AGENDA

Oversight Board of the Successor Agency
to the South Pasadena Community Redevelopment Agency

City Council Chambers, 1424 Mission Street
Wednesday, April 10, 2013 4:00 PM

Chair: Gary E. Pia
Vice-Chair: Richard Roche
Board Members: Tim Evans; John Mayer; Scott Price; Ted Shaw; Bob Miller

In order to address the Board, please complete a Public Comment Card and present it to the Secretary Speakers will be called upon by the Chairman at the appropriate time. Time allotted per speaker: 3 minutes.

Call to Order
Roll Call
Pledge of Allegiance
Confirmation of Agenda

Public Comment
Opportunity for members of the public to comment on any items not appearing on the agenda. When addressing the Oversight Board, please state your name and address for the record. Time allotted per speaker: 3 minutes

Discussion Items
1. Approval of Minutes: February 13, 2013 Regular Meeting
2. Resolution Authorizing Transfer of Property Located at Mound and El Centro from the Successor Agency to the City of South Pasadena as an Asset Constructed and Used for a Governmental Purpose

Adjournment

Accommodations

Meeting facilities are accessible to persons with disabilities. If you need special assistance to participate in this meeting, please contact the City Clerk's Office at (626) 403-7230. Hearing assistive devices are available in the Council Chambers. Notification at least 72 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting (28 CFR 35.102-35.104 ADA Title II).

I declare under penalty of perjury that I posted this notice of agenda on the bulletin board in the courtyard of the City Hall at 1414 Mission Street, South Pasadena, CA 91030, as required by law.

3-28-13
Date

Lucy L. Kbjian,
Executive Assistant to City Manager

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STATEMENT OF PROCEEDINGS FOR THE REGULAR MEETING OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SOUTH PASADENA COMMUNITY REDEVELOPMENT AGENCY

CITY OF SOUTH PASADENA
CITY COUNCIL CHAMBERS
1424 MISSION STREET
SOUTH PASADENA, CALIFORNIA 91030

Wednesday, February 13, 2013

4:00 p.m.

AUDIO LINK FOR THE ENTIRE MEETING. (13-0879)

Attachments: Audio

CALL TO ORDER

Chair Pia called the meeting to order at 4:01 p.m.

ROLL CALL

Lucy L. Kbjian, Executive Assistant to City Manager, called the roll:

Present: **Board Members John Mayer, Scott S. Price, Vice Chair Richard Roche and Chair Gary Pia**

Absent: **Board Members Timothy B. Evans, Bob Miller and Ted R. Shaw**

PLEDGE OF ALLEGIANCE

Vice Chair Roche led the Pledge of Allegiance.

CONFIRMATION OF AGENDA

Chair Pia reviewed and confirmed the agenda with the Board.

PUBLIC COMMENT

Opportunity for members of the public to comment on any items not appearing on the agenda. When addressing the Oversight Board, please state your name and address for the record. Time allotted per speaker: three (3) minutes.

There were none.

DISCUSSION ITEMS

1. Approval of Minutes: January 9, 2013 Regular Meeting (13-0862)

On motion of Board Member Price, seconded by Vice Chair Roche, duly carried by the following vote, the Oversight Board approved the January 9, 2013 Minutes:

Ayes: 4 - Board Members Mayer, Price, Vice Chair Roche and Chair Pia

Absent: 3 - Board Members Evans, Miller and Shaw

Attachments: January 9, 2013 Minutes

2. Resolution approving the Recognized Obligation Payment Schedule - July 1, 2013 to December 31, 2013 (13-0863)

On motion of Vice Chair Roche, seconded by Board Member Mayer, duly carried by the following vote, the Oversight Board adopted Resolution No. 2013-02, A Resolution of the Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of South Pasadena, California, Adopting a Recognized Obligation Payment Schedule for the Period of July - December, 2013:

Ayes: 4 - Board Members Mayer, Price, Vice Chair Roche and Chair Pia

Absent: 3 - Board Members Evans, Miller and Shaw

Attachments: ROPS 13 - 14A

ADJOURNMENT

The meeting adjourned at 4:04 p.m. The next regular meeting is scheduled for Wednesday, March 13, 2013 at 4:00 p.m.

