

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
COMMERCE COMMUNITY DEVELOPMENT COMMISSION**

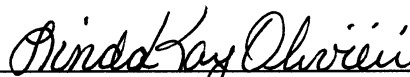
2535 COMMERCE WAY
COMMERCE, CALIFORNIA 90040

323-722-4805

**NOTICE OF SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
COMMERCE COMMUNITY DEVELOPMENT COMMISSION**

NOTICE IS HEREBY GIVEN that a Special Meeting of the Oversight Board of the Successor Agency to the Commerce Community Development Commission will be held on Wednesday, May 2, 2012, at 4:00 p.m. in the Council Chambers, City Hall, City of Commerce, 2535 Commerce Way, Commerce, California 90040.

Said meeting will be convened to consider and take action on the items set forth on the attached agenda.



Linda Kay Olivieri, MMC

Secretary of the Successor Agency to the
Commerce Community Development Commission

ALL ITEMS FOR CONSIDERATION BY THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION ARE AVAILABLE FOR PUBLIC VIEWING IN THE OFFICE OF THE SUCCESSOR AGENCY SECRETARY AND THE CENTRAL LIBRARY

Agendas and other writings that will be distributed to the Board Members in connection with a matter subject to discussion or consideration at this meeting and that are not exempt from disclosure under the Public Records Act, Government Code Sections 6253.5, 6254, 6254.3, 6254.7, 6254.15, 6254.16, or 6254.22, are available for inspection following the posting of this agenda in the Successor Agency Secretary's Office, at Commerce City Hall, 2535 Commerce Way, Commerce, California, and the Central Library, 5655 Jillson Street, Commerce, California, or at the time of the meeting at the location indicated below.

**AGENDA FOR THE SPECIAL MEETING OF
THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
COMMERCE COMMUNITY DEVELOPMENT COMMISSION
COUNCIL CHAMBERS
CITY HALL, CITY OF COMMERCE
5655 JILLSON STREET, COMMERCE, CALIFORNIA**

WEDNESDAY, MAY 2, 2012 – 4:00 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

City of Commerce City Clerk/
Successor Agency Secretary Olivieri

PUBLIC COMMENT

Citizens wishing to address the Oversight Board on any item on the agenda or on any matter not on the agenda may do so at this time. However, State law (Government Code Section 54950 et seq.) prohibits the Oversight Board from acting upon any item not contained on the agenda posted 72 hours before a regular meeting and 24 hours before a special meeting. Upon request, the Oversight Board may, in its discretion, allow citizen participation on a specific item on the agenda at the time the item is considered by the Oversight Board. Request to address Oversight Board cards are provided by the Successor Agency Secretary. If you wish to address the Oversight Board at this time, please complete a speaker's card and give it to the Successor Agency Secretary prior to commence-

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05/02/2012 – 4:00 p.m.

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ment of the Oversight Board meeting. Please use the microphone provided, clearly stating your name and address for the official record and courteously limiting your remarks to five (5) minutes so others may have the opportunity to speak as well.¹

To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

No person shall make any remarks which result in disrupting, disturbing or otherwise impeding the meeting.

WRITTEN COMMUNICATIONS – None.

INTRODUCTIONS, SWEARING-IN AND ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON

1. Introduction of Board Members and Staff

2. Swearing-in of Board Members

City of Commerce City Clerk/Successor Agency Secretary Olivieri will administer the oath of office to the new Board Members

3. Election of Chairperson and Vice Chairperson

The Board will select from amongst its members who will serve as Chairperson and Vice Chairperson of the Oversight Board.

PRESENTATIONS – None.

CONSENT CALENDAR – None.

Items under the Consent Calendar are considered to be routine and may be enacted by one motion. Each item has backup information included with the agenda, and should any Board Member desire to consider any item separately he/she should so indicate to the Chairperson. If the item is desired to be discussed separately, it should be the first item under Scheduled Matters.

SCHEDULED MATTERS

4. Resolution No. OB 2012-01 – A Resolution of the Oversight Board of the Successor Agency to the Commerce Community Development

¹ The Public Comment time limit will be determined by the Board during the course of this meeting.

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Commission Establishing the Date, Time and Location of Oversight Board Meetings

The Board will consider for approval and adoption proposed Resolution No. OB 2012-01 setting the date, time and location of future meetings.

5. Selection of Staff Support for Oversight Board and Process for Setting Agenda and Information Required for Approval of Items

The Board will determine who will provide staff support for the Board.

Further, the Board will consider, and provide direction as deemed appropriate with respect to, the process for setting the meeting agendas and preparing and providing the information required for the approval of agenda items.

6. Designation of Contact Person for Department of Finance Inquiries

The Board will consider designating the contact person for State of California Department of Finance inquiries.

7. Selection of Legal Counsel for Oversight Board

The Board will consider, and provide direction as deemed appropriate with respect to, the selection of legal counsel for the Board

8. Consideration of Legal Issues

The Board will receive a presentation on, and provide direction as deemed appropriate with respect to, legal issues relating to the Ralph M. Brown Act, conflicts of interest and meeting conduct.

9. Background on AB 1X 26 Legislation and Elimination of Redevelopment in the State of California and City of Commerce and Review of Successor Agency and Oversight Board Duties and Responsibilities

The Board will receive a presentation on the history of redevelopment in the City of Commerce, and the background of Assembly Bill 1X 26, which eliminated redevelopment in the State of California and the City of Commerce. Included in the presentation will be a review of the duties and responsibilities of both the Successor Agency to the Commerce Community Development Commission and the Oversight Board resulting from the passage of AB 1X 26.

10. Resolution No. OB 2012-02 – A Resolution of the Oversight Board of the Successor Agency to the Commerce Community Development

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Commission Adopting Bylaws and Resolution No. OB 2012-03 – A Resolution of the Oversight Board of the Successor Agency to the Commerce Community Development Commission Adopting Rules of Procedure for Meetings and Related Functions, Activities, and Regarding Times and Location of Regular Meetings

The Board will consider for approval and adoption proposed Resolution No. OB 2012-02, adopting the bylaws of the Oversight Board, and proposed Resolution No. OB 2012-03, adopting rules of procedure for Oversight Board meetings and related functions and activities, and regarding the times and location of regular Oversight Board meetings.

