



44933 North Fern Avenue, Lancaster, CA 93534  
Chair Elizabeth Brubaker, Vice Chairman Dr. David Vierra,  
Board Member Mazie Brewington, Board Member Larry Levin,  
Board Member Sandy Smith, Board Member Jim Vose,  
Board Member John Walker

## **LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD REGULAR MEETING AGENDA**

**Tuesday**

**July 16, 2013**

Meeting – **4:00 p.m.**

Council Chambers – Lancaster City Hall

The City Clerk hereby declares the agenda was posted  
by 5:00 p.m. on Friday, July 12, 2013  
at the entrance to the Lancaster City Hall Council Chambers.

### **CALL TO ORDER**

### **ROLL CALL**

Board Members: Brewington, Levin, Smith, Vose, Walker; Vice Chairman Vierra; Chair Brubaker

### **PLEDGE OF ALLEGIANCE**

### **AGENDA ITEMS TO BE REMOVED**

Sometimes it is necessary to remove items from the agenda. We apologize for any inconvenience this may cause you.

### **PUBLIC BUSINESS FROM THE FLOOR - AGENDIZED ITEMS**

Any person who would like to address the Lancaster Successor Agency Oversight Board on any agendized item is requested to complete a speaker card for the City Clerk and identify the agenda item you would like to discuss. Each person will be given an opportunity to address the Lancaster Successor Agency Oversight Board at the time such item is discussed. Speaker cards are available at the rear of the Council Chambers and your speaker card must be filled out *prior* to the agenda item being called. We respectfully request that you fill the cards out completely and print as clearly as possible. Following this procedure will allow for a smooth and timely process for the meeting and we appreciate your cooperation. *Individual speakers are limited to three (3) minutes each.*

Consent Calendar items may be acted upon with one motion, a second and the vote. If you desire to speak on an item or items on the Consent Calendar, you may fill out one speaker card for the Consent Calendar. You will be given three minutes to address your concerns before the Lancaster Successor Agency Oversight Board takes action on the Consent Calendar.

**LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD  
REGULAR MEETING AGENDA  
TUESDAY, JULY 16, 2013**

**MINUTES**

**M 1.** Adopt **Resolution No. OB 13-13**, approving the Lancaster Successor Agency Oversight Board Regular Meeting minutes of May 21, 2013.

**NEW BUSINESS**

**NB 1.** Loan Amortization Schedule for the loan from the City of Lancaster to the Lancaster Successor Agency for loan related to Cardlock Fuels January to June 2013 lease payments

Recommendation:

Adopt **Resolution No. OB 14-13**, approving the loan amortization schedule in fulfillment of a promissory note in favor of the City of Lancaster for Cardlock Fuels Lease Payments for the period January to June 2013 pursuant to H & S Code Section 34173(h) and 34191.4(b)(2).

**NB 2.** Loan between the Lancaster Successor Agency and the City of Lancaster for administrative expenses and enforceable obligations for the Period July – December 2013

Recommendation:

Adopt **Resolution No. OB 15-13**, establishing the terms and conditions and authorizing the execution of a promissory note in favor of the City of Lancaster for the distribution of funds to the Lancaster Successor Agency for enforceable obligations and administrative expenses for the period July to December 2013 pursuant to H & S Code Section 34173(h).

**NB 3.** Long Range Property Management Plan

Recommendation:

Receive Long Range Property Management Plan and direct staff to bring back to August 20, 2013 Oversight Board meeting for approval.

**NB 4.** Report on potential former Redevelopment Agency bond refunding

Recommendation:

Receive report on potential former Redevelopment Agency bond refunding.

**LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD  
REGULAR MEETING AGENDA  
TUESDAY, JULY 16, 2013**

**EXECUTIVE DIRECTOR ANNOUNCEMENT**

**CITY CLERK ANNOUNCEMENT**

**PUBLIC BUSINESS FROM THE FLOOR - NON-AGENDIZED ITEMS**

This portion of the agenda allows an individual the opportunity to address the Lancaster Successor Agency Oversight Board on any item ***NOT ON THE AGENDA*** regarding Board business and speaker cards must be submitted ***prior*** to the beginning of this portion of the Agenda. Please complete a speaker card for the City Clerk and identify the subject you would like to address. We respectfully request that you fill the cards out completely and print as clearly as possible. Following this procedure will allow for a smooth and timely process for the Lancaster Successor Agency Oversight Board meeting and we appreciate your cooperation. State law prohibits the Lancaster Successor Agency Oversight Board from taking action on items not on the agenda and your matter will be referred to the Executive Director. ***Individual speakers are limited to three (3) minutes each.***