Approved

_____

Gary E. Pia, Chair

_____

Date

Oversight Board
of the Successor Agency to the South Pasadena CRA

MEETING DATE: April 10, 2013

FROM: Hilary Straus, Assistant Executive Director
Lucy Kbjian, Executive Assistant to City Manager

SUBJECT: **Resolution Authorizing Transfer of Property Located at Mound and El Centro from the Successor Agency to the City of South Pasadena as an Asset Constructed and Used for a Governmental Purpose**

Recommendation:
It is recommended that the Oversight Board approve a resolution authorizing the transfer of property located at Mound and El Centro, Assessor's Parcel Number 5315-003-901 (Property), from the Successor Agency to the City of South Pasadena as an asset constructed and used for a governmental purpose pursuant to Health and Safety Code Section 34181(a).

Background:
Assembly Bill No. 26 of the first extraordinary session of 2011, relating to redevelopment dissolution, (ABX1 26) was adopted, dissolving redevelopment agencies throughout the state. The bill created successor agencies and directed them to transfer housing assets to the appropriate authority operating in the former redevelopment agency's jurisdiction. As a result, various assets deemed by the South Pasadena Successor Agency to be housing assets were transferred to the South Pasadena Housing Authority, including the parking lot at the corner of Mound and El Centro. The Successor Agency determined that the parking lot was an integral part of the Downtown Revitalization Project and key to the building of 12 units of low- and moderate-income senior housing units planned and approved for an adjacent property within the project area. On February 1, 2012, the City transferred the property to the Housing Authority with City Resolution No. 7213 SA (Housing Authority accepted the transfer with Housing Authority Resolution No. 2012-04).

On June 27, 2012, Assembly Bill No. 1484 (AB 1484) was adopted in order to clarify procedural and legal issues related to the enactment of Assembly Bill No. 26. AB 1484 imposed new requirements upon successor agencies and implemented new rules of conduct with respect to audits, repayment of tax increment, and reporting of enforceable obligations. AB 1484 also sets forth the process by which the State may verify the outstanding obligations of a former redevelopment agency and authorize its successor agency to wind down the former's affairs. Among other things, AB 1484 required that the Successor Agency and Housing Authority submit documentation and a list of assets transferred to the Housing Authority. Such a list was submitted to the Department of Finance and other required agencies on August 1, 2012.

Housing Authority. Although the documents related to the transfer demonstrated that the parcel involved was long planned as an integral part of the Downtown Revitalization Project and was currently being used as a parking lot, with approved plans and permits to continue that use, partly in conjunction with the planned development of low-and moderate-income senior housing units, the Department of Finance disallowed the transfer and directed that the property be transferred back to the Successor Agency on March 2, 2013.

While the Housing Authority does not agree with the Department of Finance's determination, it transferred the Property back to the Successor Agency for disposition in accordance with the provisions of AB 1484 on March 20, 2013 (Housing Authority Resolution No. 2013-01). The Successor Agency accepted the transfer on March 20, 2013 (Successor Agency Resolution No. 2013-04).

Another significant change under AB 1484 is the change in the manner in which successor agencies may dispose of real property. For example, insofar as transfers of real property to a private party, successor agencies are only able to do so after receiving a "finding of completion" (only issued by the State Department of Finance after the successor agency has gone through a multi-step process of audits and remittance of unobligated funds) and adopting a long-range property management plan. However, insofar as properties acquired for governmental use (e.g., parks, fire stations, police department buildings, parking lots), there is no similar requirement that a "finding of completion" be obtained before transfer to the appropriate local agency.

Discussion:
The subject property with Assessor's Parcel Number 5315-003-901 (the Property) is a parking lot located at the northeast corner of Mound and El Centro in the City of South Pasadena. The Property was acquired for the purpose of eventually being improved as part of the Downtown Revitalization Project for the governmental use of a parking structure. Because of its location and the nature of its governmental use, the City of South Pasadena is the appropriate local agency to receive it. The Successor Agency has initiated a transfer of the Property to the City (Successor Agency Resolution No. 2013-05).

The Successor Agency is required to bring the matter of the transfer of the Property from the Successor Agency to the City of South Pasadena, pursuant to Health and Safety Code Section Nos. 34181(a), 34191.3, and any other applicable law, before the Oversight Board of the Successor Agency.

The Oversight Board must consider this item at a public meeting with at least 10 days' notice to the public of the specific proposed actions related to the governmental purpose transfer of property pursuant to Health and Safety Code Section 34181(f). Health and Safety Code Section 34180(j) also requires that any document submitted to the Oversight Board for its approval must also be submitted to the 1) County Administrative Officer, 2) the County Auditor-Controller, and 3) the Department of Finance at the same time as it is submitted to the Oversight Board.

Staff recommends the Oversight Board approve the attached resolution authorizing the transfer of property. Once approved, the State Department of Finance must review and approve these actions in order for the City to subsequently accept the transfer of the Property at a future City Council meeting.

