



44933 Fern Avenue, Lancaster, CA 93534
Chair Elizabeth Brubaker, Vice Chairman Dr. David Vierra,
Board Member Edward Knudson, 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

March 17, 2015

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, March 13, 2015
at the entrance to the Lancaster City Hall Council Chambers.

CALL TO ORDER

ROLL CALL

Board Members: Knudson, 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, MARCH 17, 2015**

MINUTES

M 1. Adopt **Resolution No. OB 06-15**, approving the Lancaster Successor Agency Oversight Board Regular Meeting minutes of February 17, 2015.

NEW BUSINESS

NB 1. Loan between the Lancaster Successor Agency and the City of Lancaster for Administrative Expenses and Enforceable Obligations for the period January to June 2015 and related Amortization Schedule

Recommendations:

- a. Adopt **Resolution No. OB 07-15**, 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 January to June 2015 pursuant to H & S Code Section 34173(h).
- b. Adopt **Resolution No. OB 08-15**, approving the loan amortization schedule in fulfillment of the promissory note in favor of the City of Lancaster for enforceable obligations and administrative expenses for the period January to June 2015, pursuant to H & S Code Section 34173(h) and 34191.4(b)(2).

NB 2. Repayment Schedule for Loans between the Lancaster Successor Agency and the Low-Moderate Income Housing Asset Fund (LMIHAF)

Recommendation:

Adopt **Resolution No. OB 09-15**, approving a loan repayment schedule in fulfillment of Educational Revenue Augmentation Fund (ERAF) and Supplemental Educational Revenue Augmentation Fund (SERAF) loans in favor of the Low-Moderate Income Housing Asset Fund (LMIHAF).

NB 3. Update Regarding Governor's Budget Proposal Affecting Redevelopment Dissolution

Recommendation:

Receive update regarding the Governor's budget proposal affecting redevelopment dissolution

EXECUTIVE DIRECTOR ANNOUNCEMENT

CITY CLERK ANNOUNCEMENT

**LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD
REGULAR MEETING AGENDA
TUESDAY, MARCH 17, 2015**

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, April 21, 2015 - 4:00 p.m.

MEETING ASSISTANCE INFORMATION

In compliance with the Americans with Disabilities Act, this meeting will be held at a location accessible to persons with disabilities; if you need special assistance to participate in this meeting, please contact the City Clerk 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. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting/event you wish to attend. Due to difficulties in securing sign language interpreters, five or more business days notice is strongly recommended. For additional information, please contact the City Clerk at (661)723-6020.

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.

All documents available for public review are on file with the City Clerk Department.

M 1
03/17/15
MVB

**LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD
MEETING MINUTES
February 17, 2015**

CALL TO ORDER

Chair Brubaker called the meeting to order at 4:00 p.m.

ROLL CALL

PRESENT: Board Members Knudson, Levin, Vose, Walker, Vice Chair Vierra, Chair Brubaker

ABSENT: Board Member Smith

STAFF

MEMBERS: Executive Director; Assistant to the City Manager; Economic Development Director; Assistant Finance Director; City Clerk

PLEDGE OF ALLEGIANCE

Board Member Vose

AGENDA ITEMS TO BE REMOVED

None

M 1. MINUTES

On a motion by Vice Chair Vierra and seconded by Board Member Knudson, the Lancaster Successor Agency Oversight Board adopted **Resolution No. OB 01-15**, approving the Lancaster Successor Agency Oversight Board Special Meeting minutes of October 29, 2014, by the following vote: 6-0-0-1; **AYES:** Knudson, Levin, Vose, Walker, Vierra, Brubaker; **NOES:** None; **ABSTAIN:** None; **ABSENT:** Smith

NB 1. Recognized Obligation Payment Schedule for the Period July 1 to December 31, 2015

The Assistant Finance Director presented the staff report regarding this matter.

On a motion by Board Member Levin and seconded by Board Member Walker, the Lancaster Successor Agency Oversight Board adopted **Resolution No. OB 02-15**, approving the Recognized Obligation Payment Schedule for the period July 1 to December 31, 2015 by the following vote: 6-0-0-1; **AYES:** Knudson, Levin, Vose, Walker, Vierra, Brubaker; **NOES:** None; **ABSTAIN:** None; **ABSENT:** Smith

LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD
MEETING MINUTES
FEBRUARY 17, 2015

NB 2. Successor Agency Administrative Budget for the Period July 1 to December 31, 2015

The Assistant Finance Director presented the staff report regarding this matter.

