialing below this paragraph, Client consents to this arrangement and acknowledges that Attorney has advised Client of the advantages and disadvantages of this arrangement and has afforded Client to seek independent counsel to advise on the effect of this paragraph.

\_\_\_\_\_  
**Belinda Faustinos**

This Agreement, consisting of ten (10) pages, including schedules, may be executed in counterparts, each of which may be deemed an original, and taken together they shall constitute one and the same agreement. Facsimile or electronic signatures shall have the same effect as original signatures.

**ACCEPTED:**

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY  
FOR THE PICO RIVERA REDEVELOPMENT  
AGENCY, a California local agency

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Belinda Faustinos, Chair

**ATTESTED:**

By: \_\_\_\_\_  
Anna Jerome, Board Secretary

**[SIGNATURES CONTINUE ON NEXT PAGE]**

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**ACKNOWLEDGED AND AGREED TO:**

SUCCESSOR AGENCY FOR THEPICO RIVERA  
REDEVELOPMENT AGENCY,  
aCalifornia local agency

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Ronald Bates, Executive Director

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Arnold Alvarez-Glasman, Esq.  
Counsel to the Successor Agency

**ACCEPTED:**

THE LAW OFFICES OF EDWARD Z. KOTKIN

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Edward Z. Kotkin

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

**SCHEDULE "A" OF SERVICES**

**Matter:**

- 1) Representation regarding oversight board activities and board member duties, obligations and responsibilities.
- 2) Negotiations with the County of Los Angeles regarding pass through agreement obligations as requested.
- 3) Other matters, within the scope of the Oversight Board, as requested.

**Deposit:**

None

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**SCHEDULE "B" OF FEES**

<p><b>General Legal Services Included in Hourly Rate of \$225 per hour for all attorneys (other staff to be billed as provided below)</b></p>	<p>Attendance at all Oversight Board meetings (<i>with no fee being billed for the travel time to attend these meetings</i>); attendance at Oversight Board management staff meetings and other routine meetings as requested by the Oversight Board; consultation with Oversight Board members and management on legal issues as requested; review of public meeting agendas, agenda submittals, and minutes of Oversight Board meetings; provision of routine legal advice on behalf of the Oversight Board and the issuance of legal opinions, as requested by the Oversight Board; monitoring and review of proposed and enacted legislation affecting the Oversight Board; the preparation or review of routine Oversight Board resolutions; routine advice on government ethics and conflicts of interest.</p>
<p><b>Hourly Rates for Services Not Included in General Legal Services Above</b></p>	<p>Specialized Non-Litigation Legal Services (items not listed above) \$250 Litigation: \$250</p>

2013.08.20

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

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## EDWARD Z. KOTKIN

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A lawyer with twenty-two (22) years of experience at the intersection between the private and public sectors, seizing opportunities to apply unique, multi-disciplinary skills to the advantage of clients.

### **Employment**

#### **The Law Offices of Edward Z. Kotkin, A Professional Law Corporation, Santa Ana, California (May 2011 to Present)**

- Sole practitioner representing government agencies, officials, and private parties with public matters, *e.g.*, real estate developers, permit applicants, businesses, *etc.*
- General Counsel to Evantix GRC, LLC, a software and services company in the governance, risk management and compliance business since 2007, providing high-visibility customers/clients an outstanding vendor risk reporting, monitoring and management portal
- General Counsel to Waste & Recycling Services, Inc., solid waste hauling and recycling company in business thirteen (13) years, serving over four hundred (400) residential and commercial customers
- Special Counsel to AutoZone, Inc., a publicly traded international company with over three thousand two hundred (3,200) auto parts and accessories stores in the United States
- Special Counsel to Polymer Logistics, Inc., a leading provider of "One-Touch/Retail Ready Packaging working with retailers worldwide to simplify supply chain management through logistics services, *i.e.*, packaging for retail and retail ready display products - from the factory to the retail floor
- Special Counsel to Lundin Development Co., commercial/retail real estate developers headquartered in Huntington Beach, developed and managed over one million square feet of retail properties throughout Southern California and Arizona since 1975
- Special Counsel to Southern California Institute of Technology, an accredited career school and college founded by a team of educators in 1987 to pioneer effective, application focused educational methods in the engineering, business and trade disciplines
- Special Counsel to VP Builders, LLC and Family Development Group, Inc., real estate developers, residential and commercial properties, nearly one thousand (1,000) production homes constructed since 2003
- General Counsel to Omicron Enterprises, LLC, Orange County based start-up real estate investment company
- General Counsel to Comfort Cottages, Inc., licensed residential care facility in business seven (7) years
- Independent/General Counsel to five (5) public entity clients, oversight boards of the successor agencies to the redevelopment agencies of the cities of Chula Vista, Corona, Montclair, Pico Rivera and National City
- Provided Special Counsel services to City of Azusa, California and City Council Member as special counsel re purported public integrity issue
- Special Counsel, Government Real Estate Owned Properties, Saeed Corporation, d.b.a. "Real Estate Legends," Orange County based real estate investment company with twenty (20) years of industry experience

- Special Counsel to Skyline Construction Services, Inc., an Orange County Construction Clean-Up company rated "A+" by the Better Business Bureau, in business since 2005
- Special Counsel to Nazas Construction, Inc., a Construction Clean-Up company in the top thirty percent (30%) of Inland Empire contractors, in business since 1998
- Served Innovative Idea Group, LLC, emerging technology company with more than twenty (20) employees and contractors, as interim general counsel & special counsel
- Advocated for a public official advancing public integrity issues re law enforcement and labor/employment matters
- General Counsel and Board Member, Spirit Youth Sports, Inc., d.b.a. Spirit League, an Orange County non-profit organization that allows children with special needs to play team sports in a positive, self-esteem building environment (*Pro Bono*)
- AV® Rated Attorney – top rating of legal ability and general ethical standards possible, based upon anonymous opinions of members of the Bar and the Judiciary; *AV® Preeminent™ and BV® Distinguished™ are certification marks of Reed Elsevier Properties Inc., used in accordance with the Martindale-Hubbell certification procedures, standards and policies, see [www.martindale.com/ratings](http://www.martindale.com/ratings) for more details*
- Martindale-Hubbell "Client Review Rating" – 5.0/5.0
- "Superb," 10.0/10.0 Avvo® Rating - unbiased assessment calculated using a mathematical model; Avvo® treats all lawyers equally and rates them by identical standards, no rating can be purchased in this system developed with input from hundreds of attorneys and thousands of consumers for use by non-experts
- OC Register Metro, listed in annual Top Attorneys Issue, publication date July 29, 2013
- Selected for listing in Los Angeles Times' "Southern California's Top Rated Lawyers," presented by Legal Leaders, publication date November 24, 2013

**Woodruff, Spradlin & Smart, APC, Costa Mesa, California (December 2005 to May 2011)**

- Managed all legal affairs of growing city during fastest period of population and infrastructure growth in its history (*see Municipal Law Experience below*)
- Served as City Attorney of the City of Indio, California, population 76,036 per 2010 census
- Worked as General Counsel to Redevelopment Agency for the City of Indio and Indio Water Authority
- Created and acted as legal counsel for Eastern Riverside County Interoperable Communications Authority (joint powers agency for public safety communication)
- Provided limited deputy city attorney and/or prosecutor services to Cities of Garden Grove, Hawaiian Gardens, Palm Springs, San Juan Capistrano, and Tustin
- Completed disposition of corporate assets of solid waste hauling company
- Advocated for supermarket in proposed condemnation in the City of Lake Elsinore
- Represented a retired city manager re deposition testimony
- Assisted City of La Verne as special counsel re land use matter

**Kotkin & Associates, A Professional Law Corporation, Aliso Viejo, California**

(November 2002 to November 2005), *predecessor firm Bermudez & Kotkin, LLP*

- Transitioned from career as a statewide leader in criminal prosecution to the principal civil advocate for an historically underserved community
- Established and ran successful law firm staffed by up to five (5) attorneys
- Commenced provision of legal services to Indio described above *vis a vis* employment at Woodruff, Spradlin & Smart
- Led and coordinated extended multi-firm transactional and litigation representation for franchise solid waste hauler re conflict of interest matter and assignment of franchise agreement in City of South Gate
- Served as counsel for real estate investment company re multiple transactions and litigation re ownership and operation of apartment buildings
- Represented a retired city manager re controversial retirement issues