**BOARD MEMBER COMMENTS**

**ADJOURNMENT**

Next Regular Meeting:

**Tuesday, August 20, 2013 - 4:00 p.m.**

**MEETING ASSISTANCE INFORMATION**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk Department at (661)723-6020. Services such as American Sign Language interpreters, a reader during the meeting, and/or large print copies of the agenda are available. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**AGENDA ADDENDUM INFORMATION**

On occasion items may be added after the agenda has been mailed to subscribers. Copies of the agenda addendum item will be available at the City Clerk Department and are posted with the agenda on the windows of the City Council Chambers. For more information, please call the City Clerk Department at (661) 723-6020.

M 1
07/16/13
MVB

**LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD**  
**MINUTES**  
**May 21, 2013**

**CALL TO ORDER**

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

**ROLL CALL**

PRESENT: Board Members: Levin, Smith, Vose, Walker, Chair Brubaker

ABSENT: Board Member: Brewington, Vice Chair Vierra

**STAFF**

MEMBERS: Executive Director; Finance Director; Assistant to the Executive Director; City Clerk

**PLEDGE OF ALLEGIANCE**

Board Member Levin

**AGENDA ITEMS TO BE REMOVED**

None

**M 1. MINUTES**

On a motion by Board Member Walker and seconded by Board Member Levin, the Lancaster Successor Agency Oversight Board adopted **Resolution No. OB 11-13**, approving the Lancaster Successor Agency Oversight Board Special Meeting minutes of April 16, 2013, by the following vote: 5-0-0-2; AYES: Levin, Smith, Vose, Walker, Brubaker; NOES: None; ABSTAIN: None; ABSENT: Brewington, Vierra

**NB 1. APPROVAL OF USE OF AVAILABLE HOUSING BOND PROCEEDS TO DEFEASE BONDS**

The Finance Director presented the staff report regarding this matter.

Board Member Vose stated that the Health and Safety Code states the Successor Agency can either expend the funds or retain them; expending them in a manner that is consistent with the indebtedness obligation of the covenants. The covenants within the bonds allows for the bonds to be paid down. When these expenditures are added it is ultimately the decision of the Department of Finance to review and or approve these through the ROPS. He inquired as to how this will impact the shortfall in the reserves.

LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD  
REGULAR MEETING MINUTES  
MAY 21, 2013

**NB 1. APPROVAL OF USE OF AVAILABLE HOUSING BOND PROCEEDS TO DEFEASE BONDS (continued)**

The Finance Director stated the Department of Finance will review the action that is taken at this meeting and if approved, the use of the unspent funds to defease the bonds would then be added to the next version of the ROPS. The required debt service payments in the future would go down because outstanding bonds would be bought back and the debt service related to a portion of those bonds would be eliminated. There is not an anticipation of having to draw out of those reserves to make future debt service payments.

Board Member Levin inquired as how the Department of Finance would look at this.

The Finance Director stated that other agencies have taken similar steps and the Department of Finance would most likely look favorable upon this action.

Board Member Walker requested clarification regarding the reserves; allowable contracts.

The Finance Director stated these are the reserves related to the bonds. There is a portion of the bond proceeds that are set aside in reserves and the purpose of that is in the event that a full payment is not made for principle and interest that are due; the money is there to make up that shortfall. When there is a draw down from the reserves, it is reported to various rating agencies and can result in downgrades and ratings of those bonds.

Further discussion took place regarding the process involved with bond documents; property tax revenues; replenishments; ROPS; contracts; assessed valuations; development bond refinancing; distribution of property tax revenues; a program the County is working on regarding insufficient property tax funding and ways they can help.

On a motion by Board Member Levin and seconded by Board Member Walker, the Lancaster Successor Agency Oversight Board adopted **Resolution No. OB 12-13**, approving the use of unspent bond proceeds of the former Redevelopment Agency's combined redevelopment project areas (housing programs) tax allocation bonds, issue of 2009 for the purpose of defeasing a portion of the outstanding bonds, by the following vote: 5-0-0-2; AYES: Levin, Smith, Vose, Walker, Brubaker; NOES: None; ABSTAIN: None; ABSENT: Brewington, Vierra

LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD  
REGULAR MEETING MINUTES  
MAY 21, 2013

**EXECUTIVE DIRECTOR ANNOUNCEMENT**

The Executive Director stated that he appreciates that the Board takes time to review the items presented before them and thanked them for their eye for detail; thanked the Finance staff for their hard work.