Discussion among the Board and staff included clarification regarding the Auto Mall and the Auto Mall display sign.

On a motion by Board Member Levin and seconded by Board Member Knudson, the Lancaster Successor Agency Oversight Board adopted **Resolution No. OB 03-15**, approving the Successor Agency Administrative Budget for the period of July 1 to December 31, 2015 as detailed in Attachment A by the following vote: 6-0-0-1; AYES: Knudson, Levin, Vose, Walker, Vierra, Brubaker; NOES: None; ABSTAIN: None; ABSENT: Smith

NB 3. Updated Amortization Schedules for loans between the City of Lancaster and the Lancaster Successor Agency

The Assistant Finance Director presented the staff report regarding this matter.

Discussion among the Board and staff included discussion of the use of the word ‘ability’ as opposed to the use of the word ‘authority’ in the Staff Report and discussion of the funding source for loans. Additional discussion took place regarding the purpose of the Cardlock Fuels loans and the funding to repay those loans.

On a motion by Board Member Vose and seconded by Board Member Walker, the Lancaster Successor Agency Oversight Board adopted **Resolution No. 04-15**, approving the loan amortization schedules in fulfillment of promissory notes in favor of the City of Lancaster for enforceable obligations and administrative expenses issued between December 2012 and June 2014, pursuant to Health & Safety Code Section 34173(h) and 34191.4(b)(2) by the following vote: 6-0-0-1; AYES: Knudson, Levin, Vose, Walker, Vierra, Brubaker; NOES: None; ABSTAIN: None; ABSENT: Smith

NB 4. Increase in the Other Funds used to pay enforceable obligations approved on ROPS 14-15A

The Assistant Finance Director presented the staff report regarding this matter.

Discussion among the Board and staff included clarification of this action as an ‘amendment’ to the 14-15A ROPS, this action provides for additional funds to pay enforceable obligations; this action does not amend the Redevelopment Property Tax Trust Fund amount.

On a motion by Board Member Levin and seconded by Board Member Walker, the Lancaster Successor Agency Oversight Board adopted **Resolution No. OB 05-15**, increasing the Other Funds used to pay enforceable obligations approved on ROPS 14-15A by the following vote: 6-0-0-1; AYES: Knudson, Levin, Vose, Walker, Vierra, Brubaker; NOES: None; ABSTAIN: None; ABSENT: Smith

LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD
MEETING MINUTES
FEBRUARY 17, 2015

EXECUTIVE DIRECTOR ANNOUNCEMENT

The Executive Director discussed the Governor's proposed budget and stated it may impact the 'Dissolution Act'; stated an overview may be provided at the next meeting of the Lancaster Successor Agency Oversight Board.

BOARD MEMBER COMMENTS

None

ADJOURNMENT

Chair Brubaker adjourned the meeting at 4:21 p.m. and stated the next regular meeting of the Lancaster Successor Agency Oversight Board will take place on Tuesday, March 17, 2015 at 4:00 p.m.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, CMC
City Clerk/Board Secretary
Lancaster, CA

ELIZABETH BRUBAKER
Chair
Lancaster Successor Agency Oversight Board

LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD
MEETING MINUTES
FEBRUARY 17, 2015

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 06-15

A RESOLUTION OF THE LANCASTER SUCCESSOR
AGENCY OVERSIGHT BOARD APPROVING THE
MEETING MINUTES OF FEBRUARY 17, 2015

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 February 17, 2015 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 _____, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, 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 06-15, 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
03/17/15
MVB

Date: March 17, 2015

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 January to June 2015 and Related Amortization Schedule**

Recommendations:

Adopt **Resolution No. OB 07-15**, 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 January to June 2015 pursuant to H & S Code Section 34173(h).

Adopt **Resolution No. OB 08-15**, approving the loan amortization schedule in fulfillment of the promissory note in favor of the City of Lancaster for enforceable obligations and administrative expenses for the period January to June 2015, pursuant to H & S Code Section 34173(h) and 34191.4(b)(2).

Fiscal Impact:

The loan amount is not to exceed \$483,280 for enforceable obligations and \$254,124 for administrative allowance for the January to June 2015 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.

Health and Safety Code Section 34191.4(b)(2) sets the interest rate equivalent to the Local Agency Investment Fund (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 property tax distributions.

Redevelopment Property Tax Trust Fund distributions received January 2, 2015, for obligations January to June 2015 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 considered and approved the appropriate resolutions at their regular meeting of February 24, 2015, authorizing the loan and approving the amortization schedule.

