

**ALL ITEMS FOR CONSIDERATION BY THE CITY COUNCIL AND CITY COUNCIL AS SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION ARE AVAILABLE FOR PUBLIC VIEWING IN THE OFFICE OF THE CITY CLERK AND THE CENTRAL LIBRARY**

**Agendas and other writings that will be distributed to the Councilmembers 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 City Clerk'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 CONCURRENT ADJOURNED REGULAR MEETINGS OF  
THE CITY COUNCIL OF THE CITY OF COMMERCE AND  
THE CITY COUNCIL OF THE CITY OF COMMERCE AS SUCCESSOR  
AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT  
COMMISSION ("SUCCESSOR AGENCY")  
COUNCIL CHAMBERS  
5655 JILLSON STREET, COMMERCE, CALIFORNIA**

**TUESDAY, MARCH 13, 2012 – 3:00 P.M.**

**CALL TO ORDER**

Mayor Aguilar

**ROLL CALL**

City Clerk Olivieri

**PUBLIC COMMENT**

Citizens wishing to address the City Council and City Council as Successor Agency to the Commerce Community Development Commission ("Successor Agency") 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 City Council/Successor Agency 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 City Council/Successor Agency may, in their discretion, allow citizen participation on a specific item on the agenda at the time the item is considered by the City Council/Successor Agency. Request to address City Council/Successor Agency cards are provided by the City Clerk. If you wish to address the City Council/Successor Agency at this time, please complete a speaker's card and give it to the City Clerk prior to commencement of the City Council/Successor Agency meetings. 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.

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.

**SCHEDULED MATTERS**

1. A Resolution of the City Council of the City of Commerce, Acting as the Governing Body for the Successor Agency to the Commerce Community Development Commission Pursuant to Part 1.85 of Division 24 of the California Health and Safety Code, Approving the Recognized Obligations

Payment Schedule Required by Section 34167 of the California Health and Safety Code

AB 1X 26, approved by the California Legislature on June 15, 2011; signed by the Governor on June 28, 2011, and upheld by the California Supreme Court on December 29, 2011, eliminated redevelopment in the State of California.

*Health and Safety Code* Section 34177 (a), which is part of AB 1X 26, requires the City as the Successor Agency to the Commission to prepare a Recognized Obligation Payment Schedule (“ROPS”).

The **City Council acting as Governing Body of the Successor Agency to the Commerce Community Development Commission** will consider for approval and adoption a proposed Resolution approving the Recognized Obligations Payment Schedule required by Section 34167 of the *California Health and Safety Code*.

**2. Interview Process for Filling Vacant City Council Seat**

At its meeting of March 6, 2012, the City Council determined that it would expedite the interview process for filling the vacant City Council seat and to interview all individuals who submitted an Application for Appointment to the City Council on March 13, 2012, commencing at 5:00 p.m.

The **City Council** will select the interview questions and finalize the process to be followed for its interview of the City Council vacancy applicants.

**RECESS TO CLOSED SESSION**

**3. Pursuant to Government Code §54957.6,**

**A.** The **City Council** will confer with its labor negotiator, Jorge Rifá, with respect to labor negotiations pertaining to the Memoranda of Understanding between the City and the City of Commerce Employees Association on behalf of the mid-management and non-management full-time employees and part-time employees.

**4. Pursuant to Government Code §54957,**

**A.** The **City Council** will conduct an evaluation of the City Administrator.

**ADJOURNMENT**

**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

DATE: March 13, 2012

TO: HONORABLE CITY COUNCIL, ACTING AS THE GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION

FROM: JORGE RIFA, CITY ADMINISTRATOR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, ACTING AS THE GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION PURSUANT TO PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE APPROVING THE RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE REQUIRED BY SECTION 34167 OF THE CALIFORNIA HEALTH AND SAFETY CODE

## RECOMMENDATION:

Approve the Resolution and assign the number next in order.

## MOTION:

Approve the recommendation.

## BACKGROUND:

The Commerce Community Development Commission operated as a redevelopment agency in the City of Commerce (the "City"), duly created pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California *Health and Safety Code*)) (the "Redevelopment Law").