11. Presentation Regarding Function of Recognized Obligation Payment Schedule (“ROPS”) Requirement

Health and Safety Code Section 34177(a), contained in AB 1X 26, requires the City, as the Successor Agency to the Commission, to prepare a Recognized Obligation Payment Schedule, which sets forth the minimum payment amounts and due dates of payments required by enforceable obligations for each six-month fiscal period.

The Board will receive a presentation on the function of the Recognized Obligation Payment Schedule (“ROPS”), as determined by the provisions of *Health and Safety Code* Section 34177(a), and information about the required approval dates for the ROPS.

The first and second ROPS, covering January-June 2012 and July-December 2012, respectively, will be presented to the Board for informational purposes only. The Board will be requested, at its discretion, to consider the first and second ROPS for approval at its next meeting.

12. Review of Future Agenda Items

The Board will review, and provide direction as deemed appropriate with respect to, future agenda items for consideration by the Board.

STAFF REPORTS AND INFORMATION ITEMS

CHAIR AND BOARD MEMBER REPORTS AND INFORMATION ITEMS

RECESS TO CLOSED SESSION – None.

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05/02/2012 – 4:00 p.m.

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ADJOURNMENT

Adjourn to Wednesday, May 9, 2012, at 4:00 p.m. in the City of Commerce Council Chambers, 2535 Commerce Way, Commerce, CA 90040.

**LARGE PRINTS OF THIS AGENDA ARE AVAILABLE UPON REQUEST
FROM THE CITY CLERK'S OFFICE, MONDAY-FRIDAY,
8:00 A.M. - 6:00 P.M.**

AGENDA REPORT

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION

DATE: May 2, 2012

TO: OVERSIGHT BOARD
FROM: SUCCESSOR AGENCY FINANCE DIRECTOR
SUBJECT: ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON

RECOMMENDATION:

Elect one member to serve as Chairperson and elect one member to serve as Vice Chairperson for the Oversight Board of Successor Agency to the Commerce Community Development Commission ("Oversight Board")

BACKGROUND AND OVERVIEW:

A Chairperson for the Oversight Board must be selected to preside over the Oversight Board's meetings. A Vice Chair should also be selected to preside over the meeting when the Chair is unavailable. Successor Agency Staff recommends that one-year terms be adopted.

Recommended Voting Procedures:

All actions must be taken on a majority vote of the total membership of the Board. Given that the Oversight Board will have seven (7) members, four (4) affirmative votes are needed to pass a motion. Given the lack of a Chairperson or Vice Chairperson, staff will open and close nominations to the Oversight Board to the Chairperson. A vote will be taken and the Chairperson and Vice Chairperson will be elected.

Respectfully submitted,



Vilko Domic
Successor Agency Finance Director

Approved as to form,



Eduardo Olivo
Successor Agency Legal Counsel

AGENDA REPORT

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION

DATE: May 2, 2012

TO: OVERSIGHT BOARD

FROM: SUCCESSOR AGENCY FINANCE DIRECTOR

SUBJECT: A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION ESTABLISHING THE DATE, TIME AND LOCATION OF OVERSIGHT BOARD MEETINGS

RECOMMENDATION

Adopt a Resolution Establishing the Date, Time and Location for Meetings of the Oversight Board of Successor Agency to the Commerce Community Development Commission ("Oversight Board").

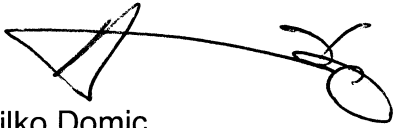
BACKGROUND AND OVERVIEW:

On December 21, 2011, the California Supreme Court upheld AB 1X 26, which dissolves all redevelopment agencies in California, effective February 1, 2012. All of the assets, properties, contracts, leases, and records of the former redevelopment agency were automatically transferred by operation of law to a Successor Agency ("SA") on February 1, 2012.

On January 31, 2012, the City of Commerce elected to serve as the SA to the Commerce Community Development Commission; the Commission acted as the City's redevelopment agency. The SA is then responsible for the winding down of the Commission's obligations subject to the monitoring by and approval of an Oversight Board. Each SA will have its own oversight board until 2016, when all oversight boards will be consolidated into one county-wide Oversight Board. In order for the Oversight Board to review and approve actions of the SA, it will need to schedule a regular date, time and location for meetings.

Staff is recommending that the Oversight Board meetings be held on the first Wednesday of each month at 6:00 p.m. The recommended meeting place is City of Commerce City Hall, Council Chambers. Staff will recommend the cancellation of meetings where there is no pressing need for the meeting.

Respectfully submitted,

A handwritten signature in black ink, consisting of a large, stylized 'V' followed by a horizontal line and a circular flourish.

Vilko Domic
Successor Agency Finance Director

Approved as to form,

A handwritten signature in black ink, featuring a large, stylized 'E' followed by a horizontal line and a circular flourish.

Eduardo Olivo
Successor Agency Legal Counsel

Attachment: Resolution No. OB 2012-01 – Establishing Date, Time & Location of Board Meetings

RESOLUTION NO. OB 2012-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION ESTABLISHING
THE DATE, TIME AND LOCATION OF OVERSIGHT BOARD MEETINGS

WHEREAS, the Oversight Board for the Successor Agency to the Commerce Community Development Commission ("Oversight Board") has met and conferred to determine a date, time and location for Oversight Board meetings.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD, AS FOLLOWS:

Section 1. The Oversight Board meetings shall be on the first Wednesday of each month at 6:00 p.m. and the meetings shall be open to the public. Meetings may be adjourned by the presiding officer or by the Secretary if a quorum is not present.

Section 2. The location of the Oversight Board meetings shall be at City of Commerce City Hall, in the Council Chambers, 5655 Jillson Street, Commerce, California.

Section 3. Special meetings may be called by the Chairperson or by four (4) board members, and notice thereof shall be provided in accordance with the Ralph M. Brown Act.

PASSED, APPROVED AND ADOPTED this 2nd day of May, 2012.

Oversight Board Chairperson

ATTEST:

Oversight Board Secretary

AGENDA REPORT

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION

DATE: May 2, 2012

TO: OVERSIGHT BOARD

FROM: SUCCESSOR AGENCY FINANCE DIRECTOR

SUBJECT: DESIGNATION OF CONTACT PERSON FOR DEPARTMENT OF
FINANCE INQUIRIES

RECOMMENDATION:

Designate the Finance Director of the Successor Agency as the contact person for Department of Finance Inquiries regarding Oversight Board actions.