**Riverside County District Attorney's Office, Riverside, California (August 1991 to November 2002)**

- Led in creation, implementation and operation of multiple prosecution units within the Office's "Special Prosecutions Section," including financial elder abuse, real estate fraud, major fraud, public integrity, automobile insurance fraud, and workers' compensation insurance fraud
- Prosecuted high-profile fraud cases from filing through trial, practice areas: *(i)* banking, *(ii)* commercial, *(iii)* consumer and government guaranteed loans, *(iv)* conservatorship and probate matters, *(v)* corporate embezzlement, *(vi)* counterfeiting, *(vii)* fiduciary elder abuse, *(viii)* identity theft, *(ix)* insurance, *(x)* mortgage lending, *(xi)* police, *(xii)* political and public integrity, *(xiii)* pyramid schemes, *(xiv)* real estate, *(xv)* securities
- Litigated consumer protection, environmental enforcement & occupational safety cases
- Coordinated investigations by local, state and national law enforcement agencies
- Created and administered educational programs for real estate and insurance industry professionals regarding fraud detection, investigation, and prevention
- Trained and supervised new prosecutors
- Served as member of multi-disciplinary Riverside County regional "C.A.R.E." teams mandated by SB 2199 to fight elder abuse
- Wrote and reviewed prospective legislation
- *Awards:* Outstanding Achievement Award 2000 (Riverside County District Attorney's Office); Runner-Up Prosecutor of the Year, Int'l Assoc. of Financial Crimes Investigators, 2001
- Founded and served as Co-Chair of Real Estate Fraud Committee of California District Attorneys Association

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EDWARD Z. KOTKIN

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PAGE 3 OF 5

## **Municipal Law Experience**

**City Attorney and City Prosecutor**, City of Indio, California, **General Counsel**, Redevelopment Agency of the City of Indio & Indio Water Authority (November 2002 to May 2011)

- Drafted ordinances, resolutions, reports to public officials, policies
- Negotiated and drafted agreements, documents and reports for development projects, real estate transactions, public works (infrastructure) projects, professional services, water service
- Managed all litigation for City, Redevelopment Agency and Water Authority
- Served as lead counsel for Eastern Riverside County Interoperable Communications Authority per Joint Exercise of Powers Act, five (5) member cities
- Oversaw projects and litigation assigned to outside legal counsel
- Participated in all public meetings (City Council, Redevelopment Agency, Water Authority)
- Worked on coordinated multi-disciplinary management team
- Advised the city council, officials, manager and staff for all purposes re: condemnation, conflict of interest, contracts, constitutional law, environmental (including California Environmental Quality Act and National Environmental Policy Act), election issues, ethics, franchise agreements, labor, land use, municipal code enforcement (including revision and enforcement/prosecution as City Prosecutor), Native American issues, police litigation, premises liability, public finance, public meetings law, public records act, real estate transactions, redevelopment law, solid waste, tax, fee and exaction issues, water law, zoning
- Served as member of California League of Cities, City Attorneys Division, Committee re Fair Political Practices Commission

## **Representative Municipal Transactions**

**(i)** Negotiated and Drafted Disposition and Development Agreement, Redevelopment Agency of the City of Indio and Desert Community College District, *January 2011*; **(ii)** Negotiated and Drafted Annual special event agreements and permits for Coachella and Stagecoach music festivals, multiple years, most recent approval *December 2010*; **(iii)** Negotiated and Drafted Solid Waste Hauling and Recycling Franchise Agreement with Burrtec Waste and Recycling Services, LLC, *June 2010*; **(iv)** Drafted New Parks Ordinance and Regulations, *December 2009*; **(v)** Adjusted Utility User Tax *via* City initiated ballot initiative, three percent (3%) increase, *November 2010*; **(vi)** Drafted Indio Ticket Distribution Policy, *April 2009*; **(vii)** Created Eastern Riverside County Interoperable Communications Authority per Joint Exercise of Powers Act, five (5) member cities, *July 2008*; **(viii)** Drafted Registration and Maintenance of Abandoned Properties Ordinance, *March 2008*; **(ix)** Negotiated and Drafted Regency Realty Group "Indio Towne Center Development Agreement," Home Depot, Winco, Petco, *etc., January 2007*; **(x)** Established Indio Performing Arts Center, *June 2006*.

## **Representative Municipal Litigation**

**(i)** Represented the City of Azusa and one of its city council members in purported public integrity case, request for leave to file *quo warranto* lawsuit, *September 2011* **(ii)** Reduced unjustified pass-through payments to local school district by fifty percent (50%) *via* settlement of litigation, *January 2008*, **(iii)** Allowed continued construction, and eventual completion and opening of Super Target store *via* settlement of environmental challenge, *August 2007*; **(iv)** Acquired land for Indio Soccer Park *via* condemnation settlement, *November 2004*.

## **Professional Affiliations**

- State Bar of California, Member Number 155588, admitted December 16, 1991
- United States District Court, Central District of California, admitted September 9, 2005
- Orange County Bar Association, Member, Member 2005 to Present
- Orange County Bar Association, Lawyer Referral & Information Service, Panelist, 2011 to Present
- State Bar of California, Special Master, 2004 to 2012 (accompanied peace officers serving search warrants re evidence under the control of attorneys, physicians, psychotherapists and clergy)

## **Education**

### **Georgetown University Law Center, Washington, D.C. (1988-1991)**

- Juris Doctor, May 1991
- Participant, Georgetown Criminal Justice Clinic, Maryland Division, 1990-1991
- Recipient, Greenfield Trial Practice Award, 1991

### **Haverford College, Haverford, Pennsylvania (1984-1988)**

- Bachelor of Arts, Philosophy, May 1988
- Participant, "One-Year Program," Hebrew University of Jerusalem, Israel, 1986-1987

## **Presentations**

- AB1234 Ethics Training instructor (qualified per Attorney General and Fair Political Practices Commission standards), lectured to officials of Cities of Tustin, San Juan Capistrano, San Clemente, Rancho Santa Margarita, Laguna Niguel, Laguna Beach, Indio and Hawaiian Gardens
- Presentations to the International Code Council, Orange Empire Chapter (Public Records Act), the National Association of Appraisal Regulatory Officials (Appraisals in Mortgage Fraud), the Appraisal Institute (Mortgage Fraud), the California Association of Mortgage Brokers (Mortgage Fraud), the California Trustees Association (Mortgage Fraud), First American Title Company (Electronic Recordation), and the California Electronic Document Forum (Electronic Recordation)
- Presentation to Public Agency Risk Managers Association, Southern California Chapter, December 1, 2011, "Public Records, Paper Trails, and Penalties – Catching Up with the Law on Computer Resources"
- Presentation to the Workers' Compensation Forum, 21<sup>st</sup> Annual All Day Seminar, San Bernardino, California, May 8, 2012, "Electronic Confidentiality – Computers are Forever (Public Records & E-Discovery)"
- Presentation to the National Bureau of Business Licensing Officials, Annual Conference, Anaheim, California, July 12, 2012, "Adjusting to New Paradigms - Checking In & Keeping Money Local"
- Upcoming presentation to California Municipal Revenue & Tax Association, Annual Conference, Costa Mesa, California, October 10, 2013

## **Languages**

- Proficient in Spanish and Hebrew



**To:** Oversight Board of the Successor Agency to the Pico Rivera  
Redevelopment Agency

**From:** Assistant City Manager

**Meeting Date:** September 12, 2013

**Subject:** CHANGE REGULAR MEETING SCHEDULE FOR THE  
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO  
THE PICO RIVERA REDEVELOPMENT AGENCY

**Recommendation:**

The Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency ("Oversight Board") change the schedule for regular meetings to the fourth Thursday of every February and September at 4:30 p.m.

**Fiscal Impact:**

None.

**Discussion:**

On April 12, 2012, the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency ("Oversight Board") established the third Thursday of the first month of each calendar quarter as the regular meeting schedule. The Oversight Board has been conducting special meetings in lieu of regular meetings to satisfy requirements mandated by the California Department of Finance. On June 27, 2012, Assembly Bill No. 1484 ("AB 1484") was enacted to require Recognized Obligation Payments Schedule ("ROPS") approvals by March 1 and October 1 each year. Due to the requirements of AB 1484, staff recommends the Oversight Board change the regular meeting schedule to the fourth Thursday of every February and September.

Michael Matsumoto  
Assistant City Manager

MM:CO



**To:** Oversight Board of the Successor Agency to the Pico Rivera  
Redevelopment Agency

**From:** Assistant City Manager

**Meeting Date:** September 12, 2013

**Subject:** LONG-RANGE PROPERTY MANAGEMENT PLAN

**Recommendation:**

Adopt the resolution of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency approving the Successor Agency to the Pico Rivera Redevelopment Agency's Long-Range Property Management Plan ("LRPMP").

**Fiscal Impact:**

There is no cost associated with approving the LRPMP.

**Requirements:**

Assembly Bill 1484, enacted in June 2012, added Health and Safety Code Section 34191.1-34191.5, requiring that successor agencies send a Long-Range Property Management Plan to the Oversight Board and the California Department of Finance (DOF) no later than six months following the issuance of the finding of completion. Upon approval by the Oversight Board and DOF, the LRPMP will facilitate the transfer of properties to other parties pursuant to state law. Any such transfer may result in sales proceeds collected by the Successor Agency (net of transaction costs) which would then be transferred to the County Auditor-Controller for disbursement to each of the affected taxing agencies of the former redevelopment project area in accord with its entitlement to a percentage of such proceeds as a matter of law.

