NOTICE

COMPTON CITY COUNCIL
AGENDA
Tuesday, June 10, 2014
5:45 PM

HEARING(S)

OPENING

MOMENT OF SILENCE

ROLL CALL

INTRODUCTION OF SPECIAL GUESTS

COMMENDATORY RESOLUTIONS/PRESENTATIONS

1. CERTIFICATE PRESENTATION - "Compton SEED Program Graduate Students" Requested by Mayor Aja Brown

2. PRESENTATION - 2014 Compton Academic Achievement Scholarship Award (Councilmember Jones)

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

CONSENT AGENDA

Consent items are routine and expected to be non-controversial. They will be acted upon by the Council at one time without discussion unless a Council Member requests an item be removed or discussed.

APPROVAL OF MINUTES

3. MAY 6, 2014
   MAY 13, 2014

REPORTS OF OFFICERS AND COMMISSIONS

CITY MANAGER/CITY ATTORNEY/CITY TREASURER REPORTS

4. CITY TREASURER'S INVESTMENT REPORTS - March 2014 and April 2014 (Receive/File)

END CONSENT AGENDA

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES AND CITY COUNCIL

CITY MANAGER'S REPORT

5. REPORT/REQUEST - RECEIVE AND FILE "CITY OF COMPTON ANNEXATION FISCAL ANALYSIS" REPORT ON ANNEXATION OF SPHERE OF INFLUENCE AREAS IN UNINCORPORATED TERRITORIES KNOWN AS "EAST COMPTON COUNTY ISLANDS" AND "RANCHO DOMINGUEZ" PREPARED BY CIVIC SOLUTIONS, INC. (APRIL 13, 2014) AND PROVIDE DIRECTION TO STAFF

6. REQUEST TO SCHEDULE A COUNCIL WORKSHOP: ESTABLISHMENT OF A CITY POLICY GOVERNING DISTRIBUTION OF COMPLIMENTARY TICKETS AND PASSES.

   Proposed Workshop Date: Tuesday, July 1, 2014 @3:40 p.m.

CITY ATTORNEY'S REPORTS

UNFINISHED BUSINESS

NEW BUSINESS

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING A POLICY GOVERNING THE NAMING OF CITY OWNED FACILITIES AND LAND

8. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE CITY OF DOWNEY FOR FIRE AND EMERGENCY MEDICAL DISPATCHING SERVICES

9. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING CERTAIN CITY VEHICLES AS SURPLUS PROPERTY AND AUTHORIZING THE SALE OF SAID VEHICLES

10. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON, ACTING IN THE CAPACITY OF HOUSING SUCCESSOR ACCEPTING THE TRANSFER OF HOUSING ASSETS FROM THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY

11. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT FOR THE SECOND SUPERVISORIAL DISTRICT PROPOSITION A GRANT FUNDING AND APPROVES THE CAMPFIRE GIRLS REGIONAL ACTIVITY CENTER PROPERTY ACQUISITION

APPROVAL OF WARRANTS

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: Tuesday, June 17, 2014 @ 3:30 PM.

Visit our website at http://www.comptoncity.org

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#3.

MAY 6, 2014

The City Council meeting was called to order at 3:54 p.m. in the Council Chambers of City Hall by Mayor Aja Brown.

ROLL CALL

Council Members Present: **Zurita, Galvan, Arceneaux, Jones, Brown**
Council Members Absent: **None**

Other Officials Present: **C. Cornwell, A. Godwin, G. H. Duffey**

COMMENDATORY RESOLUTIONS/PRESENTATIONS

1. **PROCLAMATION PRESENTATION** - Celebrating First United Methodist Church 146th Church Anniversary - Pastor Fredrick Johnson - Mayor Aja Brown (Presentation made)

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Robert Ray, Compton resident, referenced the statements made by Mayor Brown and Lorraine Cervantes regarding the lack of no smoking signs posted within 25 feet of the entrance of public buildings. He maintained that there were no signs posted anywhere around City Hall and that there are ashtrays in front of the entry ways. Mr. Ray further warned the City Council to remember the city manager implements policy and that absolute power corrupts absolutely.

Gerard Wright, Move L.A. policy analyst, thanked Mayor Brown for speaking at the transportation conference held last month and extended a letter of support for a transportation bond program in the City of Compton.

Mike Madani, Compton resident, advised the City Council to host more events like the Cinco De Mayo Celebration in an effort to reach the people and increase voter turnout.

Roland Coleman, General Counsel for Community Career Development, announced the Careerlink's efforts to reduce the City of Compton's unemployment rate through collaborative partnerships with the City and employment programs at 2909 East Pacific Commerce Drive.

Charles Strickland, Compton resident, recognized the various elected officials in attendance during the Cinco De Mayo Celebration held at Wilson Park. He also thanked the City Council for their concerns regarding the recent flight crisis that unfolded in the community.

Mayor Brown acknowledged Cassie Burns from Senator Roderick Wright's Office; Miranda Hues from the Office of Assemblyman Isadore Hall III; Marjorie Shipp, representative of the Compton Chamber of Commerce; Lorraine Cervantes, former Compton College Community District Board of Trustees member; and Barbara Calhoun, former councilperson.

Michael Turner, Compton resident, notified the City Council of a citizen's complaint regarding an increase in her water bill. He went on to inquire about the facilities at the Metrorail Artesia Station and whether or not the City has any control over its maintenance and operations which would allow patrons access to the Gateway Towne Center and Crystal Casino & Hotel. He also inquired about the City Manager's proposal to sell properties located at: 600 North Alameda, Dollarhide Neighborhood Center building and the police station.

Mayor Brown stated that she was unaware of those properties being up for sale and that she would ask that question at the end of public comments.

#3.

Joyce Kelly, Compton resident, requested additional time to pray during the Moment of Silence ceremony which is in accordance to the Supreme Court's judgment for prayer in local government. She acknowledged that some potholes have been repaired and some trees have been trimmed because elected officials are running for office but that the citizens are still awaiting the City Manager's plan for the City. She went on to ask the City Manager to address whether or not he intends to sell City-owned properties and if the reserves account is the same account as the rainy day fund.

Maria Villa Real, Compton resident and president of the Latino Chamber of Commerce, petitioned Mayor Brown and the City Manager to stop people from slandering her name at the podium and announced that she would take action against Ms. Cervantes and Mr. Madani for disrespecting her and her family.

Emilia Epijo, Compton resident (statements translated from Spanish), mentioned her son's passing six months ago and that this is the third time she has come before this City Council for help. She maintained that her son was bullied at Compton High School and that she has not received any help from the City, as promised. She mentioned the reward offered by the City of Compton in the death of another individual but she has yet to receive any offers for help.

Mayor Brown informed Ms. Epijo that the City of Compton has no direct jurisdiction over the Compton Unified School District; and that through the taskforce anti-bullying campaigns will be implemented at the beginning of the school year.

Lorraine Cervantes, Compton resident, invited the residents to participate in the Compton Chamber of Commerce Candidate's Forum to be held Thursday, May 15, 2014 at 6 p.m. in the Council Chambers. For more information regarding this event, please call the Chamber office at (310) 631-8611 or (310) 631-6762. Ms. Cervantes also asked that the meeting be adjourned in memory of VFW Post 5394 Fourth District Commander Benny London Jr.

Lynn Boone, Compton resident, referenced Item No. 4 on the agenda and asked if City employees were trained to be a part of the audit team, if the City received documentation from MuniServices validating their service performance to initiate an extension on their contract, what will the City receive after the 35-40% and if revenues are received what are the account numbers. In addition, Ms. Boone requested the study that justifies the need for the two positions requested as per Item No. 5, and if the existing Maintenance Worker II and Assistant Electrician will be allowed a reasonable time to train for the additional requirements. Furthermore, she questioned if it is legal for the Assistant City Manager to sign-off on items as both the department manager and assistant city manager.

3:45 P.M. WORKSHOP ON THE AGENDA PROCESS

City Attorney Cornwell and **City Clerk Godwin** explained the process and procedures for which the council agenda is prepared in accordance to Compton Municipal Code Section 2-1.9 "Agenda Preparation Procedure."

Councilperson Zurita expressed concerns for how the process is administered and followed to ensure agenda items are lawfully presented to the City Council.

City Attorney Cornwell informed Councilperson Zurita that the sign-off process on agenda items depend on the issue and turn-around speed.

Mayor Brown proposed a strict adherence to the agenda two-week process and that any requirements for legal notices be vetted through the City Attorney's Office.

Councilperson Zurita suggested that all items go before the City Attorney's Office to ensure they are legal and rightfully processed.

Councilperson Arceneaux requested the checks and balances in place for department heads submitting items to be posted on the agenda, for example the issue concerning the Local Housing Authority public noticing period for the HUD Annual Action Plan.

City Manager Duffey answered that the department head is ultimately responsible for ensuring the right checks and balances, however in this particular case, the instructions within the document indicated the timeframe required. In addition to that, as the staff person previously indicated, they had submitted the document in the past in the same manner and HUD accepted it.

Councilperson Zurita proposed that all items requiring a timeframe for posting include that information in the background documentation.

Mayor Brown agreed with Councilperson Zurita and asked that the City systematically plan for and manage agenda items that routinely come before the City Council.

CONSENT AGENDA

APPROVAL OF MINUTES

2. APRIL 15, 2014 (**Approved**)

CITY MANAGER/CITY ATTORNEY/CITY TREASURER REPORTS

3. CLAIMS AGAINST THE CITY:
   Jolene R. Hollis v. City - I-8632/LI0000321A
   Sheila Chubbs v. City - I-8649/LI0000337A
   Theresa Moe v. City - I-8651/LI0000339A
   Andrea Jones v. City - I-8654/LI0000341A
   Darrell Starr v. City - I-8656/LI0000343A
   Elese Starr v. City - I-8659/LI0000346
   (All Claims Denied)

CITY MANAGER

4. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING A SECOND AMENDMENT TO THE LOCAL TAX COMPLIANCE SERVICES (BUSINESS LICENSE FEE AUDIT, BILLBOARD AND CARD CLUB REVENUE AUDIT SERVICES) AGREEMENT WITH MUNISERVICES, LLC TO EXTEND THE TERM OF THE AGREEMENT FOR A PERIOD OF TWELVE (12) MONTHS **(Resolution #23,940)**

HUMAN RESOURCES

5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING AN AMENDMENT TO THE POSITION CLASSIFICATION PLAN BY ADDING TRAFFIC SIGNAL TECHNICIAN AND WASTEWATER TECHNICIAN CLASSIFICATION **(Resolution #23,941)**

PUBLIC WORKS-ENGINEERING

6. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO EXECUTE A SECOND AMENDMENT TO THE AGREEMENT AND ISSUE A PURCHASE ORDER TO GK & ASSOCIATES FOR PROVISION OF CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE TRAFFIC SIGNAL UPGRADE PROJECT (CIP# 06-06C AND CIP# 06-06R) **(Resolution #23,942)**

PUBLIC WORKS-MAINTENANCE

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO SOUTHERN CALIFORNIA EDISON FOR OPERATIONAL USE OF THE WALTON AND MAYO SITES PURSUANT TO THE LICENSE AGREEMENT **(Resolution #23,943)**

#3.

END CONSENT AGENDA

REGULAR AGENDA

REPORTS OF OFFICERS, BOARDS, COMMISSIONS AND COMMITTEES AND CITY COUNCIL

8. APPOINTMENT(S) OF OFFICERS, COUNCIL MEMBERS, BOARDS/COMMISSIONS AND COMMITTEES **(Reagendad to May 13, 2014)**

CITY MANAGER'S REPORTS

9. REQUEST TO SCHEDULE A PUBLIC HEARING FOR CONSIDERATION OF ESTABLISHING REVISED FEES TO ADD TWO NEW FEES FOR THE REVIEW AND PROCESSING OF DONATION BOXES

On motion by Zurita, seconded by Arceneaux, a public hearing was scheduled for May 20, 2014 at 3:15 p.m., by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - None

10. REQUEST TO SCHEDULE THE 2014 FIREWORKS HEARING

Councilperson Zurita recommended that the current process for selecting organizations to host fireworks stands be reconsidered and that it take into account the organization's service to the community.

City Clerk Godwin remarked that the municipal code requires organizations to submit receipts documenting their service to the community, council is given a copy of those receipts and if they determine that they are not giving back, they have the authority to deny the organization's second year.

Councilperson Zurita maintained her point of view with regard to the two-year lottery concept and added that in other cities, Safe 'N' Sane companies pay a percentage of the gross profits to the hosting city.

Councilperson Galvan further stated that he was told that it was illegal for the City of Compton to instruct a non-profit organization on how to spend their profits or to request their records; and asked that the City Attorney look into this issue. Mr. Galvan also stated that there are organizations that he would like to support through the issuance of fireworks stands.

Councilperson Jones asked if this process could be completed before the holidays.

City Attorney Cornwell explained that the municipal code could not be revised before the end of this fiscal year, but that it could be revised next year.

Councilperson Jones added that he hopes the revision includes no inference of preference in the revised process.

Mayor Brown agreed with Councilperson Jones and held that she believes the current lottery process was designed for that very purpose, that the process should remain ethical and should include more specific criteria that would allow certain non-profits additional seating.

Councilperson Arceneaux stated that she thought the City was moving towards a city-wide fireworks show.

City Clerk Godwin explained that the item was on the ballot and voted down which is why the lottery process has continued.

Councilperson Arceneaux proposed that the item be reconsidered in response to the dangerous and illegal fireworks used in the City of Compton on the Fourth of July.

***Councilperson Galvan exited the meeting at 5:43 p.m.**

Councilperson Zurita contended that the previous city-wide fireworks' shows were too costly and asked that the City Controller bring back a report on the cost to host a city-wide fireworks show in the City of Compton.

On motion by Arceneaux, seconded by Jones, a public hearing was scheduled for May 27, 2014 at 5:50 p.m., by the following vote on roll call:

AYES: Council Members - Zurita, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - Galvan

POWERPOINT PRESENTATION - TRANS INVITATION & RATINGS REINSTATEMENT PROCESS - Craig Walker, IFS Securities, Brandon Colmer, financial advisor (Non-agenda item)

Mayor Brown informed the City Council and members of the audience that this item was not on the agenda.

City Attorney Cornwell stated that the government code allows for a brief comment and response period on matters not agendaized, and that best practice moving forward is for presentations to be a part of the agenda process.

Councilperson Zurita stated that she was notified of their arrival and thought it would be the perfect opportunity for them to give a brief overview and presentation on the proposed TRANS lock box system.

Craig Walker, IFS Securities, invited the City of Compton to take advantage of another TRANS lock box scenario based upon their adherence to the recovery plan outlined in July 2013.

Mayor Brown inquired about a plan in place that does not include a TRANS lockbox scenario but will reinstate the City's ratings.

Mr. Walker replied that it is highly recommended that the City agree to the TRANS lockbox scenario every year unless the City is able to build up enough cash reserves to cover its shortfalls.

Brandon Colmer, Colmer Capital Group, briefly explained the details of the City's cash flow analysis and Colmer Capital Group's comprehensive approach to financing potential cash flow issues. Moreover, Mr. Colmer announced that the formal reinstatement process would begin once the 2011-12 audit is completed and also mentioned the factors and structural framework for the rating process.

Mayor Brown asked if the plan would include the $9M increase in debt service for fiscal year 2014-2015.

Mr. Walker replied affirmatively noting that the plan would also include tax allocation bond payments.

#3.

CITY ATTORNEY'S REPORTS

11. ACKNOWLEDGEMENT OF ROSECRANS ELEMENTARY FOURTH AND FIFTH GRADE STUDENTS

City Attorney Cornwell acknowledged these students and Principal Quarrels for their attentiveness during his "Anti-Bullying" presentation; and announced his availability to speak at other local schools.