MOTION:

Move to approve the recommendation.

BACKGROUND AND OVERVIEW:

California *Health & Safety Code* Section 34719(f) requires that all actions taken by the Oversight Board be posted on the successor agency's website for review by the California Department of Finance ("DOF"). *Health & Safety Code* Section 34179(h) further provides that the Oversight Board actions are not effective for three business days, pending review by the DOF. If the DOF exercises its right to review the action, then it has ten days to approve the action or return it to the Oversight Board for reconsideration. The *Health & Safety Code* requires the Oversight Board to formally designate an official to whom the DOF may make inquiries regarding Oversight Board actions.

Staff recommends designating the Finance Director of the Successor Agency to the Commerce Community Development Commission as the contact person for the Oversight Board. Upon receiving an inquiry, the Finance Director would then direct the inquiry to the appropriate staff person to formulate a response, and then the Finance Director of the Successor Agency would forward the response to the DOF.

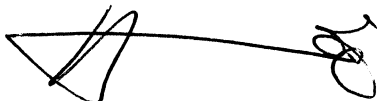
Once the Oversight Board designates an official contact person, staff will transmit the appropriate contact information to the Department of Finance.

ALTERNATIVES:

The alternatives to the Oversight Board are:

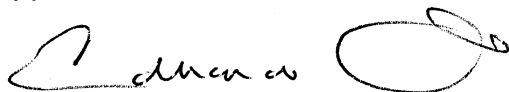
1. Designate the Finance Director of the Successor Agency as the contact person for Department of Finance inquiries regarding Oversight Board actions; or
2. Provide staff with alternative direction.

Respectfully submitted,



Vilko Domic
Successor Agency Finance Director

Approved as to form,



Eduardo Olivo
Successor Agency Legal Counsel

AGENDA REPORT

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION

DATE: May 2, 2012

TO: OVERSIGHT BOARD
FROM: SUCCESSOR AGENCY FINANCE DIRECTOR
SUBJECT: AB 1 X 26 AND PURPOSE OF OVERSIGHT BOARD

BACKGROUND AND OVERVIEW:

California *Health and Safety Code* Section 34179 (Attachment 1) requires the formation of oversight boards to the successor agencies of the former redevelopment agencies; defines the composition of the oversight board; defines what constitutes a quorum; that an oversight board must comply with the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974; and that oversight boards have a fiduciary responsibility to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenue.

The Commerce Community Development Commission (the "Commission") had an active redevelopment and economic development operation, and an active affordable housing operation. On March 14, 1974, the City of Commerce (the "City") City Council established the Commerce Redevelopment Agency (the "Agency"). On November 3, 1992, the City Council created the Commerce Community Development Commission (the "Commission"). The Commission is the successor-in-interest to the Agency and has, since its creation, been authorized to and has been implementing the City's redevelopment plans pursuant to California Community Redevelopment Law (*Health and Safety Code* Section 33000, et seq.).

When the Commission's redevelopment activities were terminated on February 1, 2012, the City elected to assume the Commission's redevelopment and economic development obligations, and the Commission's housing obligations.

Health and Safety Code Section 34180 (Attachment 2) defines the first successor agency actions to be reviewed and approved by an oversight board. Specific subsections that either do or may in the future apply to the City include:

- (c) Setting aside amounts in reserve as required by bond indentures, trust indentures, or similar documents governing the issuance of outstanding redevelopment agency bonds; and

(g) Establishment of the Recognized Obligation Payment Schedule (this will be on the Board’s next agenda).

Health and Safety Code Section 34181 requires an oversight board to direct the successor agency to take certain actions, which are listed in Attachment 2.

Staff recommends the next Oversight Board meeting take place on Wednesday, May 9, 2012, due to the need to adopt a Recognized Obligation Payment Schedule (“ROPS”). The agenda items to be forwarded for consideration and approval in the future include, but are not limited to:

1. Recognized Obligation Payment Schedules – one for the period of January 2012 through June 2012; and one for the period of July 2012 through December 2012. These schedules list the financial obligations of the former redevelopment agency, including payments related to contracts and agreements; project-specific costs; bond payments; and other miscellaneous payments.

2. Successor Agency Administrative Budget – AB 26 provides for an administrative allowance to allow a successor agency to wind down the former redevelopment agency and administer an oversight board. The allowance covers staff time, attorney and consultant time, rent, supplies, audit fees, record-keeping costs, etc. The law allows 5% of the amount listed on the fiscal year 2011 – 2012 ROPS for administrative costs, and then 3% of the ROPS for the following fiscal years.

3. Mayans Redevelopment Owner Participation Agreement (“OPA”) - On January 20, 2004, the Commission approved an OPA with Mayans of Los Jardines, LLC that provided for the construction of low income housing units in the City. Staff will review this transaction and will seek direction regarding potential litigation.

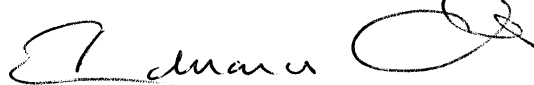
4. Commission-owned Properties – A 26 requires the Successor Agency to dispose of Commission assets as expeditiously as possible. Successor Agency staff will present proposed agreements for the disposition of several properties in the near future.

Respectfully submitted,



Vilko Domic
Successor Agency Finance Director

Approved as to form,



Eduardo Olivo
Successor Agency Legal Counsel

Attachments: 1. *California Health and Safety Code* Section 34179
2. *California Health and Safety Code* Section 34181

Chapter 4. Oversight Boards

34179. (a) Each successor agency shall have an oversight board composed of seven members. The members shall elect one of their members as the chairperson and shall report the name of the chairperson and other members to the Department of Finance on or before January 1, 2012.