Fiscal Impact:
There is no fiscal impact.

Legal Review:
The Successor Agency's legal counsel has reviewed and approved this report.

Attachment: Resolution authorizing transfer of property from Successor Agency to City

OVERSIGHT BOARD
RESOLUTION NO. 2013-03

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AUTHORIZING THE TRANSFER OF THE PROPERTY WITH ASSESSOR'S PARCEL NUMBER 5315-003-901 FROM THE SUCCESSOR AGENCY TO THE CITY OF SOUTH PASADENA AS AN ASSET CONSTRUCTED AND USED FOR A GOVERNMENTAL PURPOSE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34181(A)

WHEREAS, Health and Safety Code Section 34181(a) permits the Oversight Board to the Successor Agency to South Pasadena Community Redevelopment Agency ("Oversight Board" & "Successor Agency") to direct the Successor Agency to transfer all assets of the former South Pasadena Community Redevelopment Agency that were constructed and used for a governmental purpose; and

WHEREAS, Health and Safety Code Section 34191.3 authorizes the Successor Agency to transfer such properties currently, and anticipated to be, used for a valid governmental purpose; and

WHEREAS, the property identified with Assessor's Parcel No. 5315-003-901 ("Property") and further described in Exhibit "A" is an asset of the Successor Agency; and

WHEREAS, Health and Safety Code Section 34181(a) does not define governmental purpose; however, Health and Safety Code Section 32501 explicitly finds that supplying of additional parking facilities and the performance of all undertakings incidental or advantageous thereto are public uses and purposes for which public money may be spent and are governmental functions; and

WHEREAS, the California Department of Finance has approved other successor agencies' transfer of parking lots to the city as serving a governmental purpose, including the City of Santa Barbara; and

WHEREAS, the Property has been used since approximately July 25, 1980, as a public parking lot and will continue to be used for a governmental parking structure for the City of South Pasadena; and

WHEREAS, the Property is currently being used for the valid governmental purpose of a parking lot; and

WHEREAS, the City is the appropriate public jurisdiction that should receive the Property because it is the public jurisdiction that is using the Property for the described valid governmental purpose; and

WHEREAS, the Successor Agency desires to transfer the Property to the City as a property constructed and used for the City's valid governmental purpose; and

WHEREAS, the City desires to receive the Property from the Successor Agency so that it may continue to use the Property for its valid governmental purpose.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SOUTH PASADENA COMMUNITY REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Oversight Board finds that all of the above recitals are true and correct and are incorporated herein by reference.

SECTION 2. The Oversight Board finds that the Property is an asset of the Successor Agency that was constructed and used for the current valid governmental purpose of a parking lot.

SECTION 3. The Oversight Board finds that the Property will be used for the valid governmental purpose, as described and defined by Health and Safety Code Sections 34181(a), 34191.4, and 32501, of a governmental parking structure.

SECTION 4. The Oversight Board finds and determines that the City is the appropriate public jurisdiction to receive the Property, because it is the public jurisdiction that is engaging in the described valid governmental purpose.

SECTION 5. The Oversight Board hereby authorizes and directs the Executive Director of the Successor Agency to take all actions necessary and required to complete the transfer of the Property from the Successor Agency to the City of South Pasadena pursuant to Health and Safety Code Sections 34181(a), 34191.3, and any other applicable law. This includes, but is not limited to, executing any necessary and required documents to facilitate transfer of the Property.

SECTION 6. This Resolution shall not be effective until five business days after its adoption by the Oversight Board or, in the case of review by the California Department of Finance, pursuant to Health & Safety Code Sections 34179(h), 34181(f), and any other relevant law.

SECTION 7. The Secretary of the Oversight Board shall certify to the passage and adoption of this resolution and shall cause the same to be listed in the records of the Oversight Board.

PASSED, APPROVED and ADOPTED at a Regular Meeting of the Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of South Pasadena held this 10th day of April, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Gary E. Pia, Oversight Board Chairperson

ATTEST:

Lucy Kbjian, Oversight Board Secretary

EXHIBIT "A"

LEGAL DESCRIPTION

Parcel No. 1: 5315-003-901 (Northeast Corner of Mound and El Centro)

THE WESTERLY 56 FEET, BETWEEN PARALLEL LINES OF LOTS I, 2 AND 3 IN BLOCK "G" OF THE RAYMOND VILLA TRACT NO.1, IN THE CITY OF SOUTH PASADENA, AS PER MAP RECORDED IN BOOK 1, PAGE 91 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

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