Assembly Bill 1X 26 ("AB 26") and Assembly Bill 1X 27 ("AB 27"), were approved by the California Legislature on June 15, 2011, and signed by the Governor on June 28, 2011. AB 26 and AB 27 added Parts 1.8, 1.85 and 1.9 of Division 24 to the California *Health and Safety Code*. Part 1.85 of the *Health and Safety Code*, which is contained in AB 26, required all redevelopment agencies to dissolve as of October 1, 2011, and provided for the establishment of a successor entity to administer the enforceable obligations of the redevelopment agency. Part 1.8 of the *Health and Safety Code*, which is also contained in AB 26, restricts activities of redevelopment agencies to meeting their enforceable obligations, preserving assets and meeting other goals in the interim period prior to dissolution.

Section 34169 of the *Health and Safety Code*, which is contained in AB 26, required the redevelopment agencies to adopt an Enforceable Obligations Payment Schedule. Section 34167 of the *Health and Safety Code*, which is also contained in AB 26, prohibits redevelopment agencies from making any payment which is not listed on the Enforceable Obligations Payment Schedule. On August 24, 2011, the Commerce Community Development Commission approved an Enforceable Obligations Payment Schedule.

On December 29, 2011, the Supreme Court issued its opinion in the *Matosantos* case largely upholding AB 26, invalidating AB 27, and holding that AB 26 may be severed from AB 27 and enforced independently. As a result of the Supreme Court's decision, on February 1, 2012, all redevelopment agencies were dissolved and replaced by

**AGENDA ITEM No.**           /

successor agencies pursuant to *Health and Safety Code* Section 34173. The City Council of the City of Commerce adopted Resolution No. 11-4219 on September 19, 2011, pursuant to part 1.85 for the City to serve as the successor agency for the Commerce Community Development Commission (the “Successor Agency”).

ANALYSIS:

*Health and Safety Code* Section 34177 (a), which is part of AB 26, requires the City as the Successor Agency to the Commission, to prepare a Recognized Obligation Payment Schedule (“ROPS”). The proposed Resolution adopts an ROPS for the Successor Agency. The ROPS identifies the following obligations:

1. Bonds, including the required debt service, reserve set-asides and any other required payments.
2. Loans of moneys borrowed by the Commission including, but not limited to, money borrowed from the Low and Moderate Income Housing Fund.
3. Payments required by the federal government, preexisting obligations to the state or obligations imposed by state law, or legally enforceable payments required in connection with the Commission’s employees, including, but not limited to, pension payments, pension obligation debt service, and unemployment payments.
4. Judgments or settlements entered by a competent court of law or binding arbitration decisions against the Commission.
5. Any legally binding and enforceable agreement or contract that does not violate the Commission’s debt limit.
6. Contracts or agreements necessary for the continued administration or operation of the Commission.

After the ROPS is adopted, it must be posted on the City’s website and submitted by mail or electronic means to the County Auditor-Controller, the State Controller’s Office and the State Department of Finance.

FISCAL IMPACT:

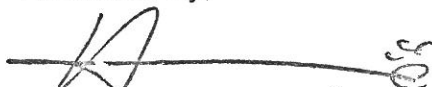
The Commission ceased to exist on February 1, 2012. The City is the successor agency to the Commission and will, until a Recognized Obligation Payment Schedule becomes operative, be allowed to only make payments required pursuant to the Enforceable Obligation Payment Schedule (EOPS). The initial EOPS for the Successor Agency was the last EOPS adopted by the Commission. Under *Health & Safety Code* §34177, adopted pursuant to AB 1X 26, the Successor Agency may receive an annual administrative operating budget to defray its administrative costs. This annual administrative operating budget will be subject to the approval of the Oversight Board, and equates to an administrative allowance of up to five percent (5%), with a minimum allowance of \$250,000, of the redevelopment project area property tax for FY 2011/2012 and up to three percent (3%) of the property tax each succeeding fiscal year.

Respectfully submitted,



Jorge J. Rifá  
City Administrator

Reviewed by,



Vilko Domic  
Finance Director

Approved as to form



Eduardo Olivo  
Legal Counsel



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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE, ACTING AS THE GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION PURSUANT TO PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE, APPROVING THE RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE REQUIRED BY SECTION 34167 OF THE CALIFORNIA HEALTH AND SAFETY CODE

WHEREAS, the Commerce Community Development Commission operated as a redevelopment agency in the City of Commerce (the "City"), duly created pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California *Health and Safety Code*) (the "Redevelopment Law"); and

WHEREAS, Assembly Bill 1X 26 ("AB 26") and Assembly Bill 1X 27 ("AB 27"), were approved by the California Legislature on June 15, 2011, and signed by the Governor on June 28, 2011; and