CLOSED SESSION

12. CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION
Richards v. City of Compton, WCAB Case No. ADJ2410350
Ford v. City of Compton, WCAB Case Nos. ADJ7224748, ADJ7224688 and ADJ7382496
Anderson v. City of Compton, LASC No. TC027249
Bradford v. City of Compton, LASC No. TC026769
Pursuant to California Government Code Section 54956.9(a)

13. CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Property: 450 W. Raymond Street, Compton, California 90220
Negotiating parties: City Attorney
Under negotiation: Price and Terms
Pursuant to California Government Code Section 54956.8

On motion by Zurita, seconded by Arceneaux, the above closed sessions were approved, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - None

UNFINISHED BUSINESS -There was no Unfinished Business.

NEW BUSINESS

14. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, SUPPORTING UNITED STATES SENATE BILL 1697 (SB1697) - THE "STRONG START FOR AMERICA'S CHILDREN ACT"

On motion by Zurita, seconded by Arceneaux, **Resolution # 23,944** entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, SUPPORTING UNITED STATES SENATE BILL 1697 (SB1697) - THE "STRONG START FOR AMERICA'S CHILDREN ACT"** was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - None

15. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING AN AMENDMENT TO THE 2013-2014 FISCAL YEAR BUDGET TO TRANSFER FUNDS BETWEEN ACCOUNTS WITHIN THE CITY ATTORNEY'S OFFICE AND ISSUE A PURCHASE ORDER TO BEST BUY FOR THE PURCHASE OF COMPUTER EQUIPMENT

#3.

On motion by Arceneaux, seconded by Jones, **Resolution # 23,945** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING AN AMENDMENT TO THE 2013-2014 FISCAL YEAR BUDGET TO TRANSFER FUNDS BETWEEN ACCOUNTS WITHIN THE CITY ATTORNEY'S OFFICE AND ISSUE A PURCHASE ORDER TO BEST BUY FOR THE PURCHASE OF COMPUTER EQUIPMENT"** was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT: Council Members - None

16. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2013-2014 FISCAL YEAR BUDGET, ENTER INTO A CONTRACT AND ISSUE A PURCHASE ORDER TO JC ELECTRIC FOR THE CITY-WIDE CAMERA PROJECT

Councilperson Zurita thanked the City Attorney for helping to bring this project to fruition on behalf of the citizens of Compton.

On motion by Arceneaux, seconded by Zurita, **Resolution # 23,946** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2013-2014 FISCAL YEAR BUDGET, ENTER INTO A CONTRACT AND ISSUE A PURCHASE ORDER TO JC ELECTRIC FOR THE CITY-WIDE CAMERA PROJECT"** was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT: Council Members - None

17. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2013/14 FISCAL YEAR BUDGET EXPENDITURE APPROPRIATIONS BASED ON THE THIRD QUARTER BUDGET REVIEW

City Manager Duffey presented the City of Compton's Third Quarter Budget Review via Power Point presentation. A summary of actions taken follows:

- <u>First Quarter Report</u>
  - The Mayor and Council increased revenue expectations by $1.1M due to the assignment of the solid waste contract
  - The Mayor and Council reallocated $254K in General Fund salary savings for the first quarter
  - The Mayor and Council increased expenditure allocations by $644,288 to correct residual budget items, to address unforeseen liabilities, and to improve service levels and capacity for program delivery.

- <u>Second Quarter (Midyear) Report</u>
  - The Mayor and Council reconciled the budget imbalance (no General Fund impact) by reallocating salary savings of $912,266 to address:
    - A midyear overtime excess of $522,880 in the Fire Department.
    - First half CareerLink overage of $156,000
    - Augmentation of the second half overtime budget in the Fire Department
      totaling $203,386.
  - The Mayor and Council appropriated expenditures of $667,457 for:
    - Unanticipated liabilities ($410,857)
    - Service improvement and continuation ($169,000)
    - Employee Performance ($87,600)

#3.

The Third Quarter represents two thirds of the fiscal year and only a few minor adjustments are needed to insure the City's original budget objectives are achieved.

The third quarter results, based on actual information through March 31, 2014, allow the Mayor and Council to consider the City's financial position and to begin the process of identifying priorities and setting goals for the upcoming year.

At the end of the third quarter, the fiscal year is 75% complete, with General Fund revenues at 70% of the adjusted budget, and operating expenditures at 66% of adjusted budget. As is explained in the City Controller's Financial Report, 69% of the City's General Fund revenues are received in the second half of the fiscal year. So, although the General Fund is showing an operating deficit of approximately $800,000 at this time, the Controller is projecting a significant revenue inflow in May, thus assuring a balanced budget at the end of the fiscal year.

While the City ended the last fiscal year with a budget surplus and is projected to have a balanced budget this fiscal year, it is clear that the City remains in the financially vulnerable to nearly sustainable category. The City Manager's recommendations will continue to focus on moving the City towards true sustainability and planning for future liabilities. The report to the Council and budget recommendations made at the end of the first and second quarters discussed liabilities facing the City in the coming years. In summary, the key liabilities remain:

- $42M long term deficit requiring annual payments of $1.3M to $3.5M in coming years
- Lease Revenue Bond debt obligations shifting to the General Fund ($2.3M in coming year)
- End of $843K in annual employee cost savings (furloughs and other concessions)
- Total of these items in FY 2014/15 is projected at $4.4M

In addition to these known liabilities, the City is beginning renegotiation of all agreements with its employee labor groups. Given these liabilities of known and unknown amounts, the Council is advised to continue to take steps to address past deficit spending, further increase revenues, and control unnecessary expenditures in preparation for significant budget increases in Fiscal Year 2014/15 and future years.

A. Citywide Salary and Operational Savings

Due in large part to position vacancies and the lag in filling those vacancies, the organization realized citywide salary savings of $633,098 in the third quarter. The savings already accrued are available to offset the imbalances as discussed herein. Staff is recommending that a portion of those savings be applied to adjust the budgets of those departments in imbalance.

Amend the FY 13/14 department budgets to decrease appropriations and increase salary budgets as follows:

1) Fire Department Salaries and Overtime **($594,000.00)**

As indicated, the Fire Department has continued to exceed its overtime budget for the fiscal year. Staff recommends that this amount be absorbed from citywide salary savings and other organizational efficiencies. Again, while staff acknowledges the department's overtime was under budgeted, the City Manager's Office will be conducting a thorough analysis of salary and overtime costs for this department and will be reviewing fire operations best practices as this problem continues to plague fire departments nationwide.

2) General Services Salaries and Overtime **($199,000.00)**

Due to misallocations following organizational realignments, the General Services Department salary budgets appear in imbalance. Staff will continue to work with the Controller's Office to ensure expenditures are properly allocated. In the meantime, staff is recommending this adjustment to position the organization to begin budget preparation with a clear understanding of the status of each department's budget.

B. **Unanticipated Liabilities** - Legal Fees: One of the midyear budget adjustments authorized by the Mayor and Council was a General Fund expenditure of $202,400 for the special graffiti coating of new light poles to be installed by Southern California Edison. As was explained in that report, the intent was to reimburse the General Fund with Landscape and Lighting District funds at a later date. Since that time, staff has identified CDBG funds available for a portion ($100K) of this project.

Staff is recommending that the $100,000 of General Fund money now available due to the CDBG funding be moved to the City Attorney's budget for fees associated with Housing and Urban Development (HUD) compliance programs.

C. **Unanticipated Liabilities - Public Access Enhancement** With the upgrade of the SIRE Council Agenda Management System, there is a need to acquire sufficient licenses to support the effective use of the system. In addition, staff is recommending the acquisition of the software needed to enhance citizen access to their government through the livestreaming of City Council meetings on the Web. **$25,000**

The City Manager is recommending the budget amendments outlined above to ensure optimum service delivery and that the City achieves a balanced Fiscal Year 2013/14 budget.

FISCAL IMPACT

Given the already realized salary savings identified during the third quarter of this fiscal year, the City of Compton has a balanced budget and the recommendations for budget adjustments have no negative impact on the City's General Fund.

COUNCIL COMMENTS ON THE THIRD QUARTER BUDGET REVIEW

Mayor Brown requested the status of her request to place rainy day funds in a separate account.

Stephen Ajobiewe, City Controller, stated that as of today, a separate account for rainy day funds has not been established.

Mayor Brown maintained that she hopes the City Controller will ensure that the account is established for the next budget cycle per the recommendation of the City's independent financial advisor.

City Manager Duffey proposed that the budget public hearing be held on June 17, 2014.

Mayor Brown requested the number of days available to discuss the recommendations before the hearing. City Manager Duffey remarked that the preliminary budget will be available June 3, 2014 with workshops held on June 5th, 9th and 12th.

Mayor Brown recommended additional time to consider next year's budget in response to a citizen's statement indicating that the City Manager is proposing the sale of City-owned properties.

City Manager Duffey replied that the citizen was referring to this year's budget wherein he discussed the maintenance and operations of Dollarhide Neighborhood Center and 600 North Alameda of which he does not believe the City can afford to maintain. So therefore, the City must execute a plan to either lease, rent, or liquidate the assets.

#3.

Mayor Brown asked the City Controller if he has had any discussions with the City Manager regarding the sale of City-owned assets in order to meet next year's obligations.

City Controller Ajobiewe answered that he excluded the sale of City-owned assets from the 2014-15 revenue estimates which were proposed in the 2013-14 budget.

Mayor Brown asked the City Controller if he believes it is necessary to liquidate the City's assets in order for the City to meet its obligations from a revenue perspective.

City Controller Ajobiewe affirmed that it is something that he would have to consider.

City Manager Duffey asserted that there have been no conversations between himself and the City Controller to sell City-owned properties in order to balance the budget without the council being involved in terms of fiscal year 2014-2015.

Mayor Brown expressed extreme dissatisfaction with the City not having the capacity to develop the economic developments needed to address the revenues required to pay for next year's additional financial obligations.

Councilperson Zurita mentioned a report she received from the City Controller and the City Manager which indicated that they had no concerns regarding the City's ability to address the increase in obligations for fiscal year 2014-2015.

Mayor Brown upheld that she receives information from those individuals as well as from third party sources who indicate that there are outstanding issues related to: furloughs, park obligations, the City's liability fund and ten-year debt repayment schedule, lease revenue bonds, outstanding HUD issues, and Department of Finance matters.

Mayor Brown went on to request that a copy of the report mentioned by Councilperson Zurita be distributed to everyone on the City Council to ensure that everyone is on the same page; and maintained that her concern is to ensure the City is on schedule for preparing the 2014-2015 fiscal year budget.

City Manager Duffey conceded that there are a number of items that will be presented to the City Council moving forward in terms of revenue projections, but what is critical is to understand that every time he and City Controller discuss the City's finances it is being reviewed for the TRANS lockbox process.

Councilperson Galvan suggested the City Controller provide all council members with the same information in an effort to avoid confusion.

Mayor Brown articulated concerns for transparency and the maintenance of checks and balances.

Councilperson Galvan asked the City Manager to confirm whether or not the City will have a $600,000 surplus this year due to revenues received from parking violations.

City Manager Duffey replied affirmatively and noted that Building and Safety revenue has not been counted as part of the General Fund.

Mayor Brown asked the City Controller if a deficit is reflected in his financial analysis to the City Council. City Controller Ajobiewe replied affirmatively noting that he focused on revenues, expenditures, and the fiscal year surplus at the time of the report.

City Controller Ajobiewe clarified that information was given to each councilperson based on their request for fiscal years 2013-2014 and 2014-2015.

Mayor Brown requested a monthly report from the City Controller to be posted in the City Council agenda that includes a clear bullet list of the potential liabilities and projected revenues. In addition, she requested the City Manager provide a breakdown of the source of the $4.4M in the rainy day fund.

Councilperson Arceneaux asked the City Attorney if the $100,000 budget amendment is for litigation to reduce or eliminate the $2.7M HUD deficit.

City Attorney Cornwell remarked that the $100,000 is for actual attorney time, billing, and negotiations.

Councilperson Arceneaux requested the status of negotiations for the HUD deficit. City Attorney proposed a closed session to discuss that issue.

Councilperson Zurita maintained that she did not receive any special document from the City Controller, it was an email request for information to be placed on the City Controller's letterhead pertaining to fiscal year 2014-15.

Mayor Brown asked the City Controller to clarify.

City Controller Ajobiewe stated that the questions asked by Councilperson Zurita related to anticipated revenue sources for fiscal year 2014-15 which includes host fees, shopping plaza, property taxes, trash transfer station, and department revenues.

Mayor Brown asked the City Controller if the City has a transfer station. City Controller answered that the project is underway and should be completed during fiscal year 2014-2015.

Councilperson Galvan requested a report from the Successor Agency indicating the projects that are pending, how much money will be generated from each as well as some of the properties that are for sale.

Councilperson Arceneaux asked the City Controller if he has identified monies to cover the increase in budget obligations for fiscal year 2014-2015.

City Controller Ajobiewe answered that he has not totally identified funds to cover the increase in obligations for fiscal year 2014-15, his projections are based on current revenues received from various agencies, and that expenditures depend on the City Manager's priorities and projections.

Mayor Brown requested a copy of the City Controller's revenue projections for each of the council members so that they can compare it to the City Manager's revenue enhancements.

On motion by Zurita, seconded by Arceneaux, **Resolution # 23,947** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO AMEND THE 2013/14 FISCAL YEAR BUDGET EXPENDITURE APPROPRIATIONS BASED ON THE THIRD QUARTER BUDGET REVIEW"** was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT: Council Members - None

APPROVAL OF WARRANTS - There were no warrants to be approved.

COUNCIL COMMENTS

Councilperson Jones offered the following communications/announcements:

- Partnered with Father Francisco and Our Lady of Victory parish to celebrate Cinco De Mayo and heard remarks from the General Counsel of Mexico and Professor Tevares from California State University Dominguez Hills. Dr. JOnes also thanked the Mayor and City Council, staff and the City Attorney for their participation and contributions to the event.

#3.

- Recognized Dr. Willie J. Haygen, the new president of California State University Dominguez Hills.

- Attended Congresswoman Janice Hahn's Senior Briefing; California League of Cities presentation, Southern California Edison Lead Street Lighting Conversion program; and the grand opening celebration for the Compton Gateway Towne Center El Pollo Loco restaurant.

Meeting adjournments:
Benny London

VOTE TO EXTEND THE MEETING

On motion by Zurita, seconded by Arceneaux, to approve an extension of the meeting past the four-hour mark, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - None

Councilperson Arceneaux offered the following communications/announcements:

- Compton Creek Clean-up will be held May 18, 2014 from 1 p.m. to 4 p.m. at the Crystal Casino Hotel. Community service hours and raffle prizes will be given to volunteers that participate. To register or for more information please go to my.bigsunday.org.

- Friends of the L.A. River (FOLAR) is hosting the great river clean-up to be held Saturday, May 10, 2014 from 9 a.m. to 12 p.m. Volunteers are needed to help clean the creek behind the casino and are asked to meet at the Metro Blueline Station. For more information please go to www.folar.org.cleanup.

- Attended Congresswoman Janice Hahn's Senior Briefing wherein the congresswoman discussed President Obama's proposed allocation to rehabilitate streets and highways, job creation, affordable medical care, protecting seniors, ensuring access to prescription drugs, medical costs for women, mortality rates of breast cancer in African American women, incentives to hiring homeless veterans, and equal pay for equal work.

- Commented on the success of Tomorrow's Aeronautical Museum's Open House & Air Show and the Our Lady of Victory Cinco De Mayo Celebration.

- Directed the City Manager to bring back a report on the City's façade program.

Meeting adjournments:
Debbie Lee Mays
Catherine Hart

Councilperson Galvan offered the communications/announcements:

- Recognized everyone that contributed to the success of the Cinco De Mayo Celebration held at Wilson Park.

- Congratulated Compton's own Demar Derozan of the NBA Toronto Raptors for making it to the Playoffs.

- Announced the start of Wilson Park's 18-25 Men's basketball league Thursday, May 8, 2014 and proposed a study to determine whether or not the league will decrease the rate of crime in the City.

#3.