**CITY CLERK /AUTHORITY SECRETARY ANNOUNCEMENT**

The City Clerk stated that there were no speakers from the audience.

**BOARD MEMBER COMMENTS**

None

**ADJOURNMENT**

Chair Brubaker adjourned the meeting at 4:21 p.m. and stated that next regular meeting of the Lancaster Successor Agency Oversight Board would take place on Tuesday, June 18, 2013 at 4:00 p.m.

PASSED, APPROVED and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
GERI K. BRYAN, CMC  
City Clerk/Authority Secretary  
Lancaster, CA

\_\_\_\_\_  
ELIZABETH BRUBAKER  
Chair  
Lancaster Successor Agency  
Oversight Board

LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD  
REGULAR MEETING MINUTES  
MAY 21, 2013

STATE OF CALIFORNIA            }  
COUNTY OF LOS ANGELES       } ss  
CITY OF LANCASTER             }

CERTIFICATION OF MINUTES  
LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD

I, \_\_\_\_\_, \_\_\_\_\_ of the City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original Lancaster Successor Agency Oversight Board minutes, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, CA on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_

RESOLUTION NO. OB 13-13

A RESOLUTION OF THE LANCASTER SUCCESSOR  
AGENCY OVERSIGHT BOARD APPROVING THE  
REGULAR MEETING MINUTES OF MAY 21, 2013

WHEREAS, Health and Safety Code Section 34179 (e) states all actions taken by an oversight board shall be approved by resolution.

NOW THEREFORE, BE IT RESOLVED by the Lancaster Successor Agency Oversight Board, as follows:

SECTION 1. The Lancaster Successor Agency Oversight Board approves the May 21, 2013 regular meeting minutes attached hereto.

SECTION 2. The Successor Agency shall maintain this Resolution on file as a public record.

PASSED, APPROVED and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
GERI K. BRYAN, CMC  
City Clerk  
Lancaster, CA

\_\_\_\_\_  
ELIZABETH BRUBAKER  
Chair  
Lancaster Successor Agency Oversight Board



STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES       ) ss  
CITY OF LANCASTER             )

CERTIFICATION OF RESOLUTION  
LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster, CA,  
do hereby certify that this is a true and correct copy of the original Resolution No. OB 13-13, for  
which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this \_\_\_\_\_ day  
of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_

**STAFF REPORT**  
**Lancaster Successor Agency Oversight Board**

NB 1
07/16/13
MVB

Date: July 16, 2013

To: Chair Brubaker and Board Members

From: Barbara Boswell, Finance Director of the City of Lancaster

Subject: **Loan Amortization Schedule for the Loan from the City of Lancaster to the Lancaster Successor Agency for Loan Related to Cardlock Fuels January to June 2013 Lease Payments**

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**Recommendation:**

Adopt **Resolution No. OB 14-13**, approving the loan amortization schedule in fulfillment of a promissory note in favor of the City of Lancaster for Cardlock Fuels Lease Payments for the period January to June 2013 pursuant to H & S Code Section 34173(h) and 34191.4(b)(2).

**Fiscal Impact:**

The promissory note was approved for a maximum amount of \$775,000. Actual lease payments to Cardlock for the period and resulting loan amount are \$700,534 for the period January to June 2013. Interest is to accrue at the Local Agency Investment Fund (LAIF) rate and based on current cash flow projections, the earliest the loan can be repaid is July 2027.

**Background:**

At its regular meeting of April 16, 2013, the Oversight Board approved Resolution No. 08-13 approving a promissory note between the City of Lancaster and the Lancaster Successor Agency for Cardlock Fuels Lease Payments incurred for the period January to June 2013. The loan was necessary as there were not sufficient Redevelopment Property Tax Trust Funds (RPTTF) received to provide for these payments.

Health and Safety Code Section 34173(h) provides the ability for the City to make a loan to the Agency for enforceable obligations and Section 34191.4(b)(2) sets the interest rate equivalent to the LAIF rate. The loan becomes an enforceable obligation of the Agency, and is to be included on the Recognized Obligation Payment Schedule for repayment through future RPTTF distributions.