Members shall be selected as follows:

- (1) One member appointed by the county board of supervisors.
- (2) One member appointed by the mayor for the city that formed the redevelopment agency.
- (3) One member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, which is of the type of special district that is eligible to receive property tax revenues pursuant to Section 34188.
- (4) One member appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.
- (5) One member appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.
- (6) One member of the public appointed by the county board of supervisors.
- (7) One member representing the employees of the former redevelopment agency appointed by the mayor or chair of the board of supervisors, as the case may be, from the recognized employee organization representing the largest number of former redevelopment agency employees employed by the successor agency at that time.
- (8) If the county or a joint powers agency formed the redevelopment agency, then the largest city by acreage in the territorial jurisdiction of the former redevelopment agency may select one member. If there are no cities with territory in a project area of the redevelopment agency, the county superintendent of education may appoint an additional member to represent the public.
- (9) If there are no special districts of the type that are eligible to receive property tax pursuant to Section 34188, within the territorial jurisdiction of the former redevelopment agency, then the county may appoint one member to represent the public.
- (10) Where a redevelopment agency was formed by an entity that is both a charter city and a county, the oversight board shall be composed of seven members selected as follows: three members appointed by the mayor of the city, where such appointment is subject to confirmation by the county board of supervisors, one member appointed by the largest special district, by

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property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, which is the type of special district that is eligible to receive property tax revenues pursuant to Section 34188, one member appointed by the county superintendent of education to represent schools, one member appointed by the Chancellor of the California Community Colleges to represent community college districts, and one member representing employees of the former redevelopment agency appointed by the mayor of the city where such an appointment is subject to confirmation by the county board of supervisors, to represent the largest number of former redevelopment agency employees employed by the successor agency at that

time.

(b) The Governor may appoint individuals to fill any oversight board member position described in subdivision (a) that has not been filled by January 15, 2012, or any member position that remains vacant for more than 60 days.

(c) The oversight board may direct the staff of the successor agency to perform work in furtherance of the oversight board's duties and responsibilities under this part. The successor agency shall pay for all of the costs of meetings of the oversight board and may include such costs in its administrative budget. Oversight board members shall serve without compensation or reimbursement for expenses.

(d) Oversight board members shall have personal immunity from suit for their actions taken within the scope of their responsibilities as oversight board members.

(e) A majority of the total membership of the oversight board shall constitute a quorum for the transaction of business. A majority vote of the total membership of the oversight board is required for the oversight board to take action. The oversight board shall be deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974.

(f) All notices required by law for proposed oversight board actions shall also be posted on the successor agency's Internet Web site or the oversight board's Internet Web site.

(g) Each member of an oversight board shall serve at the pleasure of the entity that appointed such member.

(h) The Department of Finance may review an oversight board action taken pursuant to the act adding this part. As such, all oversight board actions shall not be effective for three business days, pending a request for review by the department. Each oversight board shall designate an official to whom the department may make such requests and who shall provide the department with the telephone number and e-mail contact information for the purpose of communicating with the department pursuant to this subdivision. In the event that the department requests a review of a given oversight board action, it shall have 10 days from the date of its request to approve the oversight board action or return it to the oversight board for reconsideration and such oversight board action shall not be effective until approved by the department. In the event that the department returns the

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oversight board action to the oversight board for reconsideration, the oversight board shall resubmit the modified action for department approval and the modified oversight board action shall not become effective until approved by the department.

(i) Oversight boards shall have fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188. Further, the provisions of Division 4 (commencing with Section 1000) of the Government Code shall apply to oversight boards. Notwithstanding Section 1099 of the Government Code, or any other law, any individual may simultaneously be appointed to up to five oversight boards and may hold an office in a city, county, city and county, special district, school district, or community college district.

(j) Commencing on and after July 1, 2016, in each county where more

than one oversight board was created by operation of the act adding this part, there shall be only one oversight board appointed as follows:

- (1) One member may be appointed by the county board of supervisors.
- (2) One member may be appointed by the city selection committee established pursuant to Section 50270 of the Government Code. In a city and county, the mayor may appoint one member.
- (3) One member may be appointed by the independent special district selection committee established pursuant to Section 56332 of the Government Code, for the types of special districts that are eligible to receive property tax revenues pursuant to Section 34188.
- (4) One member may be appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.
- (5) One member may be appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.
- (6) One member of the public may be appointed by the county board of supervisors.
- (7) One member may be appointed by the recognized employee organization representing the largest number of successor agency employees in the county.
- (k) The Governor may appoint individuals to fill any oversight board member position described in subdivision (j) that has not been filled by July 15, 2016, or any member position that remains vacant for more than 60 days.
- (l) Commencing on and after July 1, 2016, in each county where only one oversight board was created by operation of the act adding this part, then there will be no change to the composition of that oversight board as a result of the operation of subdivision (b).
- (m) Any oversight board for a given successor agency shall cease to exist when all of the indebtedness of the dissolved redevelopment agency has been repaid.

34180. All of the following successor agency actions shall first be approved by the oversight board:

- (a) The establishment of new repayment terms for outstanding loans where the terms have not been specified prior to the date of this part.
- (b) Refunding of outstanding bonds or other debt of the former redevelopment agency by successor agencies in order to provide for savings or to finance debt service spikes; provided, however, that no additional debt is created and debt service is not accelerated.
- (c) Setting aside of amounts in reserves as required by indentures, trust indentures, or similar documents governing the issuance of outstanding redevelopment agency bonds.
- (d) Merging of project areas.
- (e) Continuing the acceptance of federal or state grants, or other forms of financial assistance from either public or private sources, where assistance is conditioned upon the provision of matching funds, by the successor entity as successor to the former redevelopment agency, in an amount greater than 5 percent.
- (f) (1) If a city, county, or city and county wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax, as determined pursuant to Section 34188, for the value of the property retained.
(2) If no other agreement is reached on valuation of the retained assets, the value will be the fair market value as of the 2011 property tax lien date as determined by the county assessor.
- (g) Establishment of the Recognized Obligation Payment Schedule.
- (h) A request by the successor agency to enter into an agreement with the city, county, or city and county that formed the redevelopment agency that it is succeeding.
- (i) A request by a successor agency or taxing entity to pledge, or to enter into an agreement for the pledge of, property tax revenues pursuant to subdivision (b) of Section 34178.