Councilperson Zurita offered the following communications/announcements:

- Notified the citizens that the camera project is underway.
- Attended the grand opening celebration for the El Pollo Loco restaurant in the Gateway Towne Center.
- Expressed her excitement for the completion of the second phase of the Gateway Towne Center and commended everyone responsible for making the shopping center possible.
- Encouraged the citizens to attend the First District Townhall meeting to be held Wednesday, May 21, 2014 from 6 p.m. to 7 p.m. at Gonzales Park.
- Announced that she would be co-hosting the Dollarhide Neighborhood Center's Mother's Day Luncheon to be held Friday, May 9, 2014 from 10 a.m. to 2 p.m.

Mayor Brown offered the following communications/announcements:

- Mentioned the success of the Compton Initiative Clean-up wherein Compton High School and 16 other residence properties were cleaned and painted by several volunteers.
- Attended the Compton Unified School District Arts and Aviation Career Expo held at Tomorrow's Aeronautical Museum.
- Announced Congresswoman Janice Hahn's unveiling of the resolution recognizing the alarming mortality rate of African American women with breast cancer during the 2014 National Minority Health Awareness Month Health Fair.
- Announced that she had the pleasure of being the keynote speaker at the 61st Annual NAACP Awards Dinner in Pittsburgh Pennsylvania.
- Recognized Prism Development Company for their investment in the City of Compton.
- Invited the Clergy to attend a meeting to address public safety and the formation of an ad-hoc advisory council for the Mayor's Office to be held Wednesday, May 7, 2014 in the Blue Room at 6 p.m.
- Community Policing Taskforce meeting will be held Thursday, May, 22, 2014
- Community Center grand opening will be held Saturday, May 31, 2014 from 11 a.m. to 2 p.m.
- Announced that she was approached by a well-known company to restore Jackie Robinson stadium and will bring back more information at a later date.

<u>Resident complaints</u>
Improve marketing of the Farmer's Market to residents
Republic Trash Company needs to pick up trash left behind after pick-up

- Y.A.L. Open House Summer Kick-Off Extravaganza will be held Saturday, June 14, 2014 from 11 a.m. to 4 p.m. located at 700 North Alameda Street. For more information please contact Sergeant Plair at (310) 605-6587.
- First United Methodist Church of Compton Unity Concert and Rally will be held May Saturday, 17, 2014 from 1 p.m. to 3 p.m. in association with the California Pacific Annual Conference. For more information please call (310) 639-0775.

The meeting was recessed to closed session at 9:00 p.m. and reconvened at 10:25 p.m.

#3.

ROLL CALL

Council Members Present: **Galvan, Arceneaux, Brown**
Council Members Absent: **Zurita, Jones**

REPORT OUT OF CLOSED SESSION

City Attorney Cornwell reported out that all council members met in closed session to consider conference with legal counsel - pending litigation for Richards v. City of Compton, WCAB Case No. ADJ2410350, no reportable action taken. Ford v. City of Compton, WCAB Case Nos. ADJ7224748, ADJ7224688 and ADJ7382496, no reportable action taken. Anderson v. City of Compton, LASC No. TC027249, reagendad. Bradford v. City of Compton, LASC No. TC026769, no reportable action taken pursuant to California Government Code Section 54956.9(a).

As it relates to conference with real property negotiator property: 450 W. Raymond Street, Compton, California 90220; Negotiating parties: City Attorney; Under negotiation: Price and Terms, no reportable action taken pursuant to California Government Code Section 54956.8.

ADJOURNMENT

On motion by Arceneaux, seconded by Galvan, the meeting was adjourned at 10:28 p.m. in memory of **Benny London**, **Debbie Lee Mays**, **Catherine Hart** and **Grady McCloud**, by the following vote on roll call:

AYES: Council Members - Galvan, Arceneaux, Brown
NOES: Council Members - None
ABSENT:Council Members - Zurita, Jones

Clerk of the City of Compton **Mayor of the City of Compton**

#3.

MAY 13, 2014

The City Council meeting was called to order at 6:35 p.m. in the Council Chambers of City Hall by Mayor Aja Brown.

ROLL CALL

Council Members Present: **Zurita, Galvan, Arceneaux, Jones, Brown**
Council Members Absent: **None**

Other Officials Present: **C. Cornwell, A. Godwin, G. H. Duffey**

6:00 P.M. - PUBLIC HEARING - TO RECEIVE COMMENTS ON THE PROPOSED ANNUAL ACTION PLAN **(Item #7)**

On motion by Zurita, seconded by Arceneaux, the public hearing was opened at 6:35 p.m., by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - None

Esther Luis, MDG Associates Inc., presented the following allocations for the 2014-2015 Proposed Annual Action Plan. Staff is recommending that the City Council accept public comments, adopt and authorize the submission of the U.S. Department of Housing and Urban Development (HUD) mandated 2014-2015 Annual Action Plan. As well as, authorize the City Manager to execute contracts and implement programs by allocating $1,535,456 in Community Development Block Grant (CDBG) funds, $472,059 in Home Investment Partnership (HOME) funds, and $129,900 in Emergency Solutions Grant (ESG) funds in the City's 2014-2015 Fiscal Year budget for a total of $2,137,415.

Proposed 2014-2015 Community Development Block Grant (CDBG) Activities

CDBG Program Activity	2014-2015 Budget
CDBG Administration (20% cap)	
CDBG Program Administration	$297,091
Fair Housing Services	$10,000
Sub-Total	**$307,091**
CDBG Public Service Activities (15% cap)	
Angels for Sight – Eye Care Service	$39,000
Champions of Caring Connections- Tutoring	$10,000
Children's Dental Health Clinic-Dental Treatment	$24,000
El Nido Family Centers-Compton Youth Develop. Program	$29,000
Legal Aid Society of OC-Domestic Violence Prevention	$23,000
Steelworkers Old-Timers Foundation-Elderly Nutrition Program- Home Delivered Meals	$34,000
The Children's Clinic - Medical Care Service	$59,000
St. Francis Medical Centers	$12,318
Sub-Total	**$230,318**
CDBG Non-Public Service Activities	
Residential Street Project 2013	$686,713
Section 108 Loan Repayment	$311,334
Sub-Total	**$998,047**
CDBG TOTAL	**$1,535,456**

#3.

Proposed 2014-2015 HOME Activities

HOME Program Activity	2014-2015 Budget
HOME Administration (10% cap)	
Home Program Administration	$47,205
Sub-Total	**$47,205**
CHDO Activity (15% cap)	
CHDO Project	$70,808
Sub-Total	**$70,808**
HOME Activities	
First Time Homebuyer Program	$354,046
Sub-Total	**$354,046**
HOME TOTAL	**$472,059**

Proposed 2014-2015 ESG Activities

ESG Program Activity	2014-2015 Budget
ESG Administration	
ESG Program Administration	$9,742
Sub-Total	**$9,742**
ESG Activity (Los Angeles Homeless Services)	
HMIS	$3,000
Sub-Total	**$3,000**
ESG Activity	
Volunteers of America	$117,158
Sub-Total	**$117,158**
ESG TOTAL	**$129,900**

PUBLIC COMMENTS ON THE HEARING

Barbara Calhoun, Compton resident and former councilperson, complained that the print was too small in the presentation and that no copies were given to the audience to follow along. She further requested the process for which allocations to Angels for Sight and the Old-Timers Foundation was determined.

Michael Turner, Compton resident, commended Angels for Sight for improving his eyesight and asked that council continue their support to the organization.

Lorraine Cervantes, Compton resident, agreed that the print was too small and that copies of the presentation should have been distributed to the audience. She alleged favoritism by FGAB members and perceived prejudice against the Old-Timers Meals on Wheels program.

Joyce Kelly, Compton resident, inquired about how the Legal Aid Society for Orange County was approved for funding and asked that more money be given to the Old-Timers Meals on Wheels program. She requested the scope of services provided by El Nido Family Center and how many citizens they help compared to the thousands of meals served by the Old Timers. She alleged that someone was profiting from their allocations and maintained that Angels for Sight is always there for the community.

Lynn Boone, Compton resident, complained that there was no information available on this public hearing and requested the process for which FGAB determines their allocations to the different organizations. She went on to state that she was notified by members of the Legal Aid Society of Orange County that they do not serve Compton residents. She questioned the proposed $117,000 allocation to Volunteers of America Head Start program and asked who determines who receives allocations and how much is issued to each.

William Kemp, Compton resident, asked why the Compton Campfire was removed from the list of allocations and if the City is allowing the property to fall by the wayside so a developer can build homes there. He also asked if Los Angeles County Board Supervisor Mark Ridley-Thomas sent $348,000 to pay the back taxes for the Compton Campfire property.

On motion by Zurita, seconded by Arceneaux, the public hearing was closed at 6:54 p.m., by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - None

COUNCIL COMMENTS ON THE PUBLIC HEARING

Mayor Brown requested information related to the evaluation process for determining who receives aid this year and the amount to be appropriated, applications on file, what appropriations were issued last year, and if a local preference exists for organizations that reside or service the citizens of Compton.

Mayor Brown further asserted that this item is incomplete and should be brought back later with applications and a matrix for recommendations, so that the council will be able to determine whether or not these organizations actually service the citizens of Compton, and if they are located or headquartered in the City of Compton.

Councilperson Arceneaux requested the deadline to submit the approved allocations to the Department of Housing of Urban Development (HUD).

Ms. Luis stated that the deadline is May 15, 2104.

Councilperson Arceneaux agreed that the information is limited and that the item should be brought back with additional information regarding the amount originally requested by the organizations, the number of citizens served, and location.

Councilperson Zurita requested the resulting action if the plan is not submitted by the May 15, 2014 deadline.

Ms. Luis remarked that there is no guarantee the City will receive funding after July 1, 2014.

Councilperson Zurita requested the documentation needed for council to make an informed decision to avoid a complete rejection of funding allocations.

Mayor Brown asked the City Attorney to prepare a resolution for the council to consider a minimum 30 day period to review information relative to recommendations for appropriations.

Councilperson Jones mentioned the informative workshops held last year regarding CDBG allocations wherein questions were asked and answered.

Councilperson Arceneaux recalled that it was a standard practice in the past to host workshops for issues such as these in addition to budget workshops held with the different departments.

Councilperson Jones requested a copy of the budget schedule and asked that it be broadcasted on Channel 36 and posted on the City's website.

Mayor Brown asked the City Clerk if the budget schedule was a part of the package last week.

City Clerk Godwin explained that public hearing requests are placed on the agenda for specific dates to hold the public hearing, council votes on it, and the dates are posted and published.

Mayor Brown went on to ask if there were any pending dates for budget hearings to be published.

City Clerk Godwin indicated that she had not received any information regarding upcoming budget hearing dates.

#3.

Councilperson Zurita asked the Deputy Fire Chief to remind the citizens as to the locations of emergency shelter sites.

Mayor Brown recommended an item be placed on the agenda next week regarding emergency preparedness to include protocols for citizens.

PUBLIC COMMENTS ON AGENDA ITEMS AND NON-AGENDA MATTERS

Michael Brown, Help Youth Through Golf organization, invited the youth ages 5 through 17 to participate in free golf lessons at the Compton Par 3 Golf Course every Saturday from 1 p.m. to 3 p.m. Mr. Brown also announced a youth golf tournament to be held Saturday, June 7, 2014 at the Par 3 Golf Course from 9:30 a.m. to 12:30 p.m. and asked that council assist him in reducing or waiving the tee times fee.

Benjamin Holifield, Compton resident, asked that the community pray for the young girls that were kidnapped in Africa and that they return home safely. He went on to thank Councilperson Arceneaux for addressing the properties at 156th and Central Avenue and the tarp around the gas station and carwash.

Donna Helflin, Compton resident, thanked Councilperson Zurita for recommending her to represent the First District Block Club Commission.

Lulanu Rideout, Compton resident, petitioned the City Council to address the water rates because her bill is $185 for one month of service.

Mayor Brown directed Ms. Rideout to the Director of the Water Department.

Councilperson Arceneaux also asked that Ms. Rideout speak to her liaison.

Mike Madani, Compton resident, maintained that there are a lot of complaints about the City Manager because he continues to follow the policies of the previous administration. He affirmed that because those policies were inappropriate, the citizens have to contend with the same old issues regarding the City's budget, potholes, water rates, and lack of public safety.

Lorraine Cervantes, Compton resident, proposed that FGAB members be disciplined for bringing an item to the council two days before its deadline. She maintained that since 1969 the City of Compton has always had budget workshops early in the year and that the City Manager is paid too much money to be negligent and do things that no other City would allow.

Maria Villa Real, Compton resident and president of the Latino Chamber of Commerce, asked Councilperson Jones if he knows the meaning of Cinco De Mayo and stated that she would support Councilperson Galvan if does the right thing for the community he represents. She mentioned meeting with Councilperson Galvan on several occasions, and even working with him on the Cinco De Mayo Celebration. She alleged that during the process of preparing the event, he received a phone call saying that he did not need to work with the Latino Chamber of Commerce. She indicated that she was embarrassed and disappointed by the event and that she still respects Councilperson Galvan and wishes him the best.

Councilperson Galvan explained the meaning of Cinco De Mayo and acknowledged meeting with Maria Villa Real and others regarding the Cinco De Mayo event. He explained to them that because he was taken advantage of, as a new councilperson, he would not allow organizations to raise money in his name without depositing it into a City account and subsequent to that stipulation, they scheduled an event at a different location. He affirmed that he would work with any chamber or organization that does well for the community but they will not use his name to get sponsors and do whatever they want with the money.

Councilperson Jones voiced his support for Councilperson Galvan and their work together.

William Kemp, Compton resident, suggested City Manager Duffey issue a copy of the budget for the purposes of transparency.

Muhammad Martinez, co-founder of KTNG 860AM, invited the community to take a class in news reporting on Saturday, May 17, 2014 at 1111 South Wilmington Avenue at 3 p.m. He further urged the community to exercise their right to vote to rid the Compton Unified School District of corruption.

Michael Turner, Compton resident, asked that the audience be allowed to comment during the water rate presentation.

Joyce Kelly, Compton resident, questioned why it takes the City five to six years to build a building when Prism's Gateway Towne Center was built in less than six years. She affirmed that career politicians would never do anything for the people and that because of leadership issues the children will suffer.

Charlie London, Compton resident and organizer for the 11th Annual Veterans Stand-down, petitioned the City Council to support the 11th Annual Veteran's Stand-down at Careerlink. She insisted that letters were sent to each district representative to support the event and announced that Eric Boyd would be assisting her. She invited the council to attend a meeting to discuss the logistics and requested additional support on behalf of the veterans.

Councilperson Zurita requested an opportunity to be a part of the stand-down organization process.

Lynn Boone, Compton resident, referenced Item No. 6 and cited errors in Resolution No. 16,095 and Ordinance No. 2,227. She also noted inconsistencies in Ordinance No. 2,182 and that Capital Improvement Plan (CIP) charges from the ordinance are being addressed tonight to give residents credit from 2011 to April 2014 because they paid too much without being notified. She proposed that residents be notified because the differences in the charges are significant.

CONSENT AGENDA

On motion by Arceneaux, seconded by Jones, Consent Agenda was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - None

APPROVAL OF MINUTES

1. APRIL 22, 2014 **(Approved)**

END CONSENT AGENDA

REGULAR AGENDA

CITY MANAGER'S REPORTS - There were no City Manager's Reports.

CITY ATTORNEY'S REPORTS

2. ORAL REPORT - 2014 LEAGUE OF CALIFORNIA CITIES

City Attorney Cornwell reported attending the 2014 League of California Cities City Attorney Conference in Indian Wells California wherein city attorneys discussed legal updates occurring in the prior year, code enforcement issues, civil and administrative policies to beautify cities and create revenue, supreme and municipal related court cases regarding a reduction in business signage, the Manhattan Beach plastic bag ordinance and environment exceptions, bullying ordinances, and the Supreme Court case regarding prayers before council meetings.

#3.

CLOSED SESSION

3. CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION
Anderson v. City of Compton, LASC No. TC027249
Pursuant to California Government Code Section 54956.9(a)

4. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Significant exposure to litigation: One (1) potential case
Pursuant to California Government Code Section 54956.9(d)

5. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: City Controller
Pursuant to California Government Code Section 54957

On motion by Arceneaux, seconded by Jones, the above closed sessions were approved, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - None

UNFINISHED BUSINESS - There was no Unfinished Business.