BB:te

**Attachments:**

Oversight Board Resolution No. OB 14-13  
Exhibit "A" Loan Amortization Schedule

RESOLUTION NO. OB 14-13

A RESOLUTION OF THE LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE LOAN AMORTIZATION SCHEDULE IN FULFILLMENT OF A PROMISSORY NOTE IN FAVOR OF THE CITY OF LANCASTER FOR CARDLOCK FUELS LEASE PAYMENTS FOR THE PERIOD JANUARY TO JUNE 2013 PURSUANT TO H & S CODE SECTION 34173(h) AND 34191.4(b)(2)

WHEREAS, pursuant to Health & Safety Code Section 34173(h) and 34191.4(b)(2), the City may loan funds to the Successor Agency for enforceable obligations; and

WHEREAS, pursuant to Health & Safety Code Section 34173(h), at its regular meeting of April 16, 2013, the Lancaster Successor Agency Oversight Board (Agency) approved Resolution No. OB 08-13 approving a promissory note accepting a loan from the City of Lancaster (City) up to a maximum \$775,000; and

WHEREAS, the Agency incurred enforceable obligations for Cardlock Fuels Lease Payments in the amount of \$700,534 for the period January to June 2013; and

WHEREAS, the City processed a loan to the Agency effective April 24, 2013 in the amount of \$523,491 and June 14, 2013 in the amount of \$177,043 to cover those expenses; and

WHEREAS, Health & Safety Code Section 34191.4(b)(2) states that interest on loans from the City shall be computed at the Local Agency Investment Fund (LAIF) rate; and

WHEREAS, the attached loan amortization schedule was developed utilizing estimates of future LAIF rates and the projected date the Agency will have the financial ability to repay the loan; and

WHEREAS, the Agency will reflect the loan on the Recognized Obligation Payment Schedule as an enforceable obligation.

NOW, THEREFORE, THE LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Lancaster Successor Agency Oversight Board hereby approves the attached Loan Amortization Schedule.

PASSED, APPROVED and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
GERI K. BRYAN, CMC  
City Clerk  
Lancaster, CA

\_\_\_\_\_  
ELIZABETH BRUBAKER  
Chair  
Lancaster Successor Agency Oversight Board

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) ss  
CITY OF LANCASTER            )

CERTIFICATION OF RESOLUTION  
LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster, CA,  
do hereby certify that this is a true and correct copy of the original Resolution No. OB 14-13, for  
which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this \_\_\_\_\_  
day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_

EXHIBIT "A"

City of Lancaster to Lancaster Successor Agency  
 Loan Amortization Schedule  
 Loan #3 - Cardlock Fuels Loan January - June 2013

App. Amount: 775,000.00  
 Actual Loan: 700,534.00

	Est. LAIF Rate	Interest	Repayment	Balance
6/30/2013				700,534.00
6/30/2014	0.35%	1,225.93		701,759.93
6/30/2015	0.41%	2,877.22		704,637.15
6/30/2016	1.00%	7,046.37		711,683.52
6/30/2017	1.10%	7,828.52		719,512.04
6/30/2018	1.25%	8,993.90		728,505.94
6/30/2019	1.50%	10,927.59		739,433.53
6/30/2020	2.00%	14,788.67		754,222.20
6/30/2021	2.00%	15,084.44		769,306.64
6/30/2022	3.00%	23,079.20		792,385.84
6/30/2023	3.50%	27,733.50		820,119.35
6/30/2024	3.50%	28,704.18		848,823.53
6/30/2025	3.50%	29,708.82		878,532.35
6/30/2026	4.00%	35,141.29		913,673.64
6/30/2027	4.00%	36,546.95		950,220.59
7/1/2027	4.00%	38,008.82	205,692.61	782,536.80
1/1/2028	4.00%	15,650.74	798,187.54	(0.00)

**STAFF REPORT**  
**Lancaster Successor Agency Oversight Board**

NB 2
07/16/13
MVB

Date: July 16, 2013

To: Chair Brubaker and Board Members

From: Barbara Boswell, Finance Director of the City of Lancaster

Subject: **Loan between the Lancaster Successor Agency and the City of Lancaster for Administrative Expenses and Enforceable Obligations for the Period July – December 2013**

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**Recommendation:**

Adopt **Resolution No. OB 15-13**, establishing the terms and conditions and authorizing the execution of a promissory note in favor of the City of Lancaster for the distribution of funds to the Lancaster Successor Agency for enforceable obligations and administrative expenses for the period July to December 2013 pursuant to H & S Code Section 34173(h).

