

Redevelopment Agency Meeting of  
August 23, 2011

**SUPPLEMENTAL MATERIAL #1  
TO AGENCY AGENDA ITEM 4A**

Honorable Mayor and Members  
of the Torrance Redevelopment Agency  
City Hall  
Torrance, California

Members of the Redevelopment Agency:

**SUBJECT: SUPPLEMENTAL MATERIAL #1 TO AGENCY AGENDA ITEM 4A**

Since the staff report for Item 4A was published, additional clarification has become available on the legal matters concerning ABX1-26, ABX1-27, and the Enforceable Obligations Payment Schedule (EOPS).

Although mandated by the State, payments for ABX1-27 are to be remitted to the County Auditor-Controller for the benefit of various local agencies, and not the State as mentioned in the item. In addition, Redevelopment agencies have until October 1, 2011 (not November 11<sup>th</sup>) to enact the compliance ordinance required by the "Voluntary" Alternative Redevelopment Program (VARP). Torrance has already adopted a compliance ordinance which allows the Agency to remain in existence for the duration of its Redevelopment Plan(s), provided that payments are remitted to the County Auditor-Controller on an annual basis. The first year's payment may be made from Housing Set-Aside funds, however, subsequent remittance payments may not be made from the Housing Set-Aside.

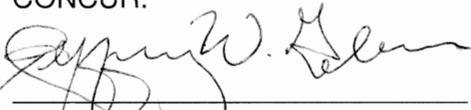
The purpose of the EOPS is to list any and all debts, contract agreements, or obligations that are necessary for the continued operation of the Agency. Although administrative costs may currently be a part of an agency's adopted budget, these costs do not necessarily classify as an "enforceable obligation" under ABX1-26, however, they must be listed if we wish them to be considered. The California Supreme Court has also provided further clarification stating that all agencies must adopt an EOPS, regardless of whether or not it intends to move forward with ABX1-27.

Staff continues to recommend that the Agency adopt the Enforceable Obligations Payment Schedule with the above information factored into consideration.

Respectfully submitted,

Jeffery W. Gibson  
Deputy Executive Director

CONCUR:

  
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Jeffery W. Gibson  
Deputy Executive Director

  
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LeRoy J. Jackson  
Executive Director

By

  
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Gregg D. Lodan, AICP  
Planning Manager