NEW BUSINESS

6. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER SECTION 1 OF ARTICLE 1 OF CHAPTER XXIII (APPENDIX) OF THE COMPTON MUNICIPAL CODE - WATER SERVICE RATES AND CHARGES (First Reading)

Chad Blais, Deputy Director of the Public Works Municipal Utilities, presented a Power Point presentation on the 2008 adopted 5-year rate schedule, the current rate structure, impacts of expiring rate structure, recommended rate structure and pass-through costs and refunds.

	FY2008/2009	FY2009/2010	FY2010/2011	FY2011/2012	FY2012/2013	FY2013/2014
*	$1.38	$1.74	$2.20	$2.67	$3.09	$3.09
**3/4"	$16.76	$20.12	$24.14	$27.76	$30.54	$30.54
**1"	$21.71	$26.05	$31.26	$35.95	$39.54	$39.54
**1-1/2"	$39.53	$47.44	$56.93	$65.47	$72.01	$72.01
**2"	$55.62	$66.74	$80.09	$92.11	$101.32	$101.32
**4"	$122.29	$146.75	$176.09	$202.51	$222.76	$222.76
**6"	$205.38	$246.46	$295.75	$340.11	$374.12	$374.12
**2" CPM*	$78.46	$94.15	$112.99	$129.93	$142.93	$142.93
**3" CPM*	$114.62	$137.54	$165.05	$189.81	$208.79	$208.79
**4" CPM*	$159.34	$191.20	$229.44	$263.86	$290.25	$290.25
***	$11.07	$13.28	$15.93	$18.32	$20.16	$35.90

*Commodity Charge per 100 cu. ft.
** Service Charge
***CIP Charge per account

Rate Structure Currently Charged

- Tier 1 – If customer uses less than 20 billing units = $2.71 per billing unit
- Tier 2 – If customer uses more than 20 billing units = $3.13 per billing unit

Currently Rate Structure Ends July 1, 2014

#3.

Impacts of expiring Rate Structure

- All customers pay a flat rate for all water used
- Low water users would pay more
- High water users would pay less
- Financial incentives for customers to conserve water are lost

Rate Structure Recommended

- Maintain a tiered rate structure to encourage conservation
- Modify tier rate structure
  - Lock in Tier 1 structure at fixed rate
  - Tier 1 accommodation for multi-family
- Reduce commodity rate for both tiers
- Maintain service and CIP charges

Modified Rate Structure

- All Customers Except Multi-Family
  - Tier 1 (First 20 billing units) - $2.67 per unit
  - Tier 2 (Over 20 billing units) - $3.09 per unit

- Multi-Family Customers
  - Minimum 4 condominiums/apartments
    - Tier 1 (10 billing units per condo/apt) - $2.67 per unit
    - Tier 2 (Usage greater than Tier 1) - $3.09 per unit

Pass Through Costs/Refunds

- Pass through costs added January 1, 2011
  - Authorized under Resolution No. 16,915
  - Added $0.04 per billing unit to all commodity rates through 2013-2014
  - No Proposition 218 notice issued
  - Not adopted by ordinance
  - Therefore, increase was not legally adopted

- Recommending refunds to all customers

Financial Impacts to Water Fund

- Reduction in commodity rates and modified rate structure ($150,000 - $200,000 less annually)
- One time refund ($550,000 to $600,000 paid from water reserves)
- Active customers (see credit on bill)
- Non-active customers (mailed a check)

Mayor Brown asked Mr. Blais to define the multi-family structure.

Mr. Blais answered that a multi-family structure is classified as having a single meter that serves at least four single family units.

Mayor Brown asked if the classification could be adjusted. Mr. Blais replied that council has the authority to adjust the classification down to two units.

Mayor Brown requested the portion of the water bill the council can impact. Mr. Blais answered that council has the authority to support or reject any water rates proposed by staff, i.e., sewer, capital improvement plan, commodity, fixed fee, etc. all components of the water bill can be adjusted.

#3.

City Manager Duffey also noted that there are some components that are built-in to address bond obligations wherein there is limited flexibility.

Mr. Blais also remarked that if council wanted to change the CIP fixed fee amount it would not be recommended because it is at the minimal level to maintain the bond covenant requirement to collect revenue to cover the bond.

Mayor Brown asked if $550,000-$600,000 in the reserve account is a standard amount in proportion to other water departments.

Mr. Blais clarified that there is approximately $9M in reserves and that the standard amount depends on the agency and what they are trying to accomplish.

Councilperson Jones asked Mr. Blais how the $200,000 revenue reduction would impact the reserve account. Mr. Blais answered that the reserve would be negatively impacted in regards to project development.

Councilperson Jones asked Mr. Blais how he would ensure that this does not happen again. Mr. Blais explained that he is in the process of restricting access to the billing system and establishing policies as to who can operate the billing system and who has the authority to change rates and how it is documented.

Councilperson Jones asked if those policies would be brought before the City Council for approval. Mr. Blais replied affirmatively.

Councilperson Jones asked how the public will be notified of the results of this matter. Mr. Blais indicated that this is the first step; staff will come back with additional corrections as it relates to policies and procedures.

Councilperson Jones asked that all notifications and corrections be clear, comprehensive, and performed numerous times over a period of time.

Councilperson Jones requested the process for getting a refund. Mr. Blais stated that customers should call the Public Works & Utilities department.

Councilperson Zurita proposed additional security measures and an audit on the Water Department to make certain this never happens again.

Councilperson Arceneaux asked if citizens would incur the costs from the Metropolitan Water District water rate increase.

Mr. Blais replied that he would have to review whether or not the City has enough leases to absorb the rate increase without executing a pass through.

Councilperson Jones proposed deliberate efforts by the City to restore public trust.

Mr. Blais assured Councilperson Jones that he has been working diligently with the City Manager to address questions related to meter reading, changes in policies and procedures, and new infrastructure to verify meters are being read correctly.

Mayor Brown commended Mr. Blais for his proposal and asked that it be brought forward as a presentation in a workshop format for the residents. Furthermore, Mayor Brown also recommended the multi-family unit rate structure be changed to a minimum of three units or more with one meter.

Councilperson Arceneaux added that she hopes the department will aggressively pursue water conservation efforts as well.

#3.

On motion by Arceneaux, seconded by Jones, to waive the reading of the ordinance in full, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - None

On motion by Arceneaux, seconded by Galvan, **"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING CHAPTER SECTION 1 OF ARTICLE 1 OF CHAPTER XXIII (APPENDIX) OF THE COMPTON MUNICIPAL CODE - WATER SERVICE RATES AND CHARGES (First Reading)"** was placed on first reading by title only, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - None

COUNCIL COMMENTS

Councilperson Zurita offered the following communications/announcements:

- Commented on the success of the Mother's Luncheon held at Dollarhide Neighborhood Center over the weekend. Recognized Councilperson Jones, Councilperson Galvan, and Assemblyman Isadore Hall III for their support as well as the sponsors of the event: Prism Realty, Ulta Beauty, and the Water Replenishment District. Also recognized Cookie Girl Catering, Parks and Recreation staff and Kiera Jo for their contributions to the event.

- First District Townhall meeting will be held Wednesday, May 21, 2014 at Gonzales Park at 6 p.m.

- Announced the Youth Athletic League Summer Kick-Off Extravaganza to be held Saturday, June 14, 2014 from 11 a.m. to 4 p.m. For more information please call (310) 605-6587.

- Requested an update on the City's emergency shelters.

    Bryan Batiste, Deputy Fire Chief, announced that with the current weather conditions it is important that residents stay hydrated. In addition, he announced the following emergency shelters already certified by The Red Cross: Lueders Park, Wilson Park, and Gonzales Park. In addition, Dominguez High School, Compton High School, Centennial High School, six elementary schools and El Camino College Compton Center have been identified as shelters and are pending certification.

    Mayor Brown asked that a list of the shelters and contact numbers be distributed to all block clubs and that a videotaped presentation on how to register cell phones with the Fire Station be broadcasted on Channel 36.

Councilperson Galvan offered the following communications/announcements:

- Congratulated Councilperson Zurita on the success of the Mother's Day Luncheon and NAJEA Taskforce meeting.

- Wished Ms. Cynthia Nun a Happy Birthday.

- Announced the grand opening celebration of Marshall's and Anna's Linens Thursday, May 15, 2014.

#3.

***Councilperson Zurita exited the meeting at 9:45 p.m.**

- Congratulated Councilperson Arceneaux on the success of the Compton Creek Clean-up.

- Announced the commencement of the Wilson Park Men's Basketball League.

Meeting adjournments
Grady McLeod

Councilperson Arceneaux offered the following communications/announcements:

- Commended Councilperson Galvan for feeding the Compton Creek Clean-Up volunteers over the weekend.

***Councilperson Galvan exited the meeting at 9:53 p.m.**

- Announced that Solar Cup begins May 16-18, 2014 and gave a special thanks to 7 Eleven for their contributions to Compton High School students. If you would like to participate in the Solar Cup competition please call (866) 957-6527.

- Asked the City Attorney to introduce a resolution in opposition to Senate Bill 1077, an initiative proposing to replace the gas tax with a mileage based tax.

- Third District Townhall meeting will be held Thursday, June 12, 2014 at Burrell McDonald Park from 6 p.m. to 7 p.m.

- Thanked Cliff's Burritos for donating water and ice to the Compton Creek Clean-Up volunteers.

- Heal The Bay will be cleaning the Compton Creek Sunday, May 18, 2014 from 1 p.m. to 4 p.m. For more information, please call Edward Murray (310) 451-1500 ext. 153. Volunteers are asked to meet behind the Crystal Casino.

On motion by Arceneaux, seconded by Jones, the meeting was extended past the four-hour mark, by the following vote on roll call:

AYES: Council Members - Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - Zurita, Galvan

Councilperson Jones offered the following communications/announcements:

- Commented on the success of the Mother's Day Luncheon and thanked the staff for their hard work and preparation of the event.

- Attended the California State University Dominguez Hill Male Success Alliance Summit.

- Offered his support for the 11th Annual Veterans Stand-down.

- Announced the Marshall's and Anna Linen's grand opening celebration to be held in the Gateway Towne Center Thursday, May 15, 2014 at 8 a.m. and 8:30 a.m.

- Job opportunities for Ulta Beauty and Starbucks are available at Careerlink. For more information about these job opportunities and others please call (310) 605-3060.

Meeting adjournments:
Esther Roberson

#3.

Mayor Brown offered the following communications/announcements:

- Requested a translator during the budget workshop; and a list of emergency shelters to be broadcasted on Channel 36.
- Attended the West Angeles CDC; and Neighborhood Housing Services Los Angeles 30th Anniversary Celebration.
- Community Policing Taskforce meeting will be held Thursday, May 22, 2014 at 10 a.m. at 600 North Alameda.
- Community Center grand opening will be held Saturday, May 31, 2014.
- Announced the preparation of a historical preservation commission to keep track of historical landmarks and to make recommendations for historical structures.
- 6-week Compton Empowered 2014 Summer Leadership Experience will take place June 23, 2014 through August 1, 2014. Applications are available at Compton High School. Sponsors should call (310) 605-5597 or email contactmayor@comptoncity.org.
- Requested a resolution in support of the 11th Annual Veteran's Stand-down event.
- Congratulated rapper/producer Dr. Dre for becoming the first billionaire from the City of Compton.
- Infrastructure Town hall meeting will be held May 19, 2014 from 6 p.m. to 8 p.m. in the Council Chambers.
- Compton Chamber of Commerce will be hosting a Candidates Forum for the Sheriffs' Department Thursday, May 15, 2014 at 6 p.m. in the Council Chambers.
- Requested a City-wide Townhall meeting to discuss the Brickyard development.

CLOSED SESSION

On motion by Arceneaux, seconded by Jones, the meeting was recessed to closed session at 10:20 p.m., by the following vote on roll call:

AYES: Council Members - Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - Zurita, Galvan

The City Council meeting reconvened at 12:05 a.m.

REPORT OUT OF CLOSED SESSION

City Attorney Cornwell reported out that the entire City Council was present during closed session. The first item discussed related to conference with legal counsel – pending litigation Anderson versus City of Compton LASC No. TC027249, City Council unanimously approved a mediator's proposal to resolve this matter pursuant to California Government Code Section 54956.9(a). The second item discussed relates to public employee performance evaluation, title: City Controller, no reportable action was taken pursuant to California Government Code Section 549567.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Significant exposure to litigation: One (1) potential case
Pursuant to California **(Reagendad)**

#3.

7. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING AND AUTHORIZING THE HUD-MANDATED 2014-2015 ANNUAL ACTION PLAN OF THE CONSOLIDATED PLAN AND AUTHORIZING THE SUBMISSION OF THE PLAN TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mayor Brown requested additional explanation from staff.

City Manager Duffey submitted the requested matrix and applications.

Councilperson Arceneaux commented that in the past, the City Council received statistics as to how many clients the Legal Aid Society Orange County served from the City of Compton.

Councilperson Galvan requested the process for allocating funds to organizations.

Esther Luis, MDG Associates Inc., explained that all agencies complete an evaluation form after which the Federal Grants Advisory Board (FGAB) rates and scores them based upon their answers to the following: executive summary, needs assessment, description of the proposed program or project, goals and objectives, methods of accomplishing the objectives, organizational experience, management and staff experience, strategies on building on community strengths, program evaluation project, matching funds, fiscal management section, schedule of project activities, reporting section to meeting their accomplishments, overall program budget, and budget narrative.

Ms. Luis also noted that the Legal Aid Society Orange County firm has employees that work out of the Compton Superior Court and provide office hours to Compton residents.

Mayor Brown stated that she would prefer the City Council consider funding existing or more established organizations in the City that provide a more diverse level of service to the citizens of Compton.

Councilperson Jones asked if there was a reduction in funds from last year and if so, how does that impact the organizations and the previous year's allocation. Ms. Luis stated that based upon the requested amounts from each agency the reductions were taken evenly across the board with the exception of Saint Francis Medical Center, who is a first time receiver of funds.

Councilperson Jones commented that Legal Aid of Orange County received only $900 less than requested and therefore did not receive the same reduction as other organizations.

Councilperson Jones went on to request the number of applications received. Ms. Luis stated that the department received twelve applications.

Councilperson Jones requested more outreach to the non-profits in the area to ensure equal opportunity and distribution.

Councilperson Galvan proposed that notices be mailed to the local non-profits advising them of the application period.

On motion by Zurita, seconded by Galvan, **Resolution # 23,948** entitled **"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING AND AUTHORIZING THE HUD-MANDATED 2014-2015 ANNUAL ACTION PLAN OF THE CONSOLIDATED PLAN AND AUTHORIZING THE SUBMISSION OF THE PLAN TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT"** was approved, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT:Council Members - None

#3.

ADJOURNMENT

On motion by Arceneaux, seconded by Galvan, the meeting was adjourned Wednesday, May 14, 2014 at 12:21 a.m. in memory of **Esther Roberson** and **Grady McLeod**, by the following vote on roll call:

AYES: Council Members - Zurita, Galvan, Arceneaux, Jones, Brown
NOES: Council Members - None
ABSENT: Council Members - None

Clerk of the City of Compton

Mayor of the City of Compton

#4.

DATE: JUNE 03, 2014

TO: MAYOR AND COUNCIL MEMBERS

FROM: CITY TREASURER

SUBJECT: INVESTMENT REPORT

IN ORDER TO COMPLY WITH STATE LAW AND THE CITY'S INVESTMENT POLICY, THE ATTACHED REPORT ACCURATELY REFLECTS ALL POOLED INVESTMENTS HELD ON BEHALF OF THE CITY AND SUCCESSOR AGENCY AS OF MARCH 31, 2014.