**Fiscal Impact:**

The loan amount is not to exceed \$1,276,713 for enforceable obligations and \$391,052 for administrative allowance for the July to December 2013 period, as approved on the Recognized Obligation Payment Schedule approved by the Oversight Board and the Department of Finance. Only the amounts actually expended will be advanced to the Lancaster Successor Agency. Interest will accrue at a rate equivalent to the Local Agency Investment Fund (LAIF) rate.

**Background:**

AB1484, the Redevelopment Dissolution/Unwind Trailer Bill enacted as part of the state budget package on June 27, 2012, provides the ability for the City to make a loan to the Agency for administrative costs and enforceable obligations. The loan becomes an enforceable obligation of the Agency, and is to be included on the Recognized Obligation Payment Schedule for repayment through future property tax distributions.

June 2013 Redevelopment Property Tax Trust Fund distributions for obligations July through December 2013 were not sufficient to fund all the approved obligations and the administrative allowance for that same period.

The City of Lancaster and the Successor Agency have approved the appropriate resolutions at their regular meeting of June 25, 2013, authorizing the loans.

BB:te

**Attachments:**

Oversight Board Resolution No. OB 15-13  
Exhibit "A" Promissory Note

RESOLUTION NO. OB 15-13

A RESOLUTION OF THE LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD ESTABLISHING THE TERMS AND CONDITIONS AND AUTHORIZING THE EXECUTION OF A PROMISSORY NOTE IN FAVOR OF THE CITY OF LANCASTER FOR THE DISTRIBUTION OF FUNDS TO THE LANCASTER SUCCESSOR AGENCY FOR ENFORCEABLE OBLIGATIONS AND ADMINISTRATIVE EXPENSES FOR THE PERIOD JULY TO DECEMBER 2013 PURSUANT TO H & S CODE SECTION 34173(h)

WHEREAS, the Lancaster Successor Agency Oversight Board (Agency) adopted Resolution No. OB 05-13 approving the Recognized Obligation Payment Schedule for the period July to December 2013; and

WHEREAS, the Redevelopment Property Tax Trust Fund distribution was not sufficient to provide funds to pay the approved enforceable obligations and administrative allowance for the period July to December 31, 2013; and

WHEREAS, pursuant to Health & Safety Code Section 34173(h), the City of Lancaster (City) may loan funds to the Successor Agency for approved enforceable obligations and administrative allowance; and

WHEREAS, the City will advance up to \$1,667,765 (\$1,276,713 for enforceable obligations and \$391,052 for administrative allowance) for the period July to December 2013; and

WHEREAS, the Agency will reflect the loan on the Recognized Obligation Payment Schedule as an enforceable obligation; and

WHEREAS, the Agency and City desire to formalize this debt obligation of the Agency for enforceable obligations and administrative allowance of the Agency during the period July to December 2013; and

WHEREAS, the Agency and City have considered a corresponding action with the adoption of resolutions setting forth the terms and conditions of a Promissory Note (as shown on Exhibit A) in an amount sufficient to cover such expense, up to \$1,667,765 (\$1,276,713 for enforceable obligations and \$391,052 for administrative allowance), including authorization to the City Manager to execute said Promissory Note; and

WHEREAS, interest shall accrue quarterly on the outstanding amount at the corresponding quarterly Local Agency Investment Fund Rate (LAIF).

NOW, THEREFORE, THE LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Lancaster Successor Agency Oversight Board hereby authorizes and directs the execution of the Promissory Note and to take whatever actions are required pursuant to the corresponding Agency and City Resolutions.