**Discussion:**

The DOF issued a Finding of Completion to the Successor Agency to the Pico Rivera Redevelopment Agency on April 26, 2013, so the enclosed LRPMP must be transmitted to the DOF by October 26, 2013. The long-range property management plan includes an inventory of all six properties owned by the Pico Rivera Redevelopment Agency. The inventory includes pertinent data, such as the date and purpose of acquisition, parcel characteristics, estimate of the current value and any lease, rental or other revenues, histories of environmental contamination, a description of each property's potential for transit-oriented development and the advancement of the City's planning objectives, and previous development proposals. Finally, the long-range property management plan addresses staff's proposed use or disposition of each property. Permissible uses include retention for a governmental use, retention for future development, sale of the property, or use of property to fulfill an enforceable obligation.

In sum, the LRPMP outlines the following disposition plan for the six properties held in trust from the former Redevelopment Agency:

- Three properties, including two parking lots and one park, are proposed to be retained for governmental use and transferred to the City.
- Three properties are proposed to be sold, one of which contains significant environmental contamination and one of which is a small sliver of land that is undevelopable under current zoning and development standards.

Attachment 1 provides a summary of the proposed disposition of each property and the property inventory and long-range property management plan provides further details.

Staff notes an existing DOF view that retention of most parking lots represents a public purpose, but not a governmental use, permissible as the basis for retention per Health and Safety Code Sections 34181(a) and 34191.5(c)(2). Important exceptions to this perspective are noted, *e.g.*, in instances where a parking lot exists or operates in relation to bonded indebtedness, in instances where publicly owned vehicles are parked in the parking lot, *etc.* Staff notes that the parking lots owned by the Successor Agency were constructed and are used for a statutorily delineated governmental purpose; see the statutes referenced in this paragraph, *i.e.*, the properties function as parking for existing parks. Although staff views it as highly unlikely, DOF could conceivably oppose the retention of the sites numbered 1 and 2 in Attachment 1.

OVERSIGHT BOARD AGENDA MEMO – MTG. OF 9/12/13

Long-Range Property Management Plan

Page 3

By way of information, several Successor Agencies and Oversight Boards around the state are dealing with this DOF perspective on parking lots, and considering legal rights and remedies that they may have in relation thereto. Staff does not anticipate that the proposed retention of these properties (sites 1 & 2) will create any controversy with DOF.



Michael Matsumoto  
Assistant City Manager

MM:CO

Attachment 1: Summary of Long-Range Property Management Plan

Attachment 2: Resolution approving the Long-Range Property Management Plan

Attachment 3: Long-Range Property Management Plan

Attachment 4: Long-Range Property Management Plan Property Tracking Worksheet

**ATTACHMENT 1: Summary of Long-Range Property Management Plan**

#	Site Name	Assessors Parcel Number(s)	Disposition
1	San Luis Potosi	6347-016-922	Transfer to City for Public Purpose
2	Veterans and Ladies Auxiliary Park Parking Lot	6375-016-904 and 6375-016-905	Transfer to City for Public Purpose
3	Streamland Park	8123-013-900, 8123-013-901, 8123-013-902, 8123-013-903, and 8123-013-904	Transfer to City for Public Purpose
4	Burke Street Site	6384-004-900	Sell property
5	Train Track Triangle	6373-019-901	Sell property
6	8631 Beverly Blvd	5272-022-901	Sell property

## RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY, APPROVING THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY'S LONG-RANGE PROPERTY MANAGEMENT PLAN**

**WHEREAS**, on June 28, 2011, the Governor of California signed ABx1 26 which affected the dissolution of redevelopment agencies throughout the state, and provided for the liquidation of the assets of such agencies; and

**WHEREAS**, on June 27, 2012, the Governor signed AB 1484 clarifying and in many instances modifying ABx1 26, including the enactment of California Health and Safety Code Sections 34191.1-34191.5, reflecting "Post compliance Provisions" that address the disposition of former redevelopment agency real property assets after a Successor Agency complies with applicable law; and

**WHEREAS**, pursuant to Health & Safety Code Section 34191.5(b), successor agencies are required to develop and send long-range property management plans to the Oversight Board and State Department of Finance no later than six months following the issuance of the finding of completion; and

**WHEREAS**, pursuant to Health & Safety Code Section 34191.5(c)(1), a long-range property management plan must include an inventory of all real property assets of the former redevelopment agency; and

**WHEREAS**, pursuant to Health & Safety Code Section 34191.5(c)(2), this long-range property management plan addresses the use or disposition of all real property assets of the former redevelopment agency; and

**WHEREAS**, the State Department of Finance issued a finding of completion on April 26, 2013; and

**WHEREAS**, pursuant to Health & Safety Code Section 34191.5(b), the long-range property management plan for disposition of the real property assets of the Successor Agency to the Pico Rivera Redevelopment Agency shall be submitted to the Oversight Board and Department of Finance no later than October 26, 2013; and

**NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency, California as follows:

**SECTION 1.** The Oversight Board approves the long-range property management plan (as submitted hereto as Attachment 3) subject to the approval of the State Department of Finance.

**SECTION 2.** Staff is directed to submit the long-range property management plan to the State Department of Finance as required by law.

**SECTION 3.** Staff is directed to prepare a marketing plan for the disposition of certain properties outlined in the long-range property management plan.

**SECTION 4.** At such time as the Successor Agency receives proceeds from the sale of any property as identified in the long-range property management plan, the Successor Agency shall comply with applicable statutes regarding the distribution of these proceeds to the County Auditor Controller for dissemination to the affected taxing agencies.

**SECTION 5.** The City Clerk of the City of Pico Rivera shall attest to the passage of this Resolution and it shall be in full force and effect. This Resolution shall be transmitted to the Department of Finance by electronic means and shall be subject to review pursuant to Health & Safety Code 34179 (h), Health & Safety Code 34191.5, and any other requirements.

**APPROVED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_ 2013.**

**ATTEST:**

**OVERSIGHT BOARD**

\_\_\_\_\_  
Anna Jerome, Assistant City Clerk

\_\_\_\_\_  
Belinda Faustinos, Chairperson

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Edward Z. Kotkin, Law Offices of Edward Z. Kotkin  
Board Counsel

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LONG-RANGE PROPERTY MANAGEMENT  
PLAN

Successor Agency to the  
Pico Rivera Redevelopment Agency

August 1, 2013

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Successor Agency to the Pico Rivera Redevelopment Agency  
Long-Range Property Management Plan

TABLE OF CONTENTS

INTRODUCTION ..... 2

EXECUTIVE SUMMARY ..... 2

STATEMENT OF LEGAL REQUIREMENTS ..... 2

PROPERTY VALUATION ESTIMATES AND LIMITATIONS ..... 4

PROPERTY INVENTORY - FORMER AGENCY PROPERTIES ..... 5

    Retention of Properties for Governmental Use ..... 6

        SAN LUIS POTOSI (PROPERTY 1)..... 7

        VETERANS AND LADIES AUXILIARY PARK PARKING LOT (PROPERTY 2)..... 8

        STREAMLAND PARK (PROPERTY 3)..... 9

    Retention of Properties for Future Development ..... 10

    Properties to be Sold by Successor Agency ..... 11

        BURKE STREET SITE (PROPERTY 4)..... 12

        TRAIN TRACK TRIANGLE (PROPERTY 5)..... 15

        8631 BEVERLY BLVD. (PROPERTY 6)..... 16

    Properties Retained For Purposes Of Fulfilling An Enforceable Obligation ..... 19

ATTACHMENTS ..... 20

## INTRODUCTION

Assembly Bill ("AB") 1484, enacted in June of 2012, requires all successor agencies for former redevelopment agencies that owned property as of the time of redevelopment dissolution in 2011 to prepare a Long Range Property Management Plan ("PMP"). The PMP governs the disposition and use of property held by the former redevelopment agency pursuant to legal requirements, as detailed in the next section.

This is the Long Range Property Management Plan for the Successor Agency to the Pico Rivera Redevelopment Agency ("Successor Agency").

## EXECUTIVE SUMMARY

The former Pico Rivera Redevelopment Agency ("Agency") is the owner of record on the title for 6 properties (comprised of 11 parcels) in Pico Rivera.

- Three of these properties are existing governmental use properties that are proposed to be transferred to the City to continue their exclusive and continued governmental use.
- Three properties are vacant land and are to be sold by the Successor Agency, with the proceeds of the sale to be distributed by the Los Angeles County Auditor-Controller in accordance with the Dissolution Act.

## STATEMENT OF LEGAL REQUIREMENTS

Pursuant to Health and Safety Code section 34191.5 (part of AB 1484), each successor agency that holds property from a former redevelopment agency is required to submit a PMP to the State Department of Finance ("DOF") within six months after receiving a "Finding of Completion" from DOF. Prior to the submittal of the PMP to DOF, the successor agency's oversight board must approve the PMP.

In general, the PMP addresses the disposition and use of the real properties of the former redevelopment agency. AB 1484 requires that the PMP include all of the following components:

1. Inventory of all properties in the Community Redevelopment Property Trust Fund ("Trust Fund"), established to serve as the repository of the former redevelopment agency's real properties. This inventory shall consist of all of the following information:
  - a. **Date of acquisition** of the property and the value of the property at that time, and an estimate of the current value of the property.
  - b. **Purpose** for which the property was acquired.
  - c. **Parcel data**, including address, lot size, and current zoning in the former redevelopment agency redevelopment plan or specific, community, or general plan.
  - d. **Estimate of the current value** of the parcel including, if available, any appraisal information.