DOUGLAS SANDERS
CITY TREASURER

City of Compton
205 S. Willowbrook Ave.
Compton, CA 90220
(310)605-5515

CITY OF COMPTON
Portfolio Management
Portfolio Summary
March 31, 2014

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Passbook/Checking Accounts -2	705,918.85	705,918.85	705,918.85	3.98	1	1	0.136	0.138
Local Agency Investment Funds	16,894,081.68	16,894,081.68	16,894,081.68	95.32	1	1	0.256	0.260
Managed Pool & Money Market Account	124,066.77	124,066.77	124,066.77	0.70	1	1	0.197	0.199
Investments	**17,724,067.30**	**17,724,067.30**	**17,724,067.30**	**100.00%**	**1**	**1**	**0.251**	**0.255**

Total Earnings	March 31 Month Ending	Fiscal Year To Date
Current Year	3,469.77	31,988.73
Average Daily Balance	**18,023,967.19**	**17,985,353.15**
Effective Rate of Return	**0.23%**	**0.24%**

This report reflects all pooled investments in conformity with the investment policy adopted by the City Council (Gov Code 53646(b) (3)). The monthly investment report must state the ability of the agency to meet its expenditure requirements for the next six months or provide an explanation of why sufficient cash funds may or may not be available. The investment program SHOULD provide sufficient cash to meet six months of estimated expenditures, there should be sufficient cash available. In July 2013 the City completed another TRANs transaction of approximately $10.6 million, the balance due in June 2014. As of March 31, 2014 the City had an estimated total in the General City Bank account plus LAIF accounts of $12.9 million and approximately $3 million in outstanding warrants to be paid to vendors. Also, approximately $3.6 million balance to the PERS account. The City did receive its December and January property tax distribution. The balance of the TRANs as of this report is approximately $1.5 million or less. Our City continues in the right direction in meeting its obligations to its venders on payments. In April 20, 2014 the City will receive the next property tax distribution from the Los Angeles County.
The pricing of securities is done by Union Bank and Interactive Data Services. Moody Investor Service rates the State Pool Accounts AAA.

Treasury Rates as of 03/31/14
3 month T-Bill @ 0.0300%
6 month T-Bill @ 0.0510%
1 year T-Bill @ 0.1120%

5/27/14

DOUGLAS SANDERS, CITY TREASURER

Reporting period 03/01/2014-03/31/2014

Run Date: 05/27/2014 - 12:47

#

#4.

CITY OF COMPTON
Portfolio Management
Portfolio Details - Investments
March 31, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Passbook/Checking Accounts -2												
5007	5007	Family Self Sufficiency			400,785.21	400,785.21	400,785.21	0.090	0.089	0.090	1	
4000	4000	Neighborhood Improvement			305,133.64	305,133.64	305,133.64	0.200	0.197	0.200	1	
		Subtotal and Average	**705,839.06**		**705,918.85**	**705,918.85**	**705,918.85**		**0.136**	**0.138**	**1**	
Local Agency Investment Funds												
6000	6000	General City			4,855,473.62	4,855,473.62	4,855,473.62	0.260	0.256	0.260	1	
6005	6005	SA Surplus Tax			0.00	0.00	0.00		0.000	0.000	1	
6011	6011	SA Low Cost Housing			177,052.06	177,052.06	177,052.06	0.260	0.256	0.260	1	
6029	6029	Measure R			2,604,638.95	2,604,638.95	2,604,638.95	0.260	0.256	0.260	1	
6019	6019	EDA Revolving Loan			435,801.42	435,801.42	435,801.42	0.260	0.256	0.260	1	
6002	6002	Prop C			4,683,605.74	4,683,605.74	4,683,605.74	0.260	0.256	0.260	1	
6030	6030	PROP A			990,626.95	990,626.95	990,626.95	0.260	0.256	0.260	1	
6027	6027	River Mountain Conservancy			11,739.77	11,739.77	11,739.77	0.260	0.256	0.260	1	
6007	6007	Successor Agency General			10,546.19	10,546.19	10,546.19	0.260	0.256	0.260	1	
6003	6003	Sewer Bond Proceeds			387,859.96	387,859.96	387,859.96	0.260	0.256	0.260	1	
6022	6022	Regional Park			2,736,737.02	2,736,737.02	2,736,737.02	0.260	0.256	0.260	1	
		Subtotal and Average	**17,194,081.68**		**16,894,081.68**	**16,894,081.68**	**16,894,081.68**		**0.256**	**0.260**	**1**	
Managed Pool & Money Market Account												
5004	5004	Formal Assurance Prg Money Mkt			123,534.05	123,534.05	123,534.05	0.200	0.197	0.200	1	
5001	5001	5116 Highmark Fund			0.00	0.00	0.00		0.000	0.000	1	
5005	5005	Rental Rehab Prg Money Market			202.87	202.87	202.87	0.060	0.059	0.060	1	
5003	5003	Residential Rehab Money Market			329.85	329.85	329.85	0.040	0.039	0.040	1	
		Subtotal and Average	**124,046.45**		**124,066.77**	**124,066.77**	**124,066.77**		**0.197**	**0.199**	**1**	
		Total and Average	**18,023,967.19**		**17,724,067.30**	**17,724,067.30**	**17,724,067.30**		**0.251**	**0.255**	**1**	

CITY OF COMPTON
Portfolio Management
Interest Earnings Summary
March 31, 2014

	March 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	103.45	20,466.92
Plus Accrued Interest at End of Period	-21,675.48	-21,675.48
Less Accrued Interest at Beginning of Period	(-25,041.80)	(-33,197.29)
Interest Earned during Period	3,469.77	31,988.73
Total Interest Earned during Period	**3,469.77**	**31,988.73**
Total Adjustments from Premiums and Discounts	**0.00**	**0.00**
Total Capital Gains or Losses	**0.00**	**0.00**
Total Earnings during Period	**3,469.77**	**31,988.73**

#

#4.

CITY OF COMPTON
BANK ACCOUNT BALANCES AS OF MARCH 31, 2014

FUND #	NAME OF ACCOUNT	BANK NAME	BALANCE
101	PAYROLL	WELLS FARGO BANK	125,443.18
1001	GENERAL CITY ACCOUNT	BANK OF THE WEST	8,080,549.09
1520	MEASURE R	BANK OF THE WEST	292,784.49
2000	PROP A	BANK OF THE WEST	295,627.92
1200	SA SURPLUS TAX	BANK OF THE WEST	0.00
4000	SA GENERAL	BANK OF THE WEST	5,805,699.64
2100	PERS	BANK OF THE WEST	2,535,957.96
1203	SA LOW COST HOUSING	BANK OF THE WEST	0.00
9203	PUBLIC FINANCE AUTHORITY	BANK OF THE WEST	179,145.40
1001	COC REGIONAL PARK	BANK OF THE WEST	963.80
2820	COC - FAMILY SELF SUFFICIENCY	BANK OF THE WEST	400,785.21
2754-84-85	JTPA - CAREERLINK	BANK OF THE WEST	183,194.74
2805	HOME LOAN PROGRAM	BANK OF THE WEST	149,956.09
2818	SECTION 108 - HUD FUND	BANK OF THE WEST	2,295,830.82
1022	POLICE DRUG PROPERTY FORFEITURE	BANK OF THE WEST	3,184.06
5116	SEWER BONDS PROCEEDS	BANK OF THE WEST	448,328.40
6400	LIABILITY	BANK OF THE WEST	58,913.39
1001	COC - CHANGE FUND	BANK OF THE WEST	292.00

CITY OF COMPTON
BANK ACCOUNT BALANCES AS OF
MARCH 31, 2014

FUND #	NAME OF ACCOUNT	BANK NAME	BALANCE
1900	PROP C	BANK OF THE WEST	368,519.68
6300	WORKERS COMP	BANK OF THE WEST	138,270.08
2820	HOUSING AUTHORITY	BANK OF THE WEST	1,115,794.22
1001	EMERGENCY MEDICAL SERVICES COC	BANK OF THE WEST	109,918.46
1061	COPS GRANT WEED AND SEED	BANK OF THE WEST	4,007.84
1001	COC PARKING VIOLATIONS	BANK OF THE WEST	277,768.88
1001	COC UTILITIES BILLINGS	BANK OF THE WEST	624,326.21

#

#4.

DATE: JUNE 10, 2014

TO: MAYOR AND COUNCIL MEMBERS

FROM: CITY TREASURER

SUBJECT: INVESTMENT REPORT

IN ORDER TO COMPLY WITH STATE LAW AND THE CITY'S INVESTMENT POLICY, THE ATTACHED REPORT ACCURATELY REFLECTS ALL POOLED INVESTMENTS HELD ON BEHALF OF THE CITY AND SUCCESSOR AGENCY AS OF APRIL 30, 2014.

DOUGLAS SANDERS
CITY TREASURER

City of Compton
205 S. Willowbrook Ave.
Compton, CA 90220
(310)605-5515

CITY OF COMPTON
Portfolio Management
Portfolio Summary
April 30, 2014

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Passbook/Checking Accounts -2	705,998.66	705,998.66	705,998.66	4.02	1	1	0.136	0.138
Local Agency Investment Funds	16,728,835.56	16,728,835.56	16,728,835.56	95.27	1	1	0.227	0.230
Managed Pool & Money Market Account	124,087.10	124,087.10	124,087.10	0.71	1	1	0.197	0.199
Investments	**17,558,921.32**	**17,558,921.32**	**17,558,921.32**	**100.00%**	**1**	**1**	**0.223**	**0.226**

Total Earnings	April 30 Month Ending	Fiscal Year To Date
Current Year	3,284.87	35,171.86
Average Daily Balance	**17,676,772.71**	**17,954,901.13**
Effective Rate of Return	**0.23%**	**0.24%**

This report reflects all pooled investments in conformity with the investment policy adopted by the City Council (Gov Code 53646(b) (3)). The monthly investment report must state the ability of the agency to meet its expenditure requirements for the next six months or provide an explanation of why sufficient cash funds may or may not be available. The investment program SHOULD provide sufficient cash to meet six months of estimated expenditures, there should be sufficient cash available. In July 2013 the City completed another TRANs transaction of approximately $10.6 million the balance due in June 2014. As of April 30, 2014 the City had an estimated total in the General City Bank account plus the LAIF accounts of $12.1 million and approximately under $2 million in outstanding warrants to be paid to vendors. Also there is approximately $7.5 million balance in the PERS account. The City did receive its December, January and April property tax distributions where the lion's share went toward payment of the TRANs. The balance of the TRANs as of this report is approximately $1.3 million or less. Our City continues in the right direction in meeting its obligations to the venders on payments.
The pricing of securities is done by Union Bank and Interactive Data Services. Moody Investor Service rates the State Pool Accounts AAA.

Treasury Rates as of 04/30/14
3 month T-Bill @ 0.0250%
6 month T-Bill @ 0.0410%
1 year T-Bill @ 0.1030%

DOUGLAS SANDERS, CITY TREASURER

6/3/14

#4.

#4.

CITY OF COMPTON
Portfolio Management
Portfolio Details - Investments
April 30, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Passbook/Checking Accounts -2												
5007	5007	Family Self Sufficiency			400,814.86	400,814.86	400,814.86	0.090	0.089	0.090	1	
4000	4000	Neighborhood Improvement			305,183.80	305,183.80	305,183.80	0.200	0.197	0.200	1	
		Subtotal and Average	**705,921.51**		**705,998.66**	**705,998.66**	**705,998.66**		**0.136**	**0.138**	**1**	
Local Agency Investment Funds												
6000	6000	General City			4,858,227.03	4,858,227.03	4,858,227.03	0.230	0.227	0.230	1	
6005	6005	SA Surplus Tax			0.00	0.00	0.00		0.000	0.000	1	
6011	6011	SA Low Cost Housing			177,152.70	177,152.70	177,152.70	0.230	0.227	0.230	1	
6029	6029	Measure R			2,606,380.02	2,606,380.02	2,606,380.02	0.230	0.227	0.230	1	
6019	6019	EDA Revolving Loan			436,048.56	436,048.56	436,048.56	0.230	0.227	0.230	1	
6002	6002	Prop C			4,686,201.27	4,686,201.27	4,686,201.27	0.230	0.227	0.230	1	
6030	6030	PROP A			816,158.49	816,158.49	816,158.49	0.230	0.227	0.230	1	
6027	6027	River Mountain Conservancy			11,746.43	11,746.43	11,746.43	0.230	0.227	0.230	1	
6007	6007	Successor Agency General			10,552.18	10,552.18	10,552.18	0.230	0.227	0.230	1	
6003	6003	Sewer Bond Proceeds			388,079.91	388,079.91	388,079.91	0.230	0.227	0.230	1	
6022	6022	Regional Park			2,738,288.97	2,738,288.97	2,738,288.97	0.230	0.227	0.230	1	
		Subtotal and Average	**16,846,783.75**		**16,728,835.56**	**16,728,835.56**	**16,728,835.56**		**0.227**	**0.230**	**1**	
Managed Pool & Money Market Account												
5004	5004	Formal Assurance Prg Money Mkt			123,554.36	123,554.36	123,554.36	0.200	0.197	0.200	1	
5001	5001	5116 Highmark Fund			0.00	0.00	0.00		0.000	0.000	1	
5005	5005	Rental Rehab Prg Money Market			202.88	202.88	202.88	0.060	0.059	0.060	1	
5003	5003	Residential Rehab Money Market			329.86	329.86	329.86	0.040	0.039	0.040	1	
		Subtotal and Average	**124,067.45**		**124,087.10**	**124,087.10**	**124,087.10**		**0.197**	**0.199**	**1**	
		Total and Average	**17,676,772.71**		**17,558,921.32**	**17,558,921.32**	**17,558,921.32**		**0.223**	**0.226**	**1**	

CITY OF COMPTON
Portfolio Management
Interest Earnings Summary
April 30, 2014

	April 30 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	9,854.02	30,320.94
Plus Accrued Interest at End of Period	-28,346.37	-28,346.37
Less Accrued Interest at Beginning of Period	(-21,777.22)	(-33,197.29)
Interest Earned during Period	3,284.87	35,171.86
Total Interest Earned during Period	**3,284.87**	**35,171.86**
Total Adjustments from Premiums and Discounts	**0.00**	**0.00**
Total Capital Gains or Losses	**0.00**	**0.00**
Total Earnings during Period	**3,284.87**	**35,171.86**

#4.

#4.

CITY OF COMPTON
BANK ACCOUNT BALANCES AS OF
APRIL 30, 2014

FUND #	NAME OF ACCOUNT	BANK NAME	BALANCE
101	PAYROLL	WELLS FARGO BANK	167,049.99
1001	GENERAL CITY ACCOUNT	BANK OF THE WEST	9,802,826.43
1520	MEASURE R	BANK OF THE WEST	312,389.28
2000	PROP A	BANK OF THE WEST	580,531.46
1200	SA SURPLUS TAX	BANK OF THE WEST	0.00
4000	SA GENERAL	BANK OF THE WEST	5,893,935.24
2100	PERS	BANK OF THE WEST	8,172,932.27
1203	SA LOW COST HOUSING	BANK OF THE WEST	0.00
9203	PUBLIC FINANCE AUTHORITY	BANK OF THE WEST	179,145.40
1001	COC REGIONAL PARK	BANK OF THE WEST	963.80
2820	COC - FAMILY SELF SUFFICIENCY	BANK OF THE WEST	400,814.86
2754-84-85	JTPA - CAREERLINK	BANK OF THE WEST	211,014.45
2805	HOME LOAN PROGRAM	BANK OF THE WEST	149,786.09
2818	SECTION 108 - HUD FUND	BANK OF THE WEST	2,302,015.26
1022	POLICE DRUG PROPERTY FORFEITURE	BANK OF THE WEST	3,184.06
5116	SEWER BONDS PROCEEDS	BANK OF THE WEST	448,328.40
6400	LIABILITY	BANK OF THE WEST	58,199.06
1001	COC - CHANGE FUND	BANK OF THE WEST	407.00

#4.