34181. The oversight board shall direct the successor agency to do all of the following:

- (a) Dispose of all assets and properties of the former redevelopment agency that were funded by tax increment revenues of the dissolved redevelopment agency; provided, however, that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, and fire stations, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset. Any compensation to be provided to the successor agency for the transfer of the asset shall be governed by the agreements relating to the construction or use of that asset. Disposal shall be done expeditiously and in a manner aimed at maximizing value.
- (b) Cease performance in connection with and terminate all existing agreements that do not qualify as enforceable obligations.
- (c) Transfer housing responsibilities and all rights, powers, duties, and obligations along with any amounts on deposit in the Low and Moderate Income Housing Fund to the appropriate entity pursuant to Section 34176.
- (d) Terminate any agreement, between the dissolved redevelopment

agency and any public entity located in the same county, obligating the redevelopment agency to provide funding for any debt service obligations of the public entity or for the construction, or operation of facilities owned or operated by such public entity, in any instance where the oversight board has found that early termination would be in the best interests of the taxing entities.

(e) Determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the oversight board for its approval. The board may approve any amendments to or early termination of such agreements where it finds that amendments or early termination would be in the best interests of the taxing entities.

AGENDA REPORT

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION

DATE: May 2, 2012

TO: OVERSIGHT BOARD

FROM: SUCCESSOR AGENCY FINANCE DIRECTOR

SUBJECT: (1) A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION ADOPTING BYLAWS; AND

(2) A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION ADOPTING RULES OF PROCEDURE FOR MEETINGS AND RELATED FUNCTIONS, ACTIVITIES, AND REGARDING TIMES AND LOCATION OF REGULAR MEETINGS

RECOMMENDATION

Adopt a Resolution of the Oversight Board of Successor Agency to the Commerce Community Development Commission adopting Bylaws for the Oversight Board; and

Adopt a Resolution of the Oversight Board of Successor Agency to the Commerce Community Development Commission adopting Rules and Procedures for the Oversight Board.

BACKGROUND AND OVERVIEW:

On March 14, 1974, the City of Commerce City Council established the Commerce Redevelopment Agency (the "Agency"). On November 3, 1992, the Commerce City Council created the Commerce Community Development Commission. The Commission is the successor-in-interest to the Agency and has, since its creation, been authorized to and has been implementing the City's redevelopment plans pursuant to California Community Redevelopment Law (*Health and Safety Code* Section 33000, et seq.).

On February 1, 2012, all assets, properties, contracts, leases, and records of the City's former redevelopment agency were transferred by operation of law to the Successor Agency. An Oversight Board has been established pursuant to *Health and Safety Code* Section 34170 to assist in the close out and wind down of the dissolved agency.

Rules of Procedure and Bylaws will need to be adopted in order to facilitate the process of the meetings and establish the rules for the Oversight Board. Staff has prepared and attached to this report suggested Rules of Procedure and Bylaws for the Board's consideration.

FISCAL IMPACT:

The Successor Agency has incurred administrative expenses in the preparation of the materials being presented to the Oversight Board. The Successor Agency is entitled to reimbursement for the costs related to administration of the Oversight Board.

Respectfully submitted,



Vilko Domic
Successor Agency Finance Director

Approved as to form,



Eduardo Olivo
Successor Agency Legal Counsel

- Attachments:
1. Resolution No. OB 2012-02 – Adopting Bylaws
 2. Resolution No. OB 2012-03 – Rules of Procedure

RESOLUTION NO. OB 2012-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION ADOPTING
BYLAWS

WHEREAS, the Oversight Board of the Successor Agency to the Commerce Community Development Commission ("Oversight Board") has been established to direct the Successor Agency to take certain actions to wind down the affairs of the redevelopment activities of the Community Development Commission in accordance with the California *Health and Safety Code*; and

WHEREAS, the Oversight Board desires to adopt bylaws and regulations for the general operation of the Oversight Board, including but not limited to the designation of officers and conduct of meetings.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Bylaws of the Oversight Board, a copy of which is attached hereto as Exhibit "A" are hereby approved.

Section 2. The Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 2nd day of May, 2012.

Oversight Board Chairperson

ATTEST:

Oversight Board Secretary

EXHIBIT "A"

BYLAWS OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
COMMERCE COMMUNITY DEVELOPMENT COMMISSION

[See following document]

**BYLAWS OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
COMMERCE COMMUNITY DEVELOPMENT COMMISSION**

ARTICLE I – THE OVERSIGHT BOARD

Section 1. Name of Authority

The official name shall be the “Oversight Board of the Successor Agency to the Commerce Community Development Commission” (herein referred to as “Oversight Board”).

Section 2. Place of Meeting

The office and regular place of meeting of the Oversight Board shall be at the City of Commerce City Hall, 2353 Commerce Way, Commerce, California. The Oversight Board may hold its meetings at such other locations as the Oversight Board may from time to time designate by resolution, in the order adjournment, or notice of call of any special meeting.

Section 3. Powers

The Oversight Board shall be vested with all the rights, powers, duties, privileges, and immunities established by the California *Health and Safety Code* Sections 34179, 34180, and 34181.

ARTICLE II – OFFICERS

Section 1. Officers and Officials

The governing board of the Oversight Board shall be composed of seven members. The members shall elect one of their members as the chairperson and select one of their members as the vice chairperson. All Oversight Board members shall be selected pursuant to the guidelines set forth in the California *Health and Safety Code* 34179. Other officials acting as its staff shall be the Finance Director of the Successor Agency, a secretary, and such other employees of the Successor Agency/and or City of Commerce as deemed necessary by the Finance Director of the Successor Agency.

Section 2. Chairperson

The Chairperson of the Oversight Board shall preside at all meetings of the Oversight Board.

Section 3. Vice-Chairperson

The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson.

Section 4. Secretary

The Finance Director of the Successor Agency shall designate a person to serve as the Secretary to the Oversight Board. The Secretary shall keep the records of the Oversight Board, shall act as secretary at meetings of the Oversight Board, shall record all votes, keep a record of the proceedings of the Oversight Board in a journal of proceedings to be kept for such purpose and shall perform all duties incident to the office. The Secretary shall maintain a record of all official proceedings of the Oversight Board and its programs. In the absence of the Secretary, the Finance Director to the Successor Agency shall appoint a member of the staff to act as Secretary.

Section 5. Vacancies

When a seat of the Oversight Board becomes vacant, the position will be filled by a member appointed by the agency who originally appointed the former member. Such appointments are to take place within 60 days of the creation of the vacancy. The Governor may appoint individuals to fill a member position that remains vacant for more than 60 days.

Section 6. Compensation

Oversight Board members shall serve without compensation or reimbursement for expenses.