- e. **Estimate of any lease, rental, or any other revenues** generated by the property, and a description of the contractual requirements for the disposition of those funds.
  - f. **History of environmental contamination**, including designation as a brownfield site, and related environmental studies, and history of any remediation efforts.
  - g. Description of the **property's potential for transit-oriented development and the advancement of the planning objectives** of the successor agency
  - h. Brief history of **previous development proposals** and activity, including the rental or lease of property.
2. Address the use or disposition of all the properties in the Trust Fund. Permissible uses include:
- a. **Retention for governmental use** pursuant to subdivision (a) of Section 34181;
  - b. **Retention for future development;**
  - c. **Sale** of the property; or
  - d. **Use of property to fulfill an enforceable obligation.**
3. Separately identify and list properties in the Trust Fund dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties, all the following shall apply:
- a. If the plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the city, county, or city and county.
  - b. If the plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or other than that specified in subsection 3(a) above, the proceeds from the sale shall be distributed as property tax to the taxing entities.
  - c. Property shall not be transferred to a successor agency, city, county, or city and county, unless the PMP has been approved by the oversight board and DOF.

## PROPERTY VALUATION ESTIMATES AND LIMITATIONS

The Dissolution Act requires that a property management plan include an estimate of the value of property, as well as recent appraisal information, to provide the oversight board, DOF and other interested parties information on the properties involved. DOF has stated officially they do not expect successor agencies to obtain appraisals on properties if none currently exist, so no such appraisals have been prepared for this PMP.

Instead, an estimate of property value was prepared by the Successor Agency's independent consultant based on a limited amount of analysis, well short of what would normally be conducted for an appraisal – but at least useful for providing some information on what is often difficult to assess property values given the unique deficiencies (size, contamination, location, etc.) of former redevelopment properties. Coming out of a real estate recession, it still can be difficult to identify comparable properties in the area because sales volumes of small, infill parcels can be very limited. In some cases, where properties were developable, the consultant provided an estimate of the value of the land (several sites are vacant land) employing the land residual analysis, which compares the development costs to the value of the developed property, with the value of the property in excess of costs yielding the land residual value. This often gauges the immediate feasibility for development, but can also provide useful perspective on estimated values of land in general.

The limitations of this methodology aside, the value estimates themselves (or even appraisal values) are not necessarily representative of what the properties could be worth when put on the open market for sale by the Successor Agency. For example, one property to be sold (the Burke Property) has a history of contamination which may affect not only value, but the number of potential buyers and reuse potential. Even after initial studies are conducted, as they were done for this particular site, additional contamination could be discovered, which could also deter investment due to uncertainty over cleanup cost exposure. Not just in Pico Rivera, but elsewhere, many redevelopment agencies have a number of blighted properties in their inventory that were not yet restored to a marketable condition at the time of dissolution.

The Successor Agency will be developing a marketing plan to solicit viable purchase offers on properties designated for sale following DOF approval of this PMP. Once these offers are provided, these may ultimately be a much more precise determination of value than what is included in this PMP. As such, the reader is encouraged to understand this context when reviewing the PMP estimated values contained herein.

## PROPERTY INVENTORY – FORMER AGENCY PROPERTIES

The former Agency owned six properties (consisting of 11 parcels) at dissolution. The properties are grouped into property sites with specific property numbers shown in the Property Inventory Data table attached. The property sites are organized by “Permissible Uses” under AB 1484 and a detailed description of the properties is provided below.

The Property Inventory Data table (Attachment 1) utilizes the DOF-created database that provides a matrix of all of the information required pursuant to Health and Safety Code Section 34191.5(c) (part of AB 1484).

It is important to note the following in reviewing the PMP:

- Estimates of current value of property were provided by RSG based on the individual methodologies described under each property profiled in this PMP. As the DOF has provided to RSG in written communication, the DOF does not require a new appraisal report to be prepared for the purposes of a PMP, even if a recent appraisal does not exist. The ultimate value of the properties sold will be determined based on what the market bears and not what an appraisal estimates. For properties to be retained for governmental use, the value estimates are based on the value of the property at the current land use and Zoning; which in all cases yields a \$0 market value because the three properties in question are all existing, operating public parks and designated for such under the current Zoning Ordinance. As such, they hold no value to anyone other than the City. More details for each value estimate are provided in the individual property profiles.
- Data contained in the “Value at Time of Purchase” column in the Property Inventory Data table includes all available information obtained resulting from comprehensive title research and staff’s best efforts to locate the information. In many cases, this information was not available and is noted accordingly.

### Retention of Properties for Governmental Use

All properties listed below are proposed to be transferred to the City of Pico Rivera pursuant to Health and Safety Code Section 34181 (a) that allows properties of a former redevelopment agency to be transferred to a public jurisdiction. A description of all these properties, including the legally required information, aerial maps, and photographs of each property, are presented in this section.

Pursuant to the requirements of 34191.5(c) of the Health and Safety Code, the following characteristics apply to all properties listed under "Retention of Properties for Governmental Use":

- **Purpose of Acquisition:** to provide for needed public buildings, facilities, parking, and open space in the City of Pico Rivera.
- **Estimate of Income Revenue:** No income revenue.
- **Contractual Requirements for Use of Income/Revenue:** Not applicable due to no income revenue.
- **History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site:** None/not applicable.
- **Description of Property's Potential for Transit Oriented Development:** None/not applicable.
- **History of Previous Development Proposals:** None.

The remainder of the information required by Health and Safety Code Section 34191.5(c) is provided below and in Attachment 1 for each property under the "Retention for Governmental Use" category.

**SAN LUIS POTOSI (PROPERTY 1)**

**Address:** *Along San Luis Potosi, between Orange and Grape  
(No situs address available)*

**APN:** *6347-016-922*

**Lot Size:** *7,080 sq. ft.*

**Acquisition Date:** *October 16, 2003<sup>1</sup>*

**Value at Time of Purchase:** *Not known by City or public record research*

**Property Type (DOF Category)** *Parking Lot*

**Property Type (City Proposed)** *Transfer to City for Public Purpose*

**Current Zoning:** *Open Space*

**Estimated Current Value:** *\$0*  
*Based on market value estimate as an existing public use that is exclusively designated for continued public use in the Zoning Ordinance*

**Advancement of Planning Objectives:** *Not applicable - retain existing public park use*

This site is a portion of Rio Hondo Park owned and operated by the City.



<sup>1</sup> Pursuant to a property profile report furnished by Orange Coast Title, the ownership of the property shows as the Redevelopment Agency of Pico Rivera City, however, there is another grant deed recorded against this parcel in favor of Angel Esquivel from Maywood Partners in June of 2004. It appears this grant deed was recorded against this property in error, but it should be cleared upon ultimate disposition of the property.

## VETERANS AND LADIES AUXILIARY PARK PARKING LOT (PROPERTY 2)

<b>Address:</b>	<i>4870 Durfee Ave. and 4907 Passons Blvd.</i>
<b>APNs:</b>	<i>6375-016-904 and 6375-016-905</i>
<b>Lot Size:</b>	<i>12,390 sq. ft. and 18,080 sq. ft. respectively</i>
<b>Acquisition Date:</b>	<i>May 13, 1998 and June 11, 1979, respectively</i>
<b>Value at Time of Purchase:</b>	<i>\$65,000 (purchase price)</i>
<b>Property Type (DOF Category)</b>	<i>Parking Lot</i>
<b>Property Type (City Proposed)</b>	<i>Transfer to City for Public Purpose</i>
<b>Current Zoning:</b>	<i>Open Space (O-S)</i>
<b>Estimated Current Value:</b>	<i>\$0</i> <i>Based on market value estimate as an existing public use that is exclusively designated for continued public use in the Zoning Ordinance</i>
<b>Advancement of Planning Objectives:</b>	<i>Not applicable – retain existing public park use</i>

These parcels were combined, constructed for and currently used as the Veterans and Ladies Auxiliary Park, parking lot and adjacent green space. The park includes a walking path, seating benches, and a small playground, and is owned and operated by the City.



### STREAMLAND PARK (PROPERTY 3)

**Address:** 9323 Kruse Rd.  
**APNs:** 8123-013-900  
8123-013-901  
8123-013-902  
8123-013-903  
8123-013-904  
**Lot Size:** 2.4 acres combined  
**Acquisition Date:** September 30, 1985, June 18, 1986, June 18, 1986,  
June 18, 1986, September 29, 1986 (respectively)  
**Value at Time of Purchase:** Not known by City or public record research  
**Property Type (DOF Category)** Park  
**Property Type (City Proposed)** Transfer to City for Public Purpose  
**Current Zoning:** Open Space  
**Estimated Current Value:** \$0  
Based on market value estimate as an existing public  
use that is exclusively designated for continued public  
use in the Zoning Ordinance  
**Advancement of Planning Objectives:** Not applicable - retain existing public park use

These parcels combined make-up Streamland Park, a public park owned and operated by the City, on the east side of Durfee Avenue. This portion of the public park includes green space, an equestrian area, playground and additional park uses. In addition, there is a large utility pole located on the property.