CITY OF COMPTON
BANK ACCOUNT BALANCES AS OF
APRIL 30, 2014

FUND #	NAME OF ACCOUNT	BANK NAME	BALANCE
1900	PROP C	BANK OF THE WEST	422,926.25
6300	WORKERS COMP	BANK OF THE WEST	138,450.04
2820	HOUSING AUTHORITY	BANK OF THE WEST	1,054,298.74
1001	EMERGENCY MEDICAL SERVICES COC	BANK OF THE WEST	212,918.45
1061	COPS GRANT WEED AND SEED	BANK OF THE WEST	4,007.87
1001	COC PARKING VIOLATIONS	BANK OF THE WEST	351,418.62
1001	COC UTILITIES BILLINGS	BANK OF THE WEST	848,414.25

#5.

June 3, 2014

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: ROBERT DELGADILLO, (INTERIM) DIRECTOR
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

SUBJECT: REPORT/REQUEST – RECEIVE AND FILE "CITY OF COMPTON ANNEXATION FISCAL ANALYSIS" REPORT ON ANNEXATION OF SPHERE OF INFLUENCE AREAS IN UNINCORPORATED TERRITORIES KNOWN AS "EAST COMPTON COUNTY ISLANDS" AND "RANCHO DOMINGUEZ" PREPARED BY CIVIC SOLUTIONS, INC. (APRIL 13, 2014) AND PROVIDE DIRECTION TO STAFF.

SUMMARY:

1. To inform the City Council on the fiscal impacts of the annexation of Sphere of Influence Areas (SOI) 2, 3, 4, 5 and 7.

ANALYSIS:

In April of 2014 Civic Solutions Inc. completed a Fiscal Annexation Report for the City of Compton on four East Compton Islands (LAFCO SOI areas 2, 3, 4, 5) and the Rancho Dominguez area, (SOI area 7). This was done to determine the financial impacts of annexing the four East Compton Islands and the Rancho Dominguez area into the City.

The fiscal report analyzed the operational revenue from property and sales taxes and expenditure impacts from providing municipal services as well as the fiscal impact of any capital infrastructure needs. The report was prepared as a snapshot view of the fiscal impacts based the best available data.

The report grouped the SOI areas together based geographic location. Area A contains the four East Compton County islands and consists' of SOI areas #**2** – 347.9 acres, #**3** – 125.9 acres, #**4** – 13.6 acres, and #**5** – 41.3 acres. Area B (SOI Area **7**) contains the Rancho Dominguez unincorporated territory south of the 91 freeway and consists of 1,710 areas.

The report contains tables that show the fiscal impacts of annexation. Table 1 shows the costs versus revenues. Table one shows that annexation of the four East Compton Islands will result in a deficit to the General Fund, but result in a net surplus in Road and Transportation and other funds. The primary impacts to the General Fund from Area A are due to Public Safety costs. The Road and Transportation funds although positive do not account for any future capital infrastructure costs. The other funds are retirement contributions versus costs. The Water Fund is not applicable as water services are provided by provided companies and the sewer fund is assumed to be revenue neutral. As can be seen from the table 1 below, Annexation of the residential East Compton Islands (Area A) by themselves results in a net deficit to the City.

#5.

Table 1: Area A – East Compton Islands			
	General Fund	**Road/Transportation Restricted Funds**	**Other (Retirement)**
Revenues	$3,093,166	$884,573	$1,823,263
Expenditures	$3,815,029	$420,696	$1,791,436
Surplus/(Deficit)	**($721,863)**	**$463,877**	**$31,827**
TOTAL			**($226,159)**

Table two below shows the costs versus revenues for Annexation Area B, (Rancho Dominguez). Annexation of Rancho Dominguez will result in a significant surplus to the General Fund, but result in a net deficit for Road and Transportation costs and a slight surplus to other funds. The primary reason for the surplus to the General Fund is due to revenues from property, sales and utility taxes. The costs to the Road and Transportation fund related services however are greater than the revenues generated from Area B exclusive of any future capital infrastructure costs. The water costs are borne by private companies and the sewer fund is assumed to be revenue neutral. As can be seen from the table 2 below, Annexation of the non-residential Rancho Dominguez area (Area B) by itself results in a significant net surplus to the City.

Table 2: Area B - Rancho Dominguez			
Base Year	**General Fund**	**Road/Transportation Restricted Funds**	**Other (Retirement)**
Revenues	$7,804,421	$174,037	$6,189,060
Expenditures	$6,433,130	$1,081,790	$6,081,026
Surplus/(Deficit)	**$1,371,291**	**($907,753)**	**$108,034**
TOTAL			**$571,572**

<u>Complete combined annexation of both Areas A and B would result in an annual surplus of $345,861.</u>

Table 3 below summarizes the current capital improvement projects programmed by the County for each Annexation Area. The Slurry Seal project listed below involves extensive Slurry Seal application on a large number of streets within Annexation Area A, and in both the western and eastern portions of Annexation Area B. Significant reconstruction work has been completed by the County for a significant stretch of Del Amo Blvd at the southern end of Annexation Area B.

Table 3: Area B - LA County Road Improvement Projects			
PROJECT NAME	**PROJECT STATUS**	**PROJECT SCOPE**	**ANNEXATION AREA**
Castlegate Avenue, et al. (JOC)	Construction	Slurry Seal	2, 4, 5, 7
Santa Fe Ave - Del Amo Blvd. to 700' N/o SPBG 495.6 C	Concept	Resurface & Reconstruction	7
Susana Road - Long Bch Fy/1450 N Las Hermanas St	Design	Rehabilitation & Reconstruction	7
Wilmington Av - Del Amo Bld. to 200' S/o Victoria St	Design	Rehabilitation	7

The 2011 City of Carson Annexation Fiscal Study for Annexation Area B estimated the required deferred maintenance/capital improvement project costs of $26,902,788. However, this estimate included substantial work related to Del Amo Blvd and other streets which is either now completed or in-process, therefore the cost estimate for infrastructure improvements in this Area will be less. The consultant has estimated this amount to now be approximately 10 to 15 million.

If the City proceeds with annexation, the City should consider discussing with the County the long deferred road maintenance and as part of any annexation agreement require the streets that need the most immediate attention to be completed by the County. For purposes of this analysis, the current City share of the 1% basic property tax levy, is approximately .13% as reported by the City, and has been utilized for calculating the estimated Property Tax Transfer. Each 1% above the 13% equals $40,517 annually. Receiving 19% instead of 13% would eliminate the negative for Area A.

<u>Alternative to complete annexation of Areas “A” and “B”.</u>

The results of the Fiscal Report have so far analyzed the complete annexation of areas A and B. While complete annexation of Areas A and B yields a surplus they will also both be subject to a protest hearing. The Fiscal Report, however, offers an alternative approach that minimizes the potential for protest hearing. Instead of annexing all of the county islands at once, annex only Sphere of Influence (SOI) Areas 3, 4 and 5 within Area A. These areas (3, 4, and 5) are not subject to any protest hearing because all of these areas are developed, all are under the 150 acres and are surrounded or substantially surrounded by the City. Accordingly Government Code Section 56375.3 specifies that annexations that are 150 acres or less in size are not subject to the protest/voter-landowner election confirmation provision.

For annexation areas is over 150 acres, a 30 day protest period ensues whereby the registered voters or landowners of the annexation area may submit written protests to LAFCO. A public hearing is conducted to consider protests received. For annexations of inhabited territory (containing 12 or more registered voters), LAFCO must:

1. Terminate the proceedings if it receives protests from 50 percent or more of the registered voters within the territory;

2. Order the annexation subject to an election if it receives protests from either at least 25 percent, but less than 50 percent, of the registered voters residing in the affected territory, or from at least 25 percent of the number of owners of land who also own at least 25 percent of the assessed value of land within the affected territory;

3. Order the annexation without an election if it receives protests from less than 25 percent of the registered voters or less than 25 percent of the number of owners of land owning less than 25 percent of the assessed value of land within the affected territory.

A simple majority of those voting in an annexation election confirms or denies the annexation.

Only SOI Area 2 is over the 150 acre limit. Phasing the annexations and annexing only a part of area A as proposed in the Fiscal Report avoids the protest vote and speeds up the annexation process for Sphere of Influence (SOI) Areas 3, 4 and 5 of Area A and reduces the potential for the proposed portion of Area B.

#5.

The portion of Area B proposed under the phased approach consists of an area of approximately 257 acres immediately along the southern boundary of the City on the eastern portion of the Rancho Dominguez area.

This 257 acre area will be would be subject to a potential protest hearing because it is over 150 acres; however this area contains no residential land uses. The only non-residential land use in this commercial - industrial area is the Rancho Dominguez Adobe property.

Upon completion of Phase I, the City would then analyze the annexation of the remaining portions of Areas A and B. The future phase two annexation would consist of SOI Area 2 within Area A and the remainder of Area B.

The financial implications of this phased approach also generate a surplus to the General Fund and to the Road and Transportation Funds. The phased annexation approach would yield a combined surplus of $188,710 annually.

The annexation procedures for either the complete annexation or phased annexation option of areas A and B are the same, but the likelihood of a successful protest is substantially reduced with a phased approach. One cautionary note is that LAFCO and LA County do not want Area B (Rancho Dominguez) divided or broken up. If the phased approach is pursued both LAFCO and LA County will need to be reassured that the City of Compton fully intends to annex all of Areas A and B.

<u>Annexation Fiscal Recommendations</u>

The fiscal report has the following recommendations that may improve the preliminary numbers discussed above. These recommendations can be further explored during the formal annexation review process.

1. The City and County will be required to enter into a Property Tax Transfer Agreement in order for an annexation to proceed. One revenue source that the City would have received prior to 2011, but will now not receive is Property Tax in lieu of Motor Vehicle License Fees that would be applicable to each Annexation Area. This revenue was eliminated for all annexations that occur after June of 2011 by SB 89, and diverted to counties as part of the prison realignment agreement. The City should discuss with the County this disproportionate loss of revenue, in particular as it relates to the deficit in annexation Area A, as part of the tax transfer discussions. For Annexation Area A, for each 1% of property tax transfer above the 13% assumption, the City would receive an estimated additional $40,517.

2. The City should engage the County in discussions of deferred maintenance items that need remediation, in particular those road related items that are of a critical nature. Specifically due to the revenue deficit for Annexation Area B, which also will require the most road rehabilitation effort, a joint cost sharing agreement for rehabilitating those roads that both parties determine a priority should be considered.

3. A complete review of overall citywide deployment of law enforcement services in a post annexation scenario is advisable. This is to ascertain if any economy of scale may be achieved through deployment beat/zone restructuring when adding either Annexation Area to the City's overall deployment plan.

4. The City would not receive the 17% Structural Fire Property Tax associated with either Annexation Area under annexation. That revenue would remain with the County Fire Department. Therefore there is no revenue offset available for these service costs. However, there may be an opportunity to contract with the County Fire Department for those services to continue in the Annexation Areas, in particular for Annexation Area B, at a shared cost, or no cost, since the County does retain the Structural Fire Property Tax. This would be a similar arrangement that the City of Carson has assumed in their fiscal analysis of annexation area B. The City may wish to discuss this possibility with the County Fire Department if the City pursues the annexations. The savings to the General Fund under this scenario would be $389,735 for Annexation Area A and $1,558,941 for Annexation Area B.

5. This analysis assumes that the County park located in Annexation Area A will transfer to the City. This contributes to the General Fund deficit for this area. From a financial standpoint, the City may wish to discuss with the County retaining this park as a County regional facility. However, the City presently has insufficient parkland for the population and may want to consider retaining the park.

CONCLUSION

Complete Annexation Option:

The net fiscal impacts to the City as a result of the complete annexation of Area A alone will be a negative $226,159. The net fiscal impacts to the City as a result of the complete annexation of Area B alone will be a net surplus of $571,572. The combined financial impacts of the complete annexation of Areas A and B results in an annual surplus of $345,861, but risks a protest hearing.

Phase Annexation Option

Under the phased approach SOI areas 3, 4 & 5 of Annexation Area A would be annexed along with a portion of Annexation Area B. The targeted portion of Annexation Area B encompasses approximately 257 acres of commercial/industrial property with no residential property other then the Rancho Dominguez Adobe property.

The overall net financial impact of this phased annexation approach is a positive $188,710, while avoiding the protest hearing for SOI Areas 3, 4 and 5 of Area A and reducing the potential for a protest hearing in Area B.

#5.

RECOMMENDATION

Receive and file the Fiscal Report and provide staff with direction. Several options are available.

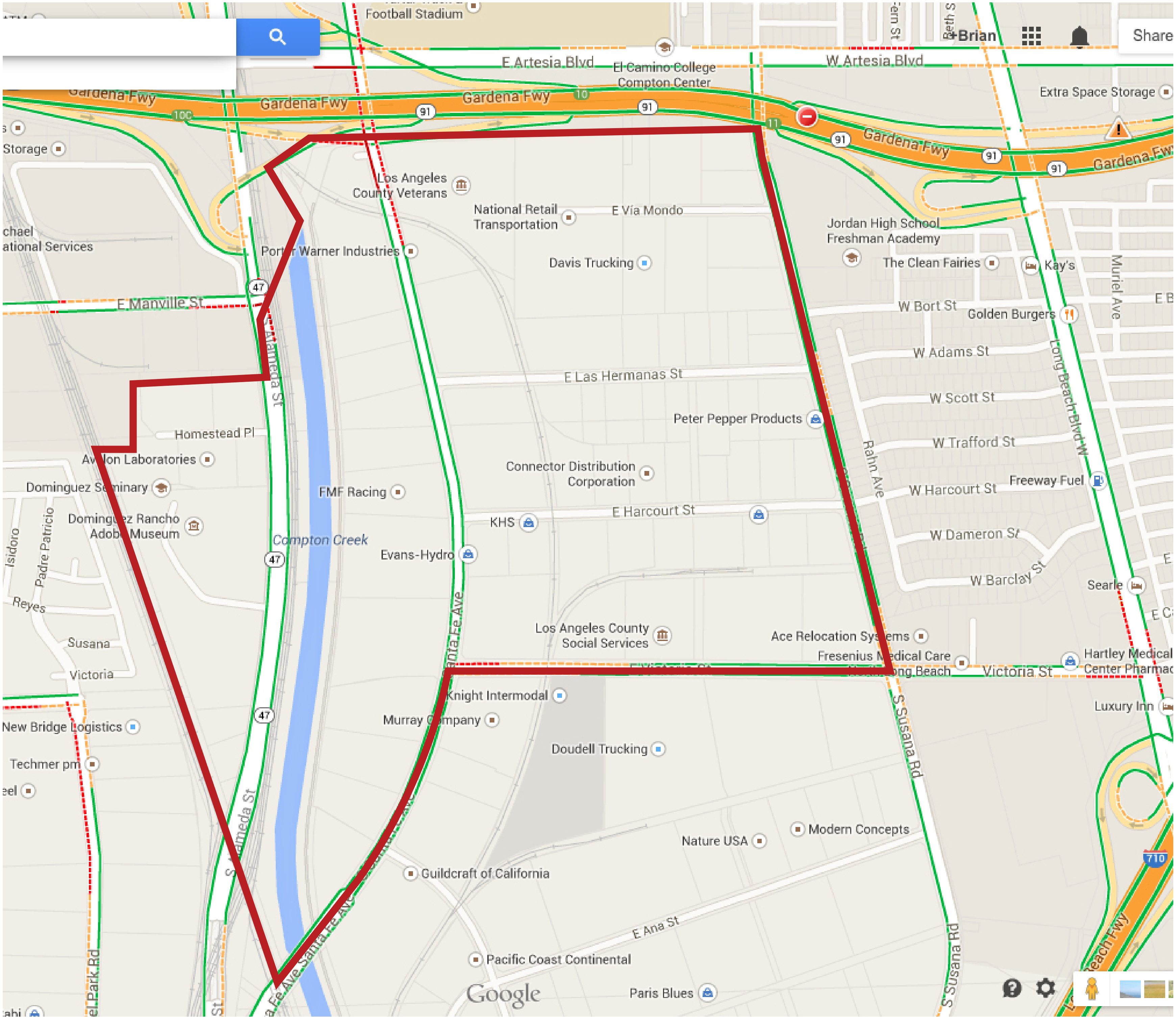
a. Delay all further annexation steps and processes until further notice.
b. Proceed with complete annexation of Areas A and B.
c. Proceed with the Phased annexation of Areas A and B.