RESOLUTION NO. OB 2012-03

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION ADOPTING RULES OF PROCEDURE FOR MEETINGS AND RELATED FUNCTIONS, ACTIVITIES, AND REGARDING TIMES AND LOCATION OF REGULAR MEETINGS

WHEREAS, the Oversight Board of the Successor Agency to the Commerce Community Development Commission ("Oversight Board") has been established to direct the Successor Agency to take certain actions to wind down the redevelopment activities of the Commerce Community Development Commission in accordance with the California *Health and Safety Code*; and

WHEREAS, the Oversight Board desires to adopt rules of procedure for the general operation of the Oversight Board, including but not limited to the conduct of meetings and approval of contracts in accordance with the California *Health and Safety Code*.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Rules of Procedure of the Oversight Board of Successor Agency to Commerce Community Development Commission, a copy of which is attached hereto and incorporated herein as Exhibit "A", are hereby approved.

Section 2. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 2nd day of May, 2012.

Oversight Board Chairperson

ATTEST:

Oversight Board Secretary

EXHIBIT "A"

RULES OF PROCEDURE OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
COMMERCE COMMUNITY DEVELOPMENT COMMISSION

[See following document]

**RULES OF PROCEDURE OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
COMMERCE COMMUNITY DEVELOPMENT COMMISSION**

ARTICLE 1 – MEETINGS

Section 1. Regular Meetings

Regular meetings of the Oversight Board shall be held (to be determined at this Board's first meeting). The meetings will be held in the Council Chambers at City Hall, Commerce, California, or at such other locations as the Oversight Board may from time to time designate by resolution or in the notice of call of any special meeting. In the event a day of meeting shall be a legal holiday, said meeting shall be held on the next business day unless otherwise determined by the Oversight Board.

Section 2. Special Meetings

The Chairperson of the Oversight Board may, when he or she deems it necessary, and shall, upon the written request of four members of the Oversight Board, call a special meeting of the Oversight Board for the purpose of transacting the business designated in the call. The means and method for calling such special meeting shall be as set forth in the Ralph M. Brown Act, California Government Code Section 54950 et seq., as it now exists or may hereafter be amended (the "Brown Act").

Section 3. Adjourned Meetings

The board members may adjourn any meeting to a time and place specified in the order to adjournment. When an order of adjournment of any meeting fails to state an hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings. In adjourning any meeting, there shall be compliance with all procedures of the Brown Act.

Section 4. Quorum

Four (4) board members of the Oversight Board shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes, but a smaller number may adjourn from time to time until a quorum is obtained. Every official act of the Oversight Board shall be adopted by majority vote except in situations where the law calls for a vote of greater than a majority. A "majority vote" shall mean a majority of the full Board (i.e., four affirmative votes).

Section 5. Order of Business

(a) Agenda. The order of business of each meeting shall be as contained in the Agenda prepared by the Oversight Board Secretary. The Agenda shall be a listing by topic of the subjects which shall be taken up for consideration in the following order:

- (i) Call to Order
- (ii) Roll Call; Pledge of Allegiance
- (iii) Public Comment
- (iv) Written Communications
- (v) Presentations
- (vi) Consent Calendar
- (vii) Scheduled Matters
- (viii) Staff Reports and Information Items
- (ix) Chair and Board Member Reports and Information Items
- (x) Adjournment

All resolutions shall be in writing and designated by number, reference to which shall be inscribed in the minutes and an approved copy of each resolution filed in the official book of resolutions of the Oversight Board.

(b) Preparation of Agenda. The staff of the Successor Agency shall be responsible for the preparation of the Agenda. The Oversight Board, by a majority vote, may direct a matter to be placed upon a future agenda.

(c) Delivery of Agenda. The Agenda and related staff reports will ordinarily be delivered to the board members via e-mail on the Thursday preceding the meeting to which it pertains.

The Agenda and staff reports shall also be available to the general public at the time it is delivered to the board members.

(d) Roll Call. Before proceeding with the business of the Oversight Board, the Oversight Board Secretary shall call the roll of the board members and the names of those present shall be entered in the minutes. The order of roll call shall be alphabetical with the Chairperson called last.

(e) Approval of Minutes. Unless requested by a majority of the Oversight Board, minutes of the previous meeting may be approved without public reading if the Secretary has previously furnished each board member with a copy thereof.

(f) Public Comment. Pursuant to Government Code Section 54954.3, each agenda for a regular meeting shall provide an item entitled "Public Comment." The purpose of such item shall be to provide an opportunity for members of the public to directly address the Oversight Board on items of interest to the public that are within the

subject matter jurisdiction of the Oversight Board. In order to assure that the intent of Government Code Section 54954.3 is carried out, five (5) minutes is the amount of time allocated for each individual speaker.

(g) Consent Agenda. Items of routine nature, and non-controversial, shall be placed on the consent agenda. All items may be approved by one blanket motion upon unanimous consent. Prior to review of the consent agenda, any board member may request that any item be withdrawn from the consent agenda for separate consideration.

(h) Call to Order. The meeting of the Oversight Board shall be called to order by the Chairperson or in his/her absence, by the Vice Chairperson. The person calling meetings to order shall be referred to as the "Presiding Officer." In absence of both the Chairperson and the Vice Chairperson, the meetings shall be called to order by the secretary to the Oversight Board and the Board shall select a Temporary Chairperson, who shall serve as the Presiding Officer for the meeting.

(i) Participation of Presiding Officer. The Presiding Officer may move, second, and debate, subject only to such limitations of debate as are imposed on all board members, and he or she shall not be deprived of any of the rights and privileges of a board member by reason of his or her acting as Presiding Officer. However, the Presiding Officer is primarily responsible for the conduct of the meeting.

(j) Question to be Stated. The Presiding Officer shall verbally restate each question immediately prior to calling for the vote. Following the vote, the Presiding Officer shall verbally announce whether the question carried or was defeated. The Presiding Officer may also publicly state the effect of the vote for the benefit of the audience before proceeding to the next item of business.

(k) Maintenance of Order. The Presiding Officer is responsible for the maintenance of order and decorum at all times. No person is allowed to speak who has not first been recognized by the Presiding Officer. All questions and remarks shall be addressed to the Presiding Officer.