Retention of Properties for Future Development

There are no properties to be retained for future development purposes by the Successor Agency in this PMP.

Properties to be Sold by Successor Agency

Three properties listed below are proposed to be for sale. A description of the properties, including the legally required information, aerial maps, and photographs of each property, are presented in this section.

Pursuant to the requirements of 34191.5(c) of the Health and Safety Code, the following characteristics apply to all properties listed under "Sale of Property":

- **Date of Estimated Current Value:** July 29, 2013 based on an independent property value analysis contained in this PMP by RSG, Inc.
- **Purpose of Acquisition:** To ensure development that is consistent with City General Plan goals.
- **Estimate of Income Revenue:** No income revenue.
- **Contractual Requirements for Use of Income/Revenue:** Not applicable due to no income revenue.
- **History of Environmental Contamination, Studies, and/or Remediation, and Designation as a Brownfield Site:** None/not applicable for Properties 5 and 6.

For Property 4 (Burke Property), this site has been identified as a contaminated property under Phase I and Phase II environmental studies conducted on the property previously. It was formerly an illegal dump site, and studies have concluded that the costs to remediate the property were approximately \$1.2 million in 2003. These costs are likely to be much higher today, and there is no assurance that additional contamination may not be found until remediation work begins. To date, no cleanup effort has begun, in part because the former Redevelopment Agency's efforts to identify a developer were suspended due to the 2008 real estate market collapse, and later, by the Dissolution Act itself.

- **Description of Property's Potential for Transit Oriented Development:** None/not applicable for Properties 5 and 6.

For Property 4 (Burke Property), the former Redevelopment Agency solicited development proposals for this site in 2008, but the market collapse and subsequently dissolution of the Agency suspended these efforts. It is the hope of the City that some development may still be viable on this property, albeit without affordable housing funds that were previously available to develop the property.

The remainder of the information required by Health and Safety Code Section 34191.5(c) is provided below and in Attachment 1 for each property under the "Sale of Property" category.

**BURKE STREET SITE (PROPERTY 4)**

**Address:** *Burke Street and San Gabriel River*  
**APN:** *6384-004-900*  
**Lot Size:** *2.63 acres*

**Acquisition Date:** *April 27, 1999*  
**Value at Time of Purchase:** *Not known by City or public record research*  
**Property Type (DOF Category)** *Vacant Lot/Land*  
**Property Type (City Proposed)** *Sell Property*  
**Current Zoning:** *Planned Unit Development*

**Proposed Sale/Estimated Current Value:** *Between \$0 and \$570,000*

*RSG prepared a residual land value analysis for this site and it did not indicate that development would be economically feasible at this time at any price, given the costs of cleanup and uncertainties that could arise during site remediation. Development costs of approximately \$11.5 million exceed by over \$3 million the value of the project (assuming market-rate rents) of about \$8.1 million. These costs exclude the cost of remediation – so development does not appear to be feasible for the residential uses envisioned at this time.*

*Comparable sales are limited to active listings only since recent sales for similar properties are not evident, so asking prices may overstate what the market is willing to pay for any property. Adjusting for these factors, RSG is anticipating a value of not more than \$800,000 an acre for this site (or \$2,104,000), but after deducting remediation costs, the site may be worth between \$0 and \$570,000 on the open market.*

**Proposed Sale Date:** *Following the approval of the PMP. Sales price to be determined by market.*

**Advancement of Planning Objectives:** *Cleanup and development for residential (senior) housing.*

This vacant parcel is located at the end of Burke Street in a residential area, and adjacent to the San Gabriel River. The City does not possess records reflecting the purchase price of this property, nor is this information available via public records. According to the Limited Phase II Environmental Site Assessment, prepared by AMI Adini & Associates, Inc. on November 19, 2003, the Conceptual Remedial Action Plan and Estimated Costs for this property was \$1,200,000. (Adjusted for inflation at the CPI for all Los Angeles Urban Consumers, this cost estimate is estimated to be more than

Successor Agency to the Pico Rivera Redevelopment Agency  
 Long-Range Property Management Plan

\$1,534,000 as of June 2013.) Because a remediation program can often result in additional costs not identified in preliminary studies, and these costs may escalate at rates above the consumer price index, the market tends to discount the value of such brownfields by a factor greater than just the estimated cleanup budget. It is therefore very realistic to assume that this site may not be easily sold or developed given these uncertainties.



**Comparable Analysis : East end of Burke Street**

Residential Land < 1 acre	Use	Planned Use	Area (AC)	Sale Date	Price	Price/AC	Notes
1 7214 Florence Av Downey, CA 90240	Vacant	Residential	1.38	Active	\$3,998,680	<b>\$2,903,042</b>	Superior location; not contaminated; not sold
2 9830-9851 Jersey Av Santa Fe Springs, CA 90670	Vacant	Townhomes	2.68	Active	\$6,500,000	<b>\$2,425,369</b>	Not contaminated; not sold
3 12023 Whittier Blvd. Whittier, CA 90602	Vacant	Mixed Use	1.17	Active	\$1,273,750	<b>\$1,088,957</b>	Not contaminated; not sold
4 14535 Woodruff Av Bellflower, CA 90706	Vacant	Reuse/Condo	2.27	Active	\$2,490,000	<b>\$1,097,596</b>	Not contaminated; not sold
Subject East end of Burke Street Pico Rivera, CA	Vacant	Residential	2.63	Not Listed	<b>\$ 570,000</b>	<b>\$ 216,730</b>	Contaminated, inferior location

Source: CoStar, July 2013

Successor Agency to the Pico Rivera Redevelopment Agency  
 Long-Range Property Management Plan

**Land Residual Analysis**  
**Pico Rivera Successor Agency PMP Sites**  
 City of Pico Rivera / July 2013

**Development Costs**

**Property 4: Burke Street**

	B1. MF Res	P1	Surf Pk (R)	Onsites	Total
Footprint	26,268	-	54,510	33,785	114,563
Building Area (Gross)	52,535	-	-	-	52,535
Units	79	-	158	-	-
Type	Multiple Residences - Senior Citizen	Parking Levels (Under)	Surface Parking	Concourse (Hard/Soft Scape)	
Class	D	CDS		CDS	
Quality	Average	Average	Good	Good	
Total Direct Cost	\$ 6,538,685	\$ -	\$ 369,481	\$ 1,130,834	\$ 8,039,000
Total Indirect Costs	2,812,710	-	158,937	486,445	3,458,092
<b>Total Development Cost</b>	<b>9,351,395</b>	<b>-</b>	<b>528,418</b>	<b>1,617,279</b>	<b>11,500,000</b>
Unit Cost	178		3,344	48	219
	/sf	/stall	/stall	/sf	3,600
<b>Development Value Estimate</b>					
ADR / Monthly Lease Rate					\$ 931
Annual Net Operating Income					426,088
Total Development Value					8,115,962
Per SF					154
<b>Net Land Residual Value</b>					<b>\$ (3,384,038)</b>

### TRAIN TRACK TRIANGLE (PROPERTY 5)

**Address:** Southwest corner of Paramount Blvd. and railroad track, north of Whittier  
**APN:** 6373-019-901  
**Lot Size:** 1,700 sq. ft.  
**Acquisition Date:** June 11, 1979  
**Value at Time of Purchase:** Not known by City or public record research  
**Property Type (DOF Category):** Vacant Lot  
**Property Type (City Proposed):** Transfer, sell or grant to adjacent property owner  
**Current Zoning:** Limited Industrial

**Proposed Sale/Estimated Current Value:** \$1,155

Given the dimensions, the small size of the property, and surrounding uses, the slope is not developable and not accessible, and therefore the Successor Agency believes the property has no or at best de minimis market value. The market value estimate used is the property's current assessed value.

**Proposed Sale Date:** Following the approval of the PMP  
**Advancement of Planning Objectives:** None with this property.

This property is a sliver of a slope above and adjacent to Paramount Boulevard to the east and a commercial business on the west. The parcel is approximately 25 feet wide at its widest point, and approximately 80 feet long. Staff at the City today does not have any knowledge or records of why the former redevelopment agency purchased this property. The Successor Agency hopes to sell, or if necessary, grant this property to an adjacent owner upon approval of the PMP.