ROBERT DELGADILLO, (INTERIM) DIRECTOR
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

Attachment: Civic Solution Fiscal Report
Map of 257 acre portion of Area B



Football Stadium
Brian
Share
E Artesia Blvd
El Camino College
Compton Center
W Artesia Blvd
Gardena Fwy
Extra Space Storage
Storage
Los Angeles
County Veterans
National Retail
Transportation
E Via Mondo
Jordan High School
Freshman Academy
chael
ational Services
Porter Warner Industries
Davis Trucking
The Clean Fairies
Kay's
E Manville St
W Bort St
Golden Burgers
Muriel Ave
W Adams St
Alameda St
E Las Hermanas St
Long Beach Blvd W
W Scott St
Peter Pepper Products
Homestead Pl
Rahn Ave
W Trafford St
Avalon Laboratories
Connector Distribution
Corporation
Freeway Fuel
Dominguez Seminary
FMF Racing
W Harcourt St
KHS
E Harcourt St
Dominguez Rancho
Adobe Museum
Padre Patricio
Isidoro
Compton Creek
W Dameron St
Evans-Hydro
W Barclay St
Searle
Reyes
Santa Fe Ave
Los Angeles County
Social Services
Ace Relocation Systems
Susana
Fresenius Medical Care
Hartley Medical
Center Pharmac
Victoria
Victoria St
Knight Intermodal
Luxury Inn
New Bridge Logistics
Murray Company
S Susana Rd
Doudell Trucking
Techmer pm
S Alameda St
Modern Concepts
Nature USA
Guildcraft of California
E Ana St
Pacific Coast Continental
Google
Paris Blues
S Susana Rd
el Park Rd

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City of Compton

Annexation Fiscal Analysis

April 13, 2014

Prepared by:

Civic Solutions, Inc.
GST Consulting

#5.

Table of Contents

#5.

#5.

EXECUTIVE SUMMARY

Purpose

The City of Compton (City) is exploring the feasibility of annexing into the City, certain unincorporated Los Angeles County (County) islands currently in the City's Sphere of Influence (SOI). In order to accomplish the annexations, the City will be required to submit to the Local Agency Formation Commission for the County of Los Angeles (LAFCO), an application for annexation, a plan for services, processing fees, and any other information deemed appropriate by LAFCO to analyze the annexation proposals. Although the City has not pursued annexation of any of the islands within the City's SOI in the recent past, the City has expressed a renewed interest to LAFCO in pursuing a multi phased approach to annexation of all or portions of the islands over the course of the next several years. These islands are identified on the map on Page 12, Figure 1.

The purpose of this report is to provide a preliminary analysis and the necessary data and information for assessing the fiscal impact on the City if the annexations move forward, and provide information regarding anticipated changes in municipal service delivery providers to the annexation areas. This report will analyze the operational revenue and expenditure impacts related to the annexation areas, and assess the fiscal impact of any infrastructure issues relative to the annexation areas. The report will also briefly outline the general procedural steps necessary to complete the annexation process if the City desires to move forward.

This analysis is developed based on the best data available, and is intended as a snapshot view of fiscal impact. In several cases, specific data relative to each Annexation Area was not available from the County or other agencies, therefore certain assumptions have been made using industry accepted methodologies for projecting some costs and revenues where this data was unavailable. Further detailed analysis should be conducted prior to finalization of annexation of any territory to update and confirm the information and assumptions contained within this snapshot view.

Annexation Areas

The first step in the City's proposed process is to pursue annexations of Islands #2, 3, 4 & 5, and all or portions of Island #7 as identified on the previously referenced map. For purposes of this analysis, the islands under consideration for analysis have been divided into two "Annexation Areas". "Annexation Area A" includes Islands #2, 3, 4 & 5. "Annexation Area B" includes Island #7.

Annexation Area A comprises the four Islands commonly referred to as East Compton. These islands are located on the eastern portion of the City, in close proximity to the cities of Lynwood, Paramount and Long Beach. All four islands are primarily residential in nature with some commercial development interspersed in portions of the islands along main arterial roadways. The approximate size of each island is as follows-Island #2- 347.9 Acres, Island #3- 125.9 Acres, Island #4- 13.6 Acres, Island #5- 41.3 Acres.

Annexation Area B comprises Island #7, commonly referred to as Rancho Dominguez. This island is located on the southern portion of the City, and adjacent to the cities of Carson and Long Beach. This Island is primarily commercial/industrial development, with some limited residential. The approximate size of this island is 1,710 acres.

Fiscal Analysis Summary

The discussion and Tables 1 & 2 below and on the following page depict the summaries of projected operational revenues and expenditures for Annexation Areas A and B respectively. The Tables reflect summaries for General Fund impacts, Road/Transportation Restricted Fund impacts and miscellaneous major Other Fund impacts (Retirement, Water, Sewer). These summaries are discussed in greater detail further in this report. Table 3 and the discussion on Pages 5 & 6 reflect a summary of potential capital infrastructure and deferred maintenance issues applicable to each Annexation Area.

Annexation Area A

Table 1 below reflects projections of costs versus revenues for Annexation Area A will result in a significant net deficit to the General Fund, a significant net surplus for Road and Transportation Funds, and a slight surplus in the Other Funds. The primary impacts to the General Fund are law enforcement and fire protection costs. The Road/Transportation Funds related services, exclusive of any future capital infrastructure costs, are outweighed by the population based revenue generated in this primarily residential area. The Other Funds reflect entirely the Retirement Fund contributions versus projected outlays. The Water Fund is not applicable as water services are provided by private companies, and the Sewer Fund is assumed to be revenue neutral- expenditures offset by sewer charge fees.

	General Fund	Road/Transportation Restricted Funds	Other Funds
Revenues	$3,093,166	$884,573	$1,823,263
Expenditures	$3,815,029	$420,696	$1,791,436
Net Surplus/(Deficit)	**($721,863)**	**$463,877**	**$31,827**

Table 1- Annexation Area A- Revenue/Expenditure Summary

Annexation Area B

Table 2 on the following page reflects projections of costs versus revenues for Annexation Area B will result in a significant net surplus to the General Fund, a significant net deficit for Road and Transportation Funds, and a slight surplus in the Other Funds. The primary drivers for the General Fund surplus are significant revenues derived from Property and Sales Tax, and Utility Users Tax. The Road/Transportation Funds related services, exclusive of any future capital infrastructure costs, are significantly greater than the population based revenue generated by this primarily commercial/industrial area. As with Annexation Area A, the Other Funds reflect entirely the Retirement Fund contributions versus projected outlays. The Water Fund is not applicable as water services are provided by private companies, and the Sewer Fund is assumed to be revenue neutral- expenditures offset by sewer charge fees.

#5.

	General Fund	Road/Transportation Restricted Funds	Other Funds
Revenues	$7,804,421	$174,037	$6,189,060
Expenditures	$6,433,130	$1,081,790	$6,081,026
Net Surplus/(Deficit)	**$1,371,291**	**($907,753)**	**$108,034**

Table 2- Annexation Area B- Revenue/Expenditure Summary

There is an overall net positive impact for both Annexation Areas combined. The General Fund results in a combined net positive impact of $649,428, while the Road/Transportation Restricted Funds result in a combined net negative impact of $443,876. However, the overall net impact of these combined Funds is positive – $205,552 for the General Fund.

Capital Infrastructure

Table 3 on the following page summarizes the current capital improvement projects programmed by the County for each Annexation Area, and their current status[1]. The County did not provide any cost data for these projects. It should be noted that the Slurry Seal project listed as under construction involves extensive Slurry Seal application on a large number of streets within Annexation Area A, and in both the western and eastern portions of Annexation Area B, per the maps available on the County Public Works website. Additionally, significant reconstruction work has been completed by the County for a significant stretch of Del Amo Blvd at the southern end of Annexation Area B.

As a point of reference, the 2011 City of Carson Annexation Fiscal Study for Annexation Area B estimated required deferred maintenance/capital improvement project costs of $26,902,788[2]. However, this estimate included substantial work related to Del Amo Blvd and other streets which is either now completed or in-process, therefore the cost estimate for infrastructure improvements in this Annexation Area should be greatly reduced.

As all cities program long term capital improvements over a period of several years based on anticipated funding levels and priorities, it is assumed in this analysis that the City will assess and determine specific priorities for each Annexation Area if annexed, and program appropriate improvements in the City's overall Capital Improvement Program. Additionally, the City may want to consider as part of annexation of either Annexation Area, discussions with the County concerning those deferred maintenance of items that require the most immediate attention to be completed by the County as part of any annexation agreement.

[1] Email from LA County Public Works Department staff to Civic Solutions, Inc. dtd November December 9, 2013
[2] City of Carson Annexation Staff Report, Plan for Municipal Services, and Fiscal Analysis documents dtd December 2011 (from the City of Carson Website)

PROJECT NAME	PROJECT STATUS	PROJECT SCOPE	ANNEXATION AREA
Castlegate Avenue, et al. (JOC)	Construction	Slurry Seal	2,4,5,7
Santa Fe Ave - Del Amo Blvd to 700' N/o SPBG 495.6 C	Concept	Resurface & Reconstruction	7
Susana Road - Long Bch Fwy/1450 N Las Hermanas St	Design	Rehabilitation & Reconstruction	7
Wilmington Av - Del Amo Blvd to 200' S/o Victoria St	Design	Rehabilitation	7

Table 3- Capital Improvement/Deferred Maintenance Summary

Property Tax Transfer Agreement

LAFCO cannot approve an annexation unless an agreement for the transfer of property tax from the County to the City has been approved by both jurisdictions[3]. This agreement will define the share of the existing County share of the 1% basic levy that will be transferred to the City. This is generally a negotiated agreement that reflects the fiscal needs of both the City and the County with respect to property tax reallocation. These agreements may also include other provisions such as sales tax sharing, shared servicing, etc., if the parties desire to include such items in the agreement. As part of the discussions with the County, the City may want to consider integrating consideration of road or facility infrastructure deferred maintenance within the Annexation Areas assumed by the City as a component of that agreement. For purposes of this analysis, the current City share of the 1% basic levy, approximately 13% as reported by the City[4], has been utilized for calculating the estimated Property Tax Transfer.

Proposition 218 Applicability

There are certain City taxes and assessments that are currently not applicable to the Annexation Areas that would be available to the City to assess upon annexation. These include a higher Utility Users Tax Rate and the Retirement Fund Property Tax assessment. Recent court rulings have affirmed that a vote normally required under Proposition 218 for levying these additional taxes and assessments does not apply to annexations[5]. The City will have the discretion to determine if these additional taxes and assessments will be levied in the Annexation Areas.

Conclusions & Recommendations

Annexation of either Annexation Area will have positive and negative impacts on the City in certain areas. For Annexation Area A, the General Fund is negatively impacted while the Road/Transportation Funds reflect a positive impact. Conversely, Annexation Area B reflects a positive impact on the General Fund and a negative impact on the Road/Transportation Funds. Both Annexation Areas reflect a nominally positive impact on the miscellaneous major Other Funds.

[3] Revenue & Taxation Code Section 99 et sq.
[4] Email from the City of Compton staff to Civic Solutions, Inc. dtd November 20, 2013
[5] 4th District Court of Appeals- *Citizens Association of Sunset Beach vs Orange County Local Agency Formation Commission, et al.*

#5.

As noted previous, there is an overall net positive impact for both Annexation Areas combined. The General Fund results in a combined net positive impact, while the Road/Transportation Restricted Funds result in a combined net negative impact. However, the overall net impact of these combined Funds is positive – $205,552 for the General Fund.

There are several areas of discussion the City may want to consider if the City elects to proceed with the annexation process of all or some of the Annexation Areas.

- The City and County will be required to enter into a Property Tax Transfer Agreement in order for an annexation to proceed. One revenue source that the City would have received prior to 2011, but will now not receive is Property Tax in lieu of Motor Vehicle License Fees that would be applicable to each Annexation Area. This revenue was eliminated for all annexations that occur after June of 2011 by SB 89, and diverted to counties as part of the prison realignment agreement. The City should discuss this disproportionate loss of revenue, in particular as it relates to the deficit in Annexation Area A, as part of the tax transfer discussions. For Annexation Area A, for each 1% of Property Tax Transfer above the 13% assumption, the City would receive an estimated additional $40,517 annually.

- The City should engage the County in discussions of deferred maintenance items that need remediation, in particular those road related items that are of a critical nature. Specifically due to the Road/Transportation Restricted revenue deficit for Annexation Area B, which also will require the most road rehabilitation effort, a joint cost sharing agreement for rehabilitating those roads that both parties determine a priority should be considered.

- A complete review of overall citywide deployment of law enforcement services in a post annexation scenario is advisable. This is to ascertain if any economy of scale may be achieved through deployment beat/zone restructuring when adding either Annexation Area to the City's overall deployment plan.

- The City would not receive the 17% Structural Fire Property Tax associated with either Annexation Area under the annexations if services transfer to the City Fire Department. That revenue would remain with the County Fire Department. Therefore there is no revenue offset available for these service costs. However, there may be an opportunity to contract with the County Fire Department for those services to continue in the Annexation Areas, in particular for Annexation Area B, at a shared cost, or no cost, since the County does retain the Structural Fire Property Tax. This would be a similar arrangement that the City of Carson has assumed in their fiscal analysis of annexation of Annexation Area B[6]. The City may wish to discuss this possibility with the County if the City pursues the annexations. The savings to the General Fund under this scenario would be $389,735 for Annexation Area A and $1,558,941 for Annexation Area B.

- This analysis assumes that the County park located in Annexation Area A will transfer to the City. This contributes to the General Fund deficit for this area. The City may wish to discuss with the County retaining this park as a County regional facility.

[6] City of Carson Annexation Staff Report, Plan for Municipal Services, and Fiscal Analysis documents dtd December 2011 (from the City of Carson Website)

Phase 1 Scenario

The City is reviewing the option of completing these annexations, and other areas not a part of this analysis, in phases. Following is a summary of a 1st Phase approach to completing annexations of Annexation Areas A and B.

Under Phase 1 of this process, Island numbers 3, 4 & 5 depicted in Figure 1 on Page 12 in Annexation Area A would be annexed along with a portion of Annexation Area B. The portion of Annexation Area B to be annexed would be generally that area south of the City limits (at the 91 Freeway), west of S. Susana Rd, north of Victoria St, west of Santa Fe Ave where it intersects the Blue Line, and east of the Blue Line. This area encompasses approximately 257 acres of commercial/industrial property with no residential property.

Table 4 below reflects the net impact of this Phase 1 annexation scenario. As noted, the overall net impact is a positive $188,710, $121,833 to the General Fund and $66,877 to the Road/Transportation Restricted Funds.

	Combined Area A- Islands 3, 4 & 5 Area B- 247 Acres
General Fund	
Revenues	$2,147,314
Expenditures	2,025,481
Net Surplus/(Deficit)	$121,833
Road/Transportation Restricted Funds	
Revenues	$302,668
Expenditures	235,791
Net Surplus/(Deficit)	$66,877
Net Surplus/(Deficit)- Combined Funds	**$188,710**

Table 4- Phase 1 Annexation- Revenue/Expenditure Summary

Annexation Process

If the City decides to proceed with annexation of any of the islands, the process through LAFCO, governed by Government Code 56000 et sq., is straightforward, but includes several steps that must be performed in order for the annexation to be completed. The initial step is the filing of an application with LAFCO along with the appropriate documents and filing fees required by LAFCO's policies. As part of the application filing, several items must be completed prior to an application being deemed "complete".

Among those items is a Property Tax Exchange Agreement that must be entered into between the City and the County, as previously discussed. A plan for services must be finalized that will document the transfer of services and infrastructure from the County to the City. Additionally, those areas contemplated for annexation must be "pre-zoned" by the City with appropriate General Plan and Zoning Amendments in place, and an environmental review must be performed.