Section 6. Rules, Decorum and Order

(a) Decorum and Order – Board members:

(i) Any board member desiring to speak shall address the Presiding Officer and, upon recognition by the Presiding Officer, shall confine himself or herself to the question under debate.

(ii) A board member, once recognized, shall not be interrupted while speaking unless called to order by the Presiding Officer; or unless the speaker chooses to yield to questions from another board member.

(iii) Any board member called to order while he or she is speaking shall cease speaking immediately until the question of order is determined. If ruled to be in order, he or she shall be permitted to proceed. If ruled to be

not in order, he or she shall remain silent or shall alter his or her remarks so as to comply with rules of the Oversight Board.

(iv) Board members shall accord the utmost courtesy to each other, to city or Oversight Board employees, and to the public appearing before the Oversight Board and shall refrain at all times from rude and derogatory remarks, reflections as to integrity, abusive comments and statements as to motives and personalities.

(v) Any board member may move to require the Presiding Officer to enforce the rules and the affirmative vote of a majority of the Oversight Board shall require him or her to so act.

(vi) Except where specifically authorized by Oversight Board action, no board member shall make any statement or give the appearance or indicate in any way that he or she is representing the Oversight Board.

(b) Decorum and Order – Employees: Members of the administrative staff of the Oversight Board shall observe the same rules of procedure and decorum applicable to board members. The Executive Director shall ensure that all Oversight Board employees observe such decorum. Any staff members, including the Executive Director, desiring to address the Oversight Board or members of the public shall first be recognized by the Presiding Officer. All remarks shall be addressed to the Presiding Officer and not to any one individual board member or member of the public.

(c) Decorum and Order – Public: Members of the public attending Oversight Board meetings shall observe the same rules of order and decorum applicable to the Oversight Board. Any person making impertinent and slanderous remarks or who becomes boisterous while addressing the Oversight Board or while attending the Oversight Board meeting shall be removed from the room and such person may be barred from further audience before the Oversight Board. Unauthorized remarks from the audience, stamping of feet, whistles, yells and similar demonstrations shall not be permitted by the Presiding Officer, who may direct the sergeant-of-arms to remove such offenders from the room. Aggravated cases shall be prosecuted on appropriate complaint signed by the Presiding Officer.

(d) Enforcement of Decorum: As set forth in Government Code Section 54957.9, in the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the board members may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Duly accredited representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. Nothing in this section shall prohibit the Oversight Board from establishing a procedure for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.

(e) Conflict of Interest: All board members are subject to the provisions of California Law, such as Chapter 7, Title 9, of the California Government Code, relative to conflicts of interest, and to conflicts of interest codes adopted by the Oversight Board.

(f) Limitation of Debate: No board member normally should speak more than once upon any one subject until every there board member choosing to speak thereon has spoken. No member shall speak for a longer time than five minutes each time he or she has the floor, without approval of a majority vote of the Oversight Board.

(g) Dissents and Protests: Any board member shall have the right to express dissent from or protest to any action of the Oversight Board and have the reason entered in the minutes. If such dissent or protest is desired to be entered in the minutes, this should be made clear by language such as, "I would like the minutes to show that I am opposed to this action for the following reasons..."

(h) Procedures in Absence of Rules: In the absence of a rule herein to govern a point or procedure, Robert's Rules of Order, Newly Revised, shall be used as a guide.

(i) Rulings of Presiding Officer Final Unless Overruled: In presiding over Oversight Board meetings, the Presiding Officer shall decide all questions of interpretation of these rules, points of order or other questions of procedure requiring rulings. Any such decision or ruling shall be final unless overridden or suspended by majority vote of the board members present and voting.

Section 7. Addressing the Oversight Board

(a) Manner of Addressing the Oversight Board: Any member of the public desiring to address the Oversight Board shall proceed to the podium and wait to be recognized by the Presiding Officer. After being recognized, he shall state his name and address for the record.

All remarks and questions shall be addressed to the Presiding Officer and not to any individual board member, staff member or other person. No person shall enter into any discussion without being recognized by the Presiding Officer.

(b) Time Limitation: For time limitation applicable to public comment, see Article I, Section (5), Subsection (f). This limitation shall not apply to any staff presentation.

(c) Addressing the Oversight Board After Motion Is Made: After a motion has been made, no member of the public shall address the Oversight Board without first securing permission by a majority vote of the Oversight Board.

(d) Limitations Regarding Public Comments and Reports: The making of oral communications to the Oversight Board by any member of the public during the "Public Comments" portion of the agenda shall be subject to the following:

At any time, before or after the oral communication is commenced, the Presiding Officer may if he or she deems it preferable, direct that the communication be made instead either to the Executive Director or other appropriate staff member during regular business hours, or in writing for subsequent submittal to board members.

(e) Persons Authorized to be Within Platform: No person except Oversight Board Officials shall be permitted behind the Oversight Board dais without permission or consent of the Presiding Officer.

Section 8. Motions

(a) Processing of Motions: When a motion is made and seconded, it shall be stated by the Presiding Officer before debate. A motion so stated shall not be withdrawn by the mover without the consent of the person seconding.

(b) Motions Out of Order: The Presiding Officer may at any times, by majority consent of the board members, permit a board member to introduce a resolution or motion out of the regular agenda order.

(c) Division of Question: If the question contains two or more divisional propositions, the Presiding Officer may, and upon request of a board member shall (unless appealed), divide the same.

(d) Procedure of Motions: When a motion is before the Oversight Board, no motion shall be entertained except the following, which shall have precedence in the following order:

Adjourn

Fix hour of adjournment

Table

Limit or terminate discussion

Amend

Postpone

(e) Motion to Adjourn (not debatable): A motion to adjourn shall be in order at any time, except as follows:

When repeated without intervening business or discussion.

When made as an interruption of a board member while speaking.

When discussion has been ended, and vote on a motion is pending,

and

While a vote is being taken.

(f) Motion to Fix Hour of Adjournment: Such a motion shall be to set a definite time at which to adjourn and shall be debatable and shall be amendable by unanimous.

(g) Motion to Table: A motion to table shall be used to temporarily by-pass the subject. A motion to table shall not be debatable and shall preclude all amendments or debate of the subject under consideration. If the motion shall prevail, the matter may be "taken from the table" at any time prior to the end of the next regular meeting.