The amortization schedule was developed with estimated LAIF rates, and will return on an annual basis to reapprove the schedules and update the rates.

BB:jw

Attachments:

Resolution No. OB 07-15

Resolution No. OB 08-15

RESOLUTION NO. OB 07-15

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 JANUARY TO JUNE 2015 PURSUANT TO H & S CODE SECTION 34173(h)

WHEREAS, the Lancaster Successor Agency Oversight Board (Agency) adopted Resolution OB 17-14 approving the Recognized Obligation Payment Schedule for the period January 1, 2015 to June 30, 2015; and

WHEREAS, the Redevelopment Property Tax Trust Fund distribution was not sufficient to provide funds to pay the approved the enforceable obligations and administrative allowance for the period January 1, 2015 to June 30, 2015; 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 \$737,404 (\$483,280 for enforceable obligations and \$254,124 for administrative allowance) for the period January to June 2015; 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 January to June 2015; 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 \$737,404 (\$483,280 for enforceable obligations and \$254,124 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 _____, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, CMC
City Clerk
City of Lancaster

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, California, do hereby certify that this is a true and correct copy of the original
Resolution No. OB 07-15, 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
\$737,404

Lancaster, California
February 24, 2015

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 January to June 2015. 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 Seven Hundred Thirty-Seven Thousand Four Hundred Four Dollars and no cents (\$737,404).
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").
3. Principal and Interest Payments. The outstanding amount of the note shall become and 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: 
City Clerk

By: 
City Manager

ATTEST:

LANCASTER SUCCESSOR AGENCY

By: 
City Clerk/Agency Secretary

By: 
Executive Director

RESOLUTION NO. OB 08-15

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 ENFORCEABLE OBLIGATIONS AND ADMINISTRATIVE EXPENSES FOR THE PERIOD JANUARY TO JUNE 2015 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 February 24, 2015, the Lancaster Successor Agency (Agency) approved Resolution SA 04-15 approving a promissory note accepting a loan from the City of Lancaster (City) up to a maximum \$737,404 (\$483,280 for enforceable obligations and \$254,124 for administrative expenses); and

WHEREAS, the Agency will incur these expenses for the period January to June 2015; and

WHEREAS, the City will advance funds to the Agency effective June 30, 2015 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 schedules were developed utilizing estimates of future LAIF rates and the projected dates the Agency will have the financial ability to repay the loan; and

WHEREAS, the Agency will reflect the loans 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 Schedules.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, CMC
City Clerk
City of Lancaster

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, California, do hereby certify that this is a true and correct copy of the original Resolution No. OB 08-15, 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)

City of Lancaster to Lancaster Successor Agency
 Loan Amortization Schedule

Loan #8 - Admin Exp Loan Jan-June 2015

App. Amount: 254,124.00

Actual Loan:

	Est. LAIF Rate	Interest	Repayment	Balance
6/29/2011				254,124.00
9/29/2011 *	0.45%	285.89		254,409.89
12/30/2011 *	0.50%	318.01		254,727.90
3/30/2012 *	0.55%	350.25		255,078.15
6/29/2012 *	0.55%	350.73		255,428.89
6/30/2012		0.00	(255,428.89)	0.00

* Interest Rate Estimated

City of Lancaster to Lancaster Successor Agency
 Loan Amortization Schedule

Loan #9 - Cardlock Lease Loan Jan-June 2015

App. Amount: 483,280.00

Actual Loan:

	Est. LAIF Rate	Interest	Repayment	Balance
6/29/2011				483,280.00
9/29/2011 *	0.45%	543.69		483,823.69
12/30/2011 *	0.50%	604.78		484,428.47
3/30/2012 *	0.55%	666.09		485,094.56
6/29/2012 *	0.55%	667.01		485,761.56
6/30/2012		0.00	(485,761.56)	0.00

* Interest Rate Estimated

STAFF REPORT
Lancaster Successor Agency Oversight Board

NB 2
03/17/15
MVB

Date: March 17, 2015

To: Chair Brubaker and Board Members

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

Subject: **Repayment Schedule for Loans between the Lancaster Successor Agency and the Low-Moderate Income Housing Asset Fund (LMIHAF)**

Recommendation:

Adopt **Resolution No. OB 09-15**, approving a loan repayment schedule in fulfillment of Educational Revenue Augmentation Fund (ERAF) and Supplemental Educational Revenue Augmentation Fund (SERAF) loans in favor of the Low-Moderate Income Housing Asset Fund (LMIHAF).