**8631 BEVERLY BLVD. (PROPERTY 6)**

**Address:** 8631 Beverly Blvd.  
**APN:** 5272-022-901  
**Lot Size:** 4,360 sq. ft.

**Acquisition Date:** October 16, 2003  
**Value at Time of Purchase:** \$80,000 according to City records  
**Property Type (DOF Category)** Commercial  
**Property Type (City Proposed)** Properties for Sale  
**Current Zoning:** Multiple Family Residential

**Proposed Sale/Estimated Current Value:** Between \$0 and \$60,000

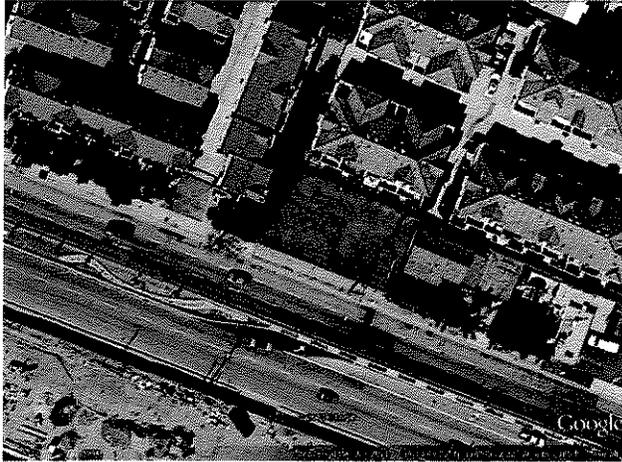
*Though designated for multifamily use, this 4,360 square foot site is extraordinarily small to be developed under this designation without significant cost and/or assembly of additional improved property. Surrounding uses are between 1 and 3 stories high, and maximum height plus other development standards would at most allow for a 3 unit apartment building with tuck-under parking. At today's rents (approaching \$1.50 per square foot in this area) it is not financially viable to develop. RSG's land residual analysis presented below indicates that the costs of development will exceed the value by over \$750,000, meaning that the land value would effectively be negative by this at this time using this approach.*

*Comparable sales (see exhibit below) are limited. RSG estimates a value of not more than \$60,000 for this property today.*

**Proposed Sale Date:** Following the approval of the PMP  
**Advancement of Planning Objectives:** Development of new low income housing.

The former Agency acquired this parcel in 2003 to develop low income housing. The Successor Agency proposes to offer these properties for sale for low income housing.

Successor Agency to the Pico Rivera Redevelopment Agency  
 Long-Range Property Management Plan



Comparable Analysis and Estimated Value : 8631 Beverly Bl

Residential Land > 1 acre	Use	Planned Use	Area (SF)	Sale Date	Price	Price/SF	Notes
1 12122 Imperial Hwy Nowalk, CA 90650	Vacant	Residential	14,667	5/16/2013	\$390,000	\$ 26.59	Superior size and location
2 14260 Keese Dr Whittier, CA 90603	Vacant	Apartments	19,998	Active	\$399,999	\$ 20.00	Superior size and location
Subject 8631 Beverly Bl Pico Rivera, CA	Vacant	Residential	4,360	Not Listed	<b>\$ 60,000</b>	<b>\$ 13.76</b>	May not be viable to develop at this size

Source: CoStar, July 2013

Successor Agency to the Pico Rivera Redevelopment Agency  
 Long-Range Property Management Plan

**Land Residual Analysis**  
**Pico Rivera Successor Agency PMP Sites**  
 City of Pico Rivera / July 2013

**Development Costs**

**Property 5: 8631 Beverly Bl**

	B1. MF Res	Parking	Surf Pk (R)	Onsites	Total
Footprint	1,200	1,200		1,960	<b>4,360</b>
Building Area (Gross)	2,400	1,200			<b>3,600</b>
Units	3	7			
Type	Multiple Residences		Surface Parking	Concourse (Hard/Soft Scape)	
Class	D (Masonry)	CDS		CDS	
Quality	Average	Average	Good	Good	
Total Direct Cost	\$ 545,286	\$ 173,500	\$ -	\$ 148,714	\$ <b>867,500</b>
Total Indirect Costs	197,277	62,770	-	53,803	<b>313,851</b>
<b>Total Development Cost</b>	<b>742,563</b>	<b>236,270</b>	<b>-</b>	<b>202,517</b>	<b>1,200,000</b>
Unit Cost	309	33,753		103	<b>500</b>
	/sf	/stall	/stall	/sf	<b>sf</b>
<b>Development Value Estimate</b>					
ADR / Monthly Lease Rate					\$ 1,200
Annual Net Operating Income					<b>24,600</b>
Total Development Value					<b>447,273</b>
Per SF					<b>186</b>
<b>Net Land Residual Value</b>					<b>\$ (752,727)</b>

Successor Agency to the Pico Rivera Redevelopment Agency  
Long-Range Property Management Plan

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Properties Retained For Purposes Of Fulfilling An Enforceable  
Obligation

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There are no properties to be retained for the purpose of fulfilling an Enforceable Obligation, as defined in AB x1 26.

ATTACHMENTS

**1 - Property Inventory Data (DOF Form)**

LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA

No.	Property Type	HSC 34191.5 (c)(2)		HSC 34191.5 (c)(1)(A)			SALE OF PROPERTY			HSC 34191.5 (c)(1)(B)	
		Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase	Estimated Current Value	Value Basis	Date of Estimated Current Value	Proposed Sale Value		Proposed Sale Date
1	Park	Governmental Use	Parking for adj. school	10-16-03	No Records Available	-	Market	07-29-13	-	Not applicable, to be retained by City	Open Space
2	Park	Governmental Use	Parking lot for existing Veterans and Ladies Auxiliary Park	Parcel 904: 5-13-98; Parcel 905: 6-11-79	65,000	-	Market	07-29-13	-	Not applicable, to be retained by City	Open Space
3	Park	Governmental Use	Streamland Park	Parcel 900: 9-30-85; Parcel 901: 6-18-86; Parcel 902: 6-18-86; Parcel 903: 6-18-86; Parcel 904: 9-29-86	No Records Available	-	Market	07-29-13	TBD	Not applicable, to be retained by City	Open Space
4	Other	Sale of Property	Formerly (between 1947 and 1956) utilized as an unauthorized landfill for wood, vegetation, paper, trash, oversized rubble of asphalt and concrete, tires, bottles, cans, metal, yard waste, plastic and rubber	4-27-99	No Records Available	\$0-\$570,000	Market	07-29-13	TBD, likely de minimus	TBD, upon approval of PMP	Residential
5	Other	Sale of Property	Sliver of slope adjacent to existing railroad tracks and Paramount Blvd.	6-11-79	No Records Available	\$1,155	Market	07-29-13	TBD	TBD, upon approval of PMP	Unknown
6	Vacant Lot/Land	Sale of Property	Vacant site held for future development	10-16-03	80,000	\$0-\$60,000	Market	07-29-13	TBD	TBD, upon approval of PMP	Residential

LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA

No.	Address (No. Situs Address)	APN #	Lot Size	Current Zoning	Estimate of Current Parcel Value	Estimate of Income/Revenue	Contractual requirements for use of income/revenue	History of environmental contamination, studies, and/or remediation, and designation as a brownfield site	Description of property's potential for transit oriented development	Advancement of planning objectives of the successor agency	History of previous proposals and activity
HSC 34191.5 (c)(1)(G)											
HSC 34191.5 (c)(1)(D)											
HSC 34191.5 (c)(1)(E)											
HSC 34191.5 (c)(1)(F)											
HSC 34191.5 (c)(1)(G)											
HSC 34191.5 (c)(1)(H)											
1	San Luis Potosi (No. Situs Address)	6347-016-922	7,060 sf	Open Space	-	-	Not applicable	None	Not applicable	Not applicable	Not applicable
2	4870 Durfee Avenue and 4907 Passons Blvd.	6375-016-904; 6375-016-905	30,467 sf	Open Space	-	-	Not applicable	None	Not applicable	Not applicable	Not applicable
3	9223 Kruse Rd.	8123-013-900; 8123-013-901; 8123-013-902; 8123-013-903; 8123-013-904	2.4 acres	Open Space	-	-	Not applicable	None	Not applicable	Not applicable	Not applicable
4	East end of Burke Street (No Situs Address)	6384-004-900	2.63 ac	Planned Unit Development	\$0-\$570,000	Not Applicable	Not applicable	Former unofficial landfill (Phase I & Phase II & Draft Remedial Action Plan)	Not within 1/2 of transit stop	Potential for future senior housing development	In 2008, the RDA had solicited development proposals from affordable housing developers for development of the site. Three proposals were received though none were pursued due to the soft housing market, contamination clean up costs estimated at over \$2 million and subsequent dissolution of the RDA.
5	Southwest corner of Paramount Bl and Railroad tracks, north of Whittier Bl. (No Situs Address)	6373-019-901	1,699 sf	Limited Industrial	\$1,155	-	Not applicable	None	None	None	None
6	8631 Beverly Bl	5272-002-901	4,360 sf	Multiple Family Residential	\$0-\$60,000	-	Not applicable	None	Size of parcel limits high density development	Residential	None



**To:** Oversight Board of the Successor Agency to the Pico Rivera  
Redevelopment Agency

**From:** Assistant City Manager

**Meeting Date:** September 12, 2013

**Subject:** RECOGNIZED OBLIGATION PAYMENTS SCHEDULE 13-  
14B; ADMINISTRATIVE BUDGET JANUARY THROUGH  
JUNE 2014; AND SERAF LOAN REPAYMENT SCHEDULE

**Recommendation:**

Adopt the resolution of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency establishing the Recognized Obligation Payments Schedule 13-14B (ROPS) for January through June 2014; approving the Administrative Budget for January through June 2014; and approving the projected Supplemental Education Revenue Augmentation Fund (SERAF) loan repayment schedule.