(h) Motion to Limit or Terminate Discussion: Such a motion shall be used to limit or close debate on, or further amendment to, the main motion and shall not be debatable. If the motion fails, debate shall be re-opened; if the motion passes, a vote shall be taken on the main motion.

(i) Motion to Amend: A motion to amend shall be discussed only as to the amendment. A motion to amend an amendment is possible but no additional motions to further amendments may be made. Any amendment shall relate to the original motion and not introduce a different matter. Amendments shall be voted first, then the main motion as amended. Alternatively, the original maker of the main motion may agree to revise the original motion and if the second agrees to second the revised motion, the Oversight Board may vote on the main motion as revised.

Section 9. Voting Procedure

(a) Voting Procedure: In acting upon every motion, the vote shall be taken by roll call or by electronic vote. The vote on each motion shall then be entered in full upon the record. If the vote is by roll call, the order of voting shall be alphabetical with the Chairperson voting last. The Secretary shall call the names of all members seated when a roll call vote is ordered or required. Members shall respond 'aye,' 'no' or 'abstain.'

Any action or motion of the board shall require four (4) affirmative votes. Any member may change his or her vote before the next order of business.

(b) Failure to Vote: A board member who abstains due to reasons of conflict shall, for purpose of the item under consideration, be considered as if absent. A board member abstaining for reasons other than conflict shall be counted as present for purposes of a quorum and such abstentions are counted with the majority. A board member who leaves the dais solely to avoid participation in the specific item shall, in absence of a conflict, be counted as if they were present but abstaining and such abstentions are also counted with the majority.

(c) Reconsideration: Any board member who voted with the majority may move a reconsideration of any action at the same meeting. If the motion to reconsider passes, then the original item may be reconsidered at that time or agendaized for the

next meeting which meets any applicable noticing requirements. After a motion for reconsideration has once been acted upon, no other motion for reconsideration thereof shall be made without unanimous consent of the Oversight Board.

Section 9. Resolutions

(a) Definitions: The Actions of the Oversight Board will take one of three forms: “resolution,” “minute order,” and “motion” (hereafter recorded by minute entry). Resolutions, in addition to being referenced in the minutes, will be recorded by a separate document, numbered in sequence and preserved in a separate set of books. Such “resolutions” are used for various reasons, such as when specifically required by law, when needed as a separate evidentiary document to be transmitted to another government agency, or where the frequency of future reference and research.

A “minute order” as used locally denotes an Oversight Board action which is recorded simply by an item entry in the minutes of the meeting at which it was accomplished, and no separate document is made to memorialize it. However, sequential numbering shall be assigned to each motion to facilitate indexing.

(b) Resolutions Prepared in Advance: Where a resolution has been prepared in advance, it shall not be necessary to read a resolution in full or by title except to identify it. Any member may require that the resolution be read in full.

(c) Resolutions Not Prepared in Advance: Where a resolution has not been prepared in advance, the procedure shall be to instruct the Executive Director of the Successor Agency to prepare a resolution for presentation at the next Oversight Board meeting.

(d) Urgency Resolutions: In matters of urgency, a resolution may be presented verbally in motion form together with instructions for written preparation for later execution. After the resolution has been verbally stated, the voting procedure described above shall be followed

ARTICLE II – MISCELLANEOUS

Section 10. Amendments to Bylaws and Rules of Procedure

The Bylaws and Rules of Procedure of the Oversight Board may be amended by the Oversight Board at any regular or special meeting by a vote of the majority of the Oversight Board members, provided that no such amendment shall be adopted unless at least seven days’ written notice thereof has been previously given to all board members of the Oversight Board. Such notice shall identify the section or sections of the Bylaws and Rules of Procedure proposed to be amended.

Section 11. Rules Directory

To the extent not required by State laws, these rules of procedure shall be considered directory only; and compliance herewith shall not be considered mandatory or jurisdictional.

AGENDA REPORT

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION

DATE: May 2, 2012

TO: OVERSIGHT BOARD
FROM: SUCCESSOR AGENCY FINANCE DIRECTOR
SUBJECT: OVERVIEW OF RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE
REQUIREMENT

BACKGROUND:

AB 1X 26 requires all successor agencies to prepare a Recognized Obligation Payment Schedule ("ROPS"). The following is an excerpt from the County of Los Angeles Oversight Board Training Manual regarding the ROPS:

"The appointees should consider the review, analysis and consideration of the ROPS their highest priority task after electing a chairperson, designating a point of contact for the DOF, and establishing rules and procedures.

The ROPS lists all enforceable obligating claimed by the Successor Agency. In many cases, the list will not provide sufficient detail for the Oversight Board to determine whether or not an item is 'enforceable.' As such, the Board may find it necessary for the Successor Agency to submit staff reports that explain each claimed enforceable obligation on the ROPS. The reports do not need to be lengthy, but they should explain the background for the obligation and the source(s) of funding. The reports should also include attachments that substantiate the item's status as an 'enforceable obligation.'

The Oversight Board should strive to approve the first ROPS in time to submit it to the Department of Finance by April 15, 2012. The delay in the implementation schedule caused by the *Matosantos* litigation means that by the time the Oversight Board is appointed and functioning, most of the time period covered by the first ROPS (February 1, 2012 to June 30, 2012) will have elapsed. This means that the Oversight Board will effectively be providing a meaningful review of only those expenditures scheduled for May and June of 2012 in the first ROPS.

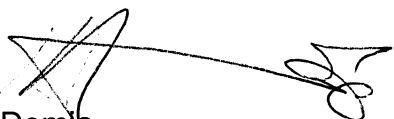
Shortly after reviewing the first ROPS, the Oversight Board should turn its attention to reviewing the ROPS covering the period from July 1, 2012 to

December 31, 2012. The Auditor-Controller has requested that the Oversight Board complete their review and submit all approved ROPS to the Auditor-Controller and the Department of Finance by April 27, 2012.”

County of Los Angeles Oversight Board Training Manual, p. 36


The target dates could not be met because the Oversight Board is meeting for the first time on May 2, 2012. Successor Agency Staff agrees that the ROPS must be approved as soon as possible and is therefore requesting a special meeting for May 9, 2012 for the consideration of the ROPS.

Respectfully submitted,



Vilko Domic
Successor Agency Finance Director

Approved as to form,



Eduardo Olivo
Successor Agency Legal Counsel