Fiscal Impact:

\$20,689,381 is outstanding in ERAF & SERAF loans between the Successor Agency of the former Lancaster Redevelopment Agency and the Low-Moderate Income Housing Asset Fund. It is anticipated the Successor Agency will begin making payments towards these loans in the Recognized Obligation Payment Schedule (ROPS) 15-16A period.

Background:

Pursuant to Health & Safety Code Section 34176 (a) (2), the Low-Moderate Income Housing Asset Fund (LMIHAF) received assets of the former Lancaster Redevelopment Agency Low and Moderate Income Housing Fund upon the Department of Finance's (DOF's) approval of the Housing Asset List (HAT). DOF approved Lancaster's HAT on March 2, 2013, thereby transferring all assets to the LMIHAF.

Included in the assets transferred were six ERAF & SERAF loans made between fiscal years 02-03 and 10-11 (Attachment B). It is expected that beginning with ROPS 15-16A, the Successor Agency will have sufficient Redevelopment Property Tax Trust Fund (RPTTF) to begin repayment of these loans.

Health & Safety Code Section 34171 (d) (1) (G) stipulates that in order for the loans to be enforceable obligations, the Oversight Board must approve the repayment schedule. The attached repayment schedule (Attachment A) reflects the projected repayment dates.

Attachments:

Resolution No. OB 09-15

RESOLUTION NO. OB 09-15

A RESOLUTION OF THE LANCASTER SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING A LOAN REPAYMENT SCHEDULE IN FULFILLMENT OF EDUCATIONAL REVENUE AUGMENTATION FUND (ERAF) AND SUPPLEMENTAL EDUCATIONAL REVENUE AUGMENTATION FUND (SERAF) LOANS IN FAVOR OF THE LOW-MODERATE INCOME HOUSING ASSET FUND (LMIHAF)

WHEREAS, pursuant to Health & Safety Code Section 34176 (a) (2), the Low-Moderate Income Housing Asset Fund (LMIHAF) received assets of the former Lancaster Redevelopment Agency Low and Moderate Income Housing Fund, as listed on the Department of Finance Housing Asset List; and

WHEREAS, on March 2, 2013 the Department of Finance approved said Housing Asset List; and

WHEREAS, Exhibit G of the Department of Finance Housing Asset List (Attachment B) detailed six Educational Revenue Augmentation Fund (ERAF) and Supplemental Educational Revenue Augmentation Fund (SERAF) loans; and

WHEREAS, Health & Safety Code Section 34171 (d) (1) (G) stipulates that in order for the ERAF and SERAF loans to become enforceable obligations, the Oversight Board must approve the repayment plan; and

WHEREAS, the attached loan repayment schedule (Attachment A) was developed utilizing estimates of projected dates the Agency will have the financial ability to repay the loans; and

WHEREAS, the Agency will reflect the loans on the Recognized Obligation Payment Schedule as enforceable obligations.

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

Section 1. The Lancaster Successor Agency Oversight Board hereby approves the Repayment Schedule for the ERAF and SERAF Loans between the Low-Moderate Income Housing Asset Fund and the Lancaster Successor Agency (Attachment A).

PASSED, APPROVED and ADOPTED this _____ day of _____, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, CMC
City Clerk
City of Lancaster

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, California, do hereby certify that this is a true and correct copy of the original Resolution No. OB 09-15, 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 G - Deferrals

City of Lancaster
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Purpose for which funds were deferred	Fiscal year in which funds were deferred	Amount deferred	Interest rate at which funds were to be repaid	Current amount owed	Date upon which funds were to be repaid
1	Debt Service	FY 07-08	389,196.00	0%	389,196.00	not specified
2	ERAF Loan	FY 02-03	607,082.00	0%	300,000.00	FY 12-13
3	Loan to ED	FY 02-03	1,795,545.00	0%	1,795,545.00	FY 12-13
4	ERAF Loan	FY 03-04	1,051,846.00	0%	525,923.00	FY 13-14
5	ERAF Loan	FY 04-05	2,142,742.00	0%	2,042,742.00	FY 14-15
6	ERAF Loan	FY 05-06	2,135,928.73	0%	2,042,000.00	FY 15-16
7	Loan to ED	FY 05-06	1,818,189.00	0%	1,818,189.00	FY 15-16
8	SERAF Loan	FY 09-10	12,179,911.00	0%	12,179,911.00	FY 2014-2015
9	SERAF Loan	FY 10-11	3,598,805.16	0%	3,598,805.16	FY 2015-2016
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						