**Fiscal Impact:**

Timely filing the ROPS will allow the Successor Agency to receive property taxes on January 3, 2014. During this period, the primary obligation is the June 1, 2014 bond payment of \$1,077,475 although the Successor Agency has other enforceable obligations due as noted on the ROPS.

**Discussion:**

Effective February 1, 2012, all redevelopment agencies in California were dissolved, and the City is now acting as the Successor Agency to wind down the operation of the dissolved Pico Rivera Redevelopment Agency.

**Requirement**

Pursuant to Health and Safety Code (HSC) section 34177 (l), the Department of Finance (DOF) has provided the ROPS form that successor agencies must use to report enforceable obligations for the period January through June 2014 (ROPS 13-14B).

The completed ROPS 13-14B is due to the DOF by October 1, 2013 by electronic submission. Pursuant to HSC section 34177(l)(2)(C) a copy of the ROPS must also be submitted to the County-Auditor Controller and the State Controller's Office. In addition, the Successor Agency should post a copy to its website.

HSC section 34177(j) requires the Successor Agency to prepare an Administrative Budget and submit it to the Oversight Board for approval. The Administrative Budget is for a six month period.

In addition, staff is recommending Oversight Board approval of a schedule for repayment of SERAF loans. While deemed an enforceable obligation and eligible for repayment following the Finding of Completion from the DOF, it remains unclear if the DOF will treat the SERAF loan repayments like all other loan repayments and require a repayment schedule to allow payment. The SERAF loan repayment schedule has been included as an attachment to the resolution.

### **ROPS 13-14B**

The items on the ROPS 13-14B are substantially the same as those included on the prior ROPS 13-14A approved by the Oversight Board on February 27, 2013. However, since that time, the Successor Agency has received a Finding of Completion for the City loans, and the Oversight Board has found line items #4 and #5 on the ROPS form to be loans that were made for a legitimate redevelopment purpose. Those line items, previously taken off by the DOF, have now been included back onto ROPS 13-14B. In addition, the Successor Agency's attorney has recommended that the County Deferral be removed from the ROPS as the County Deferral is a payment owing under the Pass-Through Agreement between the RDA and the County, and pass-through agreements are not treated as enforceable obligations and are not supposed to be listed on a ROPS. Line items #9, #12, and #13 have been moved into the administrative budget as those obligations are on-going services that are administrative in nature.

On June 3, 2013 the Successor Agency received \$1,792,296.79 from the County Redevelopment Property Tax Trust Fund (RPTTF) for ROPS 13-14A. In addition, on July 12, 2013 the Successor Agency received a letter from the County of Los Angeles indicating that for the January 3, 2014 RPTTF distribution, the Auditor-Controller's Office will increase the distribution amount by \$415,618.43 because of previous under payments. Based on the previous distribution amount the current ROPS 13-14B is anticipating a similar remittance amount and with the additional distribution, ROPS 13-14B is anticipating a total remittance amount of approximately \$2.2 million.

OVERSIGHT BOARD AGENDA MEMO – MTG. OF 9/12/13

Recognized Obligation Payment Schedule 13-14B

Page 3

As previously mentioned, the bond payment due on June 1, 2014 is \$1,077,475. The RPTTF distribution should also be able to pay for the full administrative costs, as well as several of the other enforceable obligations listed. After those obligations have been paid off in full, the residual amount that remains is approximately \$322,843, which can then be used to pay the SERAF loan. Per HSC Section 34176, half of that amount will be retained by the County Auditor-Controller's Office to be distributed to the taxing agencies, which leaves approximately \$161,422 for the SERAF loan for this ROPS period.

As shown on the attached projected SERAF loan repayment schedule, if the RPTTF distribution amount grows at an estimated 2 percent per year, it is possible that the SERAF loan could be paid off in eleven years. Actual payments will be based on the gross residual RPTTF remaining after each ROPS period as specified by law, but a repayment schedule has been prepared to ensure that the DOF will allow these repayments. All of the SERAF loan repayment proceeds will go into the Low and Moderate Income Housing Asset Fund.



Michael Matsumoto  
Assistant City Manager

MM:CO

Attachment 1: Resolution establishing the Recognized Obligation Payment Schedule 13-14B

Attachment 1A: ROPS 13-14B

Attachment 1B: Administrative Budget

Attachment 1C: SERAF Loan Repayment Schedule

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY, PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 34180 AND 34177, ESTABLISHING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 13-14B FOR JANUARY THROUGH JUNE 2014, APPROVING THE ADMINISTRATIVE BUDGET FOR JANUARY THROUGH JUNE 2014, AND APPROVING THE PROJECTED SUPPLEMENTAL EDUCATION REVENUE AUGMENTATION FUND LOAN REPAYMENT SCHEDULE**

**WHEREAS**, on June 28, 2011, the Governor of California signed ABx1 26 and on June 27, 2012, the Governor of California signed AB 1484 (collectively, the “Redevelopment Dissolution Law”) which, as subsequently reformed by the California Supreme Court in the case of *Community Redevelopment Association v. Matosantos* (2011) 53 Cal.4<sup>th</sup> 231, resulted in the dissolution of the former Pico Rivera Redevelopment Agency on February 1, 2012, and the City of Pico Rivera’s assumption of the responsibility, as the Successor Agency to the dissolved Redevelopment Agency, of winding down the affairs of the Redevelopment Agency;

**WHEREAS**, pursuant to Health & Safety Code Section 34177(l), successor agencies are required to adopt recognized obligation payment schedules every six months; and

**WHEREAS**, pursuant to Health & Safety Code Section 34177(l), the recognized obligation payment schedules are designed to cover six month periods; and

**WHEREAS**, this recognized obligation payment schedule shall cover January to June 2014; and

**WHEREAS**, pursuant to Health & Safety Code Section 34177(j), successor agencies are required to submit an administrative budget to the Oversight Board; and

**WHEREAS**, the State Department of Finance approved the prior recognized obligation payment schedule; and

**WHEREAS**, pursuant to Health & Safety Code Section 34177(m), the Oversight Board must establish the recognized obligation payment schedule by October 1, 2013; and

**WHEREAS**, the recognized obligation payment schedule is needed, so the County can properly disburse property taxes on January 3, 2014;

**WHEREAS**, on April 26, 2013, the State Department of Finance issued the Successor Agency to the Pico Rivera Redevelopment Agency a Finding of Completion, thereby permitting the Successor Agency to commence repayment of certain loans from the former redevelopment agency’s housing fund and City of Pico Rivera.

**NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency, California as follows:

**SECTION 1.** The Oversight Board establishes the recognized obligation payment schedule (Attachment A) subject to the approval of the State Department of Finance.

**SECTION 2.** Staff is directed to post the approved ROPS 13-14B on the City’s web site and submit it to the State Department of Finance, State Controller’s Office, and the Los Angeles County Auditor-Controller’s Office as required by law.

**SECTION 3.** The Oversight Board approves the Administrative Budget (Attachment B) that is included in the recognized obligation payment schedule.

**SECTION 4.** The Oversight Board approves the Supplemental Education Revenue Augmentation Fund (SERAF) Loan Repayment Schedule (Attachment C) to facilitate the repayment of the loans from the former redevelopment agency’s housing fund. Actual loan repayment amounts will be based on actual residual funds available pursuant to applicable law.

**SECTION 5.** The City Clerk of the City of Pico Rivera shall attest to the passage of this Resolution and it shall be in full force and effect.

**APPROVED AND ADOPTED** this \_\_\_ day of \_\_\_\_\_ 2013.

**ATTEST:**

**OVERSIGHT BOARD**

\_\_\_\_\_  
Anna Jerome, Assistant City Clerk

\_\_\_\_\_  
Belinda Faustinos, Chairperson

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAIN:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Edward Z. Kotkin, Law Offices of Edward Z. Kotkin

Resolution No. \_\_\_\_\_

Page 3 of 3

Board Counsel

## Recognized Obligation Payment Schedule (ROPS 13-14B) - Summary

Filed for the January 1, 2014 through June 30, 2014 Period

Name of Successor Agency: Pico Rivera  
 Name of County: Los Angeles

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding</b>	
<b>A Sources (B+C+D):</b>	<b>\$ -</b>
B Bond Proceeds Funding (ROPS Detail)	-
C Reserve Balance Funding (ROPS Detail)	-
D Other Funding (ROPS Detail)	-
<b>E Enforceable Obligations Funded with RPTTF Funding (F+G):</b>	<b>\$ 2,044,197</b>
F Non-Administrative Costs (ROPS Detail)	1,794,197
G Administrative Costs (ROPS Detail)	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 2,044,197</b>

<b>Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</b>	
I Enforceable Obligations funded with RPTTF (E):	2,044,197
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)	-
<b>K Adjusted Current Period RPTTF Requested Funding (I-J)</b>	<b>\$ 2,044,197</b>

<b>County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</b>	
L Enforceable Obligations funded with RPTTF (E):	2,044,197
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)	-
<b>N Adjusted Current Period RPTTF Requested Funding (L-M)</b>	<b>2,044,197</b>

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177(m) of the Health and Safety code, I  
 hereby certify that the above is a true and accurate Recognized  
 Obligation Payment Schedule for the above named agency.