PASSED, APPROVED and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2013, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

\_\_\_\_\_  
GERI K. BRYAN, CMC  
City Clerk  
Lancaster, CA

\_\_\_\_\_  
ELIZABETH BRUBAKER  
Chair  
Lancaster Successor Agency Oversight Board

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) ss  
CITY OF LANCASTER            )

CERTIFICATION OF RESOLUTION  
LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original Resolution No. OB 15-13, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

\_\_\_\_\_



EXHIBIT "A"

PROMISSORY NOTE

Amount  
\$1,667,765

Lancaster, California  
July 16, 2013

1. Promise to Pay. The Lancaster Successor Agency ("Agency"), existing under the laws of the State of California, for value received, hereby promises to pay to the order of the City of Lancaster, a public body, corporate and politic, duly organized and existing under the laws of the State of California ("City"), the principal due pursuant to the terms of this Note. This Note is being executed to evidence the monetary obligations of the Agency to the City arising from the approved Recognized Obligation Payment Schedule for enforceable obligations and administrative allowance for the period July to December 2013. The principal balance hereof, from time to time outstanding, shall equal the amount advanced after presentation of evidence of expenses incurred by the Agency, but in no event shall the obligations of the Agency hereunder exceed the sum of One Million Six Hundred Sixty Seven Thousand Seven Hundred Sixty Five Dollars and no cents (\$1,667,765).

2. Interest Rate. Interest rate shall be charged by City for this Note equal to the amount of interest the City would have otherwise received by depositing these funds with the State of California Local Agency Investment Fund ("LAIF") accrued quarterly.

3. Principal and Interest Payments. The outstanding amount of the note shall become an enforceable obligation of the Agency and listed on the Recognized Obligation Payment Schedule until the principal and interest amounts have been paid in full.

4. Application of Payments. Both principal and interest hereof are payable in lawful money of the United States of America.

IN WITNESS WHEREOF, the parties hereto have executed this Promissory Note as of the date first set forth in this Promissory Note.

ATTEST: CITY OF LANCASTER

By: \_\_\_\_\_ By: \_\_\_\_\_  
City Clerk City Manager

ATTEST: LANCASTER SUCCESSOR AGENCY

By: \_\_\_\_\_ By: \_\_\_\_\_  
City Clerk City Manager

**STAFF REPORT**  
**Lancaster Successor Agency Oversight Board**

NB 3
07/16/13
MVB

Date: July 16, 2013  
To: Chair Brubaker and Board Members  
From: Barbara Boswell, Finance Director of the City of Lancaster  
Subject: **Long Range Property Management Plan**

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**Recommendation:**

Receive Long Range Property Management Plan and direct staff to bring back to August 20, 2013 Oversight Board meeting for approval.

**Fiscal Impact:**

There is no fiscal impact of this item.

**Background:**

AB1484, the Redevelopment Dissolution/Unwind Trailer Bill enacted as part of the state budget package on June 27, 2012, provides the requirement for successor agencies to develop a Long Range Property Management Plan (PMP) that provides an inventory listing of properties owned by the former redevelopment agency that were not transferred to the Housing Authority. Included in the PMP is the recommended disposition plan for each property.

The PMP was prepared in accordance with the applicable legislation and is being provided to the Oversight Board for review prior to approval at its meeting on August 20, 2013.

BB:te

**STAFF REPORT**  
**Lancaster Successor Agency Oversight Board**

NB 4
07/16/13
MVB

Date: July 16, 2013

To: Chair Brubaker and Board Members

From: Barbara Boswell, Finance Director of the City of Lancaster

Subject: **Receive Report on Potential Former Redevelopment Agency Bond Refunding**

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**Recommendation:**

Receive report on potential former Redevelopment Agency bond refunding.

**Fiscal Impact:**

There is no fiscal impact of this item.

**Background:**

The former Lancaster Redevelopment Agency had issued bonds for projects for redevelopment purposes. The principal and interest payments on the bonds are enforceable obligations of the Successor agency, to be paid from Redevelopment Agency Property Tax Trust Funds (RPTTF). The enforceable obligations have exceeded the amount of RPTTF funds available resulting in a need to draw funds from available reserves.

This is not a situation that is unique to Lancaster, and as a result, Los Angeles County is offering a program to eligible agencies to refund certain outstanding bond issues to reduce the annual debt service payments. A webinar on the subject was held on May 30, 2013, which staff participated in.

In response to the program offered by L. A. County staff has evaluated the program as well as the option of refunding eligible debt separate from the County. Based on that evaluation there are two housing bond issues that are eligible for refunding, which could result in approximately \$95,000 per year in savings. We do not believe it is in the Agency's best interest to participate in the County program at this time. If the Oversight Board desires to further pursue refunding of eligible bonds the Successor Agency will begin the proceedings for issuance of Refunding Bonds and bring it back for Oversight Board approval at the appropriate time.

BB:te