WHEREAS, AB 26 and AB 27 added Parts 1.8, 1.85 and 1.9 of Division 24 to the California *Health and Safety Code*; and

WHEREAS, Part 1.85 of the *Health and Safety Code*, which is contained in AB 26, required all redevelopment agencies to dissolve as of October 1, 2011, and provided for the establishment of a successor entity to administer the enforceable obligations of the redevelopment agency; and

WHEREAS, Part 1.8 of the *Health and Safety Code*, which is also contained in AB 26, restricts activities of redevelopment agencies to meeting their enforceable obligations, preserving assets and meeting other goals in the interim period prior to dissolution; and

WHEREAS, Section 34169 of the *Health and Safety Code*, which is contained in AB 26, required the redevelopment agencies to adopt an Enforceable Obligations Payment Schedule; and

WHEREAS, Section 34167 of the *Health and Safety Code*, which is also contained in AB 26, prohibits redevelopment agencies from making any payment which is not listed on the Enforceable Obligations Payment Schedule; and

WHEREAS, on August 24, 2011 the Commerce Community Development Commission approved an Enforceable Obligations Payment Schedule; and

WHEREAS, on December 29, 2011, the Supreme Court issued its opinion in the *Matosantos* case largely upholding AB 26 and invalidating AB 27; and

WHEREAS, as a result of the Supreme Court's decision, on February 1, 2012, all redevelopment agencies were dissolved and replaced by successor agencies pursuant to *Health and Safety Code* Section 34173; and

WHEREAS, the City Council of the City of Commerce adopted Resolution No. 11-4219 on September 19, 2011, pursuant to part 1.85, for the City to serve as the successor agency for the Commerce Community Development Commission (the "Successor Agency"); and

WHEREAS, on January 31, 2012, pursuant to Resolution No. 498 the Commission adopted an amended Enforceable Obligations Payment Schedule; and

WHEREAS, *Health and Safety Code* Section 34177 (a), 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.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COMMERCE AS FOLLOWS:

Section 1. The recitals set forth above are true and correct.

Section 2. The Recognized Obligations Payment Schedule, which is attached hereto as Exhibit "A", is hereby approved and adopted. The Executive Director of the Successor Agency is hereby authorized and directed to transmit the Schedule to the Los Angeles County Auditor-Controller, the State Controller and the State Department of Finance in accordance with Section 34169 of the *Health and Safety Code*.

Section 3. The Successor Agency's Secretary shall certify to the passage of this Resolution and thereupon and thereafter the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2012

\_\_\_\_\_  
Joe Aguilar, Mayor

ATTEST:

\_\_\_\_\_  
Linda K. Olivieri, MMC  
City Clerk



# AGENDA REPORT

Meeting Date: 03/13/2012

TO: Honorable City Council

FROM: City Administrator

SUBJECT: INTERVIEW PROCESS FOR FILLING VACANT CITY COUNCIL SEAT

RECOMMENDATION:

Select interview questions and finalize interview process.

MOTION:

Council discretion.

BACKGROUND:

At its meeting of March 6, 2012, the City Council determined that it would expedite the interview process for filling the vacant City Council seat and to interview all individuals who submitted an Application for Appointment to the City Council on March 13, 2012, commencing at 5:00 p.m.

ANALYSIS:

In order to provide adequate notice to the applicants regarding the change in the process for filling the vacant City Council seat, the City Clerk's Office, after consulting with the Mayor, sent a letter to each applicant notifying him/her of the process change, the time to report to City Hall and the order of interviews. Applicants were also notified that the City Council would finalize the interview process on March 13, 2012.

It is requested that the City Council select the questions to be posed to each applicant, finalize the interview process and take action on any other matter related to this item it deems necessary.

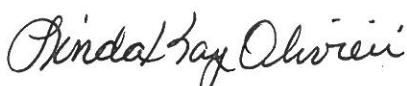
FISCAL IMPACT:

This item can be carried out without impact on the current operating budget.

Respectfully submitted,

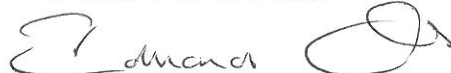
  
Jorge J. Rifa  
City Administrator

Prepared by:



Linda Kay Olivieri  
City Clerk

Reviewed as to form:



Eduardo Olivo  
City Attorney

SUM (INTERVIEW PROCESS FOR FILLING VACANT CC SEAT) - 03-13-2012.DOC