\_\_\_\_\_  
 Name Title  
 /s/ \_\_\_\_\_  
 Signature Date

**Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Fund Balances**  
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K						
											Fund Sources					
											Bond Proceeds		Reserve Balance		RPTTF	
Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Review balances retained for approved enforceable obligations	RPTTF balances retained for bond reserves	Other	RPTTF	Non-Admin	Admin	Total	Comments							
<b>Fund Balance Information by ROPS Period</b>																
<b>ROPS III Actuals (01/01/13 - 6/30/13)</b>																
	<b>Beginning Available Fund Balance (Actual 01/01/13)</b> Note that for the RPTTF, 1 + 2 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs).										\$ -					
1	<b>Revenue/Income (Actual 06/30/13)</b> Note that the RPTTF amounts should tie to the ROPS III distributions from the County Auditor-Controller.						1,125,688	66,084			\$ 1,191,772					
2	<b>Expenditures for ROPS III Enforceable Obligations (Actual 06/30/13)</b> Note that for the RPTTF, 3 + 4 should tie to columns N and S in the Report of PPAs.							66,084			\$ 66,084					
3	<b>Retention of Available Fund Balance (Actual 06/30/13)</b> Note that the Non-Admin RPTTF amount should only include the retention of reserves for debt service approved in ROPS III.						1,125,688				\$ 1,125,688					
4	<b>ROPS III RPTTF Prior Period Adjustment</b> Note that the net Non-Admin and Admin RPTTF amounts should tie to columns O and T in the Report of PPAs.										\$ -					
5	<b>Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)</b>										\$ -					
<b>ROPS 13-14A Estimate (07/01/13 - 12/31/13)</b>																
7	<b>Beginning Available Fund Balance (Actual 07/01/13)</b> (C, D, E, G, and I = 4 + 6, F = H4 + F6, and H = 5 + 6)										\$ -					
8	<b>Revenue/Income (Estimate 12/31/13)</b> Note that the RPTTF amounts should tie to the ROPS 13-14A distributions from the County Auditor-Controller.			475,429			1,792,296				\$ 2,267,725					
9	<b>Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)</b> Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14A.			475,429			1,792,296				\$ 2,267,725					
10	<b>Ending Estimated Available Fund Balance (7 + 8 - 9 - 10)</b>										\$ -					
11											\$ -					

\$2,267,775 covers only the bond payment due on 12/1/13.

**Recognized Obligation Payment Schedule (ROPS ) 13-14B - ROPS Detail**  
**January 1, 2014 through June 30, 2014**  
 (Report Amounts in Whole Dollars)

Item #	Project Name / Debt Obligation	C	D	E	F	G	H	I	J	K	L	M		N	O	P
												Bonds Issued On or Before	On or Before			
Funding Source																
Non-Redevelopment Property Tax Trust Fund																
RPTTF																
Reserve Balance																
Other Funds																
Admin																
Non-Admin																
Six-Month Total																
1	2001 Tax Allocation Refunding Bonds	Bonds issued On or Before 12/31/10	12/18/2001	12/01/2032	U.S. Bank	Bonds issued to fund projects	Project Area #1	\$ 10,273,601								
2	Loan from Low and Mod Hsg	SERAF/ERAF	12/08/2009	Until Paid	Low and Mod Housing Fund	5/2010 loan for SERAF	Project Area #1	50,399,650	N							
3	Loan from Low and Mod Hsg	SERAF/ERAF	12/08/2009	Until Paid	Low and Mod Housing Fund	5/2011 loan for SERAF	Project Area #1	1,687,788	N							
4	City Loan entered into on 18-Dec-1972	City/County Loans On or Before 6/27/11	12/18/1972	Until Paid	City of Pico Rivera	Loan for Redevelopment	Project Area #1	17,397,945	N					161,422		161,422
5	City Loan entered into on 18-Dec-1972	City/County Loans On or Before 6/27/11	12/18/1972	Until Paid	City of Pico Rivera	Sales Tax Loan - for CRA Bond coverage	Project Area #1	27,350,550	N							
6	Administrative Budget	Admin Costs	02/01/2012	06/30/2014	City of Pico Rivera	Payroll and other administrative costs	Project Area #1	250,000	N						250,000	250,000
7	Retiree Medical Obligations	Admin Costs	12/18/1972	06/30/2014	Employees and retirees	Unfunded Retiree Medical Obligations	Project Area #1	151,750	N						151,750	151,750
8	Unfunded Pension Obligations	Unfunded Liabilities	12/18/1972	06/30/2014	CALPERS	Unfunded Pension Obligations	Project Area #1	403,550	N						403,550	403,550
11	Cash Audits for L&M and Other	Dissolution Audits	09/12/2012	12/31/2013	Consultant	Audits required by H&S 34179.5.	Project Area #1	-	Y							



## Recognized Obligation Payment Schedule 13-14B - Notes

January 1, 2014 through June 30, 2014

Item #	Notes/Comments
3	<p>The amount shown for the SERAF loan of \$161,422 is 50% of the residual amount, with the other 50% of the residual amount going towards taxing agency payments (not shown on the ROPS).</p>
4 & 5	<p>City Loans are back on the ROPS Detail tab as the SA has received a Finding of Completion from DOF, and the OB has made a finding that the loans were for a legitimate redevelopment purpose. The total outstanding obligation balances have been reduced to show only the principal plus interest recalculated using the LAIF rate at the request of DOF. The City believes the balances should include the loan rate as stated in the agreement.</p>
9	<p>Insurance and Maintenance - Agency Property has been removed from the ROPS Detail tab as a separate line item. Costs associated with this will be covered under the Administrative Budget going forward.</p>
10	<p>Deferral of Pass Through Payments has been removed from the ROPS Detail tab per Successor Agency legal counsel.</p>
12	<p>Property Management Plan has been removed from the ROPS Detail tab as a separate line item. Remaining costs associated with this will be covered under the Administrative Budget going forward.</p>
13	<p>Oversight Board Attorney has been removed from the ROPS Detail tab as a separate line item. Costs associated with this will be covered under the Administrative Budget going forward.</p>

Attachment 1B

**PICO RIVERA SUCCESSOR AGENCY  
ADMINISTRATIVE BUDGET FY 2013  
FOR JANUARY 1, 2014 TO JUNE 30, 2014**

<b>Expense Category</b>	<b>Proposed Budget</b>
<b>Salaries and Wages</b>	
Salaries	\$80,000
Benefits and payroll taxes	\$30,000
<b>TOTAL</b>	<b>\$110,000</b>
<b>Maintenance and Operation</b>	
Postage	-
Departmental Supplies	-
Printing and Duplicating	-
Special Department Expense	-
Contracted Services	\$60,000
Legal Services	\$80,000
<b>TOTAL</b>	<b>\$140,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$250,000</b>

**ATTACHMENT C  
SERAF LOAN REPAYMENT SCHEDULE**

	RPTTF Deposit (Actual for FY 12-13, estimated for future FY)	RPTTF Expenditures			Gross Residual	SERAF Payment	SERAF Balance
		Bond Debt Service Amount Due in FY	Bond Debt Service Paid with RPTTF	Other Obligations Paid with RPTTF			
2012-13 (Actual)	2,518,754	3,348,075	2,444,707	74,047	-	-	\$ 2,011,156
2013-14 (Estimated)	3,997,914	3,345,200	2,869,771	805,300	322,843	161,422	1,849,735
2014-15 (Projected)	3,653,942	3,341,900	2,861,396	250,000	542,546	271,273	1,578,462
2015-16 (Projected)	3,727,021	3,342,650	2,851,735	250,000	625,285	312,643	1,265,819
2016-17 (Projected)	3,801,561	3,337,100	3,083,323	250,000	468,239	234,119	1,031,700
2017-18 (Projected)	3,877,592	3,334,900	3,334,900	250,000	292,692	146,346	885,353
2018-19 (Projected)	3,955,144	3,331,525	3,331,525	250,000	373,619	186,810	698,544
2019-20 (Projected)	4,034,247	3,328,450	3,328,450	250,000	455,797	227,899	470,645
2020-21 (Projected)	4,114,932	3,323,150	3,323,150	250,000	541,782	270,891	199,754
2021-22 (Projected)	4,197,231	3,319,100	3,319,100	250,000	628,131	199,754	-
<b>Total Paid</b>						<b>2,011,156</b>	

**Notes:**

2013-14 RPTTF Deposit Estimate provided by RSG, as County Auditor Controller has not yet provided estimate for January 2014 distribution. Also includes one-time claim proceeds to be deposited by County Auditor Controller in January 2014.

Amounts subject to change, which may change amount of funds payable to SERAF Loans.

Under the Dissolution Act, 20 percent of funds received from SERAF Loan repayments are to be directed to the Low and Moderate Income Housing Asset Fund held by the Housing Successor Agency.

Once SERAF Loans are paid in full, 50 percent of Gross Residual may be used to pay City Loans.

Remainder of Gross Residual after payment of SERAF and City Loans to be distributed by County Auditor Controller to taxing agencies.