Once the application is deemed “complete” by the LAFCO Executive Officer, a Certificate of Filing is issued and the process moves forward to the public hearing stage and LAFCO Commission action. The public hearing is conducted after the specified public notice period has elapsed. At the conclusion of the public hearing, the Commission has the option to approve or deny the proposed annexation. If the Commission approves the annexation, and the annexation area is over 150 acres, a 30 day protest period ensues whereby the registered voters or landowners of the annexation area may submit written protests to LAFCO. A public hearing is conducted to consider protests received. For annexations of inhabited territory (containing 12 or more registered voters), LAFCO must:

1) Terminate the proceedings if it receives protests from 50 percent or more of the registered voters within the territory;

2) Order the annexation subject to an election if it receives protests from either at least 25 percent, but less than 50 percent, of the registered voters residing in the affected territory, or from at least 25 percent of the number of owners of land who also own at least 25 percent of the assessed value of land within the affected territory;

3) Order the annexation without an election if it receives protests from less than 25 percent of the registered voters or less than 25 percent of the number of owners of land owning less than 25 percent of the assessed value of land within the affected territory.

A simple majority of those voting in an annexation election confirms or denies the annexation.

A special provision in the statutes, Government Code Section 56375.3, specifies that annexations that are 150 acres or less in size are not subject to the protest/voter-landowner election confirmation provision. Three of the four islands in the East Compton area (Annexation Area A) qualify under this provision.

INTRODUCTION

Background

The City of Compton is the 8th oldest city in the County of Los Angeles, incorporating in 1888. The City is approximately 10.01 square miles in size with a current estimated population of approximately 97,549 as of January 2013, as reported by the California Department of Finance. The City's current SOI is approximately 9.03 square miles, and extends in all directions from the City boundaries. The City and its SOI are bounded by the Cities of Lynwood, Paramount, Long Beach, and Carson, and the County of Los Angeles. The City has 7 unincorporated County islands contained within its SOI concentrated in 4 areas, several with joint SOIs with other cities. These islands are identified on the map on Page 12, Figure 1.

To the northwest, one island (Island #1), is contained in a joint SOI with the City of Los Angeles established in 1973. Four islands (Islands #2, 3, 4 & 5) are located on the east side of the City. Jointly, these islands, added to the City's SOI in 1984, are commonly referred to as East Compton. One island (Island #6), is located on the west side of the City and is contained in a joint SOI with the Cities of Los Angeles and Carson established in 2006. One island (Island #7), is located on the south side of the City and is contained in a joint SOI with the Cities of Carson and Long Beach established in 2006. This island is commonly referred to as Rancho Dominguez.

Although the City has not pursued annexation of any of the islands in the recent past, the City has expressed a renewed interest to LAFCO in pursuing a multi phased approach to annexation of all or portions of the islands over the course of the next several years. The first step in this proposed process is to pursue annexations of Islands #2, 3, 4 & 5, and all or portions of Island #7.

In order to accomplish the annexations, the City will be required to submit to LAFCO, an application for annexation, a plan for services, processing fees, and any other information deemed appropriate by LAFCO to analyze the annexation proposals. The purpose of this report is to provide the necessary data, information, and analysis for assessing the fiscal impact on the City if the annexations move forward, and provide information regarding anticipated changes in municipal service delivery providers to the annexation areas. This report will analyze the operational revenue and expenditure impacts related to the annexation areas, and assess the fiscal impact of any infrastructure issues relative to the annexation areas. The report will also briefly outline the general procedural steps necessary to complete the annexation process if the City desires to move forward.

Annexation Areas

For purposes of this analysis, the islands under consideration for analysis have been divided into two "Annexation Areas". "Annexation Area A" includes Islands #2, 3, 4 & 5. "Annexation Area B" includes Island #7. Refer to the map on Page 12, Figure 1.

Annexation Area A comprises the four Islands commonly referred to as East Compton. These islands are located on the eastern portion of the City, in close proximity to the cities of Lynwood, Paramount and Long Beach. All four islands are primarily residential in nature with some commercial development interspersed in portions of the islands along main arterial roadways. The approximate size of each island is as follows-Island #2- 347.9 Acres, Island #3- 125.9 Acres, Island #4- 13.6 Acres, Island #5- 41.3 Acres.

Annexation Area B comprises Island #7, commonly referred to as Rancho Dominguez. This island is located on the southern portion of the City, and adjacent to the cities of Carson and Long Beach. This Island is primarily commercial/industrial development, with some limited residential. The approximate size of this island is 1,710 acres.

All of the islands within each Annexation Area are primarily built-out, with some limited infill potential, in particular in Annexation Area B. Table 5 below reflects general population, housing and commercial square footage information for each Annexation Area.

		Population[7]	Housing Units[8]	Retail/Com/Ind Sq. Ftg.[9]
Area A	Islands #2, 3, 4 & 5	13,891	3,183	577,075
Area B	Island #7	2,733	1,064	24,990,290

Table 5- Annexation Areas General Land Use Data

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[7] U.S. Census Report- 2010- Area A- East Rancho Dominguez CDP, Area B- Census Tract 5433.05
[8] Ibid
[9] Los Angeles County Assessor Office Parcel Data List- November 2013

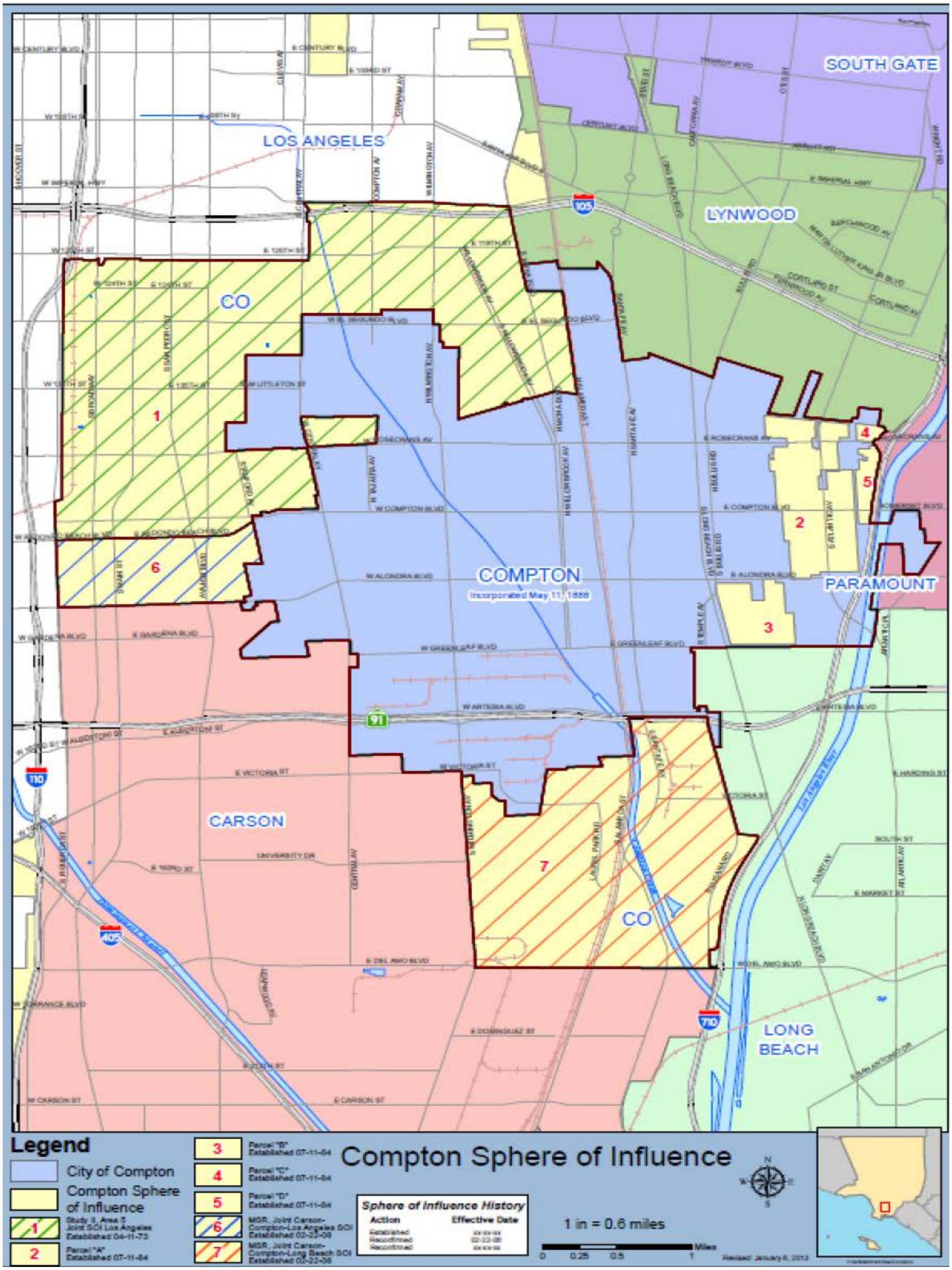

Figure 1- Annexation Areas

#5.

FISCAL ANALYSIS

Assumptions and Methodologies

General Assumptions

This snapshot view analysis has been developed based on the best available information provided by the City, the County, and the other various sources identified, and is intended as a snapshot view of fiscal impact. In several cases, specific data relative to each Annexation Area was not available from the County or other agencies, therefore certain assumptions have been made using industry accepted methodologies such as per capita estimating for projecting some costs and revenues where this data was unavailable. Further detailed analysis should be conducted prior to finalization of annexation of any territory to update and confirm the information and assumptions contained within this snapshot view.

New Development

This analysis makes no assumptions for future new development in either Annexation Area. As both Annexation Areas are predominantly built out, limited areas exist for future development. Infill development and renovation of existing development in either Annexation Area would result in enhanced opportunities for increasing property tax revenue through increased assessed valuation, and potential sales tax and other consumer revenues if additional retail/commercial activities are added.

Capital Infrastructure & Deferred Maintenance

This analysis addresses estimated costs associated with capital infrastructure and deferred maintenance requirements for each Annexation Area. It should be noted that capital improvements and deferred maintenance are generally performed as part of a long range capital improvement program on a "funds available" basis. Road related improvements are generally funded through restricted road related revenues or transportation grants. Facilities improvements are normally funded through the General Fund. This analysis only identifies the planned improvements, however makes no assumptions on the timing of improvements or funding sources. As part of the annexation Property Tax Transfer discussions with the County, the City may want to consider integrating consideration of deferred maintenance assumed by the City as a component of that agreement.

Property Tax Transfer Agreement

The City will be required to execute a Property Tax Transfer Agreement with the County prior to the annexation application moving forward through LAFCO. This agreement defines the share of the existing County share of the 1% basic levy that will be transferred to the City. This is generally a negotiated agreement that reflects the fiscal needs of both the City and the County with respect to property tax reallocation. These agreements may also include other provisions such as sales tax sharing, shared servicing, etc., if the parties desire to include such items in the agreement. For purposes of this analysis, the current City share of the 1% basic levy, approximately 13% as reported by the City[10], has been utilized for calculating the estimated Property Tax transfer.

[10] Email from the City of Compton staff to Civic Solutions, Inc. dtd November 20, 2013

Staffing Assumptions

The City has provided estimates of staffing increases determined to be necessary for servicing each Annexation Area. Table 6 below reflects these City staffing estimates. Salary estimates are derived from the City's current Wage & Classification List[11]. The Benefit/Payroll Cost Rate for each individual salary position has been developed utilizing the City's CALPERS retirement fund City contribution rate[12] (20.7% Miscellaneous, 51.7% Public Safety), the City's employer paid CALPERS employee contribution rate (8.0%) assuming Classic PERs employees would be hired, the City's current medical and insurance benefit schedule, and payroll tax and worker's compensation insurance factors. Staffing requirements are discussed in greater detail later in the Expenditure sections of this report for the applicable department/service.

Position	Position Salary	Benefit/Payroll Cost Rate	Position Cost	Area A FTE	Area B FTE
Associate Planner	$72,000	65.0%	$118,800	.5	.5
Planning Admin Analyst I	$52,884	76.2%	$93,182	.5	.5
Building Inspector	$64,536	68.6%	$108,808	.5	.5
Building Office Assistant	$31,728	104.2%	$64,789	.5	.5
Engineering	N/A	N/A	N/A	0	0
Code Enforcement Officer	$57,840	72.6%	$99,832	1	1
Parking Control Officer	$38,604	91.8%	$74,042	1	1
Public Works- Maint Worker III	$52,356	76.6%	$92,461	3.5	9
Fire Protection	$65,184	99.3%	$129,912	3	12
Sheriff (Contract)	See Discussion	See Discussion	$238,788	12	6

Table 6- Annexation Area Staffing Estimates

Municipal Service Transfer Assumptions

Annexation of either Annexation Area A or Annexation Area B will result in a change of service responsibility between agencies for that respective Annexation Area. Most services currently provided by the County will transfer to the City. Table 7 on the following page identifies the anticipated transfer of services.

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[11] City of Compton Salary Schedule- City Web Site
[12] CALPERS Agency Contribution Rate Listing- CALPERS Website

#5.

Public Service	Current Provider	Anticipated Provider	Funding
General Government	Los Angeles County	City of Compton	General Fund
Law Enforcement	Los Angeles County	City of Compton- Contract with County	General Fund
Traffic Control & Accident Investigation	California Highway Patrol	City of Compton- Contract with County	General Fund/Fines
Animal Services	Los Angeles County	Los Angeles County	N/A
Library	Los Angeles County	Los Angeles County	N/A
Fire Protection/EMS	Los Angeles County	City of Compton	General Fund
Land Use Planning	Los Angeles County	City of Compton	General Fund/Fees
Building & Safety	Los Angeles County	City of Compton	General Fund/Fees
Code Enforcement	Los Angeles County	City of Compton	General Fund/Fines
Engineering	Los Angeles County	City of Compton	General Fund/Fees
Parks & Recreation	Los Angeles County	City of Compton	General Fund/Fees
Street Lighting	Los Angeles County Lighting Maintenance Districts	Los Angeles County Lighting Maintenance Districts	N/A
Road/Traffic Signal Maintenance	Los Angeles County	City of Compton	Road Restricted Funds
Street Sweeping	Los Angeles County	City of Compton	Road Restricted Funds
Local Storm Drain Control	Los Angeles County	City of Compton	Road Restricted Funds
Regional Flood Control	Los Angeles County	Los Angeles County	N/A
Electricity	Los Angeles County- Franchise with Southern Calif Edison	City of Compton- Franchise with Southern Calif Edison	Direct Billing to Customers
Natural Gas	Los Angeles County- Franchise with Southern Calif Gas	City of Compton- Franchise with Southern Calif Gas	Direct Billing to Customers
Domestic Water	Private Water Companies	Private Water Companies	N/A
Local Sewer	Los Angeles County	City of Compton	Local Sewer Fee
Regional Sewer/Wastewater Treatment	Los Angeles County Sanitation Districts	Los Angeles County Sanitation Districts	N/A
Cable TV	Los Angeles County- State Franchise with Private Providers	City of Compton- State Franchise with Private Providers	Direct Billing to Customers
Solid Waste Collection & Disposal	Los Angeles County- Franchise with Private Provider	City of Compton- Franchise with Private Provider	Direct Billing to Customers

Table 7- Annexation Area Current/Proposed Service Providers

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Base Revenue & Expenditures

The following sections discuss the base revenues and expenditures for the General Fund, Road/Transportation Restricted Funds, and significant miscellaneous Other Funds. These base revenues and costs are used to establish an initial baseline impact of the potential annexations, and for projecting future anticipated revenues and service costs over time.

General Fund

General Fund revenues are all revenues received that can be used for any governmental purpose. These revenues generally fund most services provided by the City. Tables 8 & 9 below and on the following page reflect the estimated revenues and expenditures applicable for each Annexation Area. As noted in the Tables, Property Tax, Sales Tax and Utility Users Tax are the most significant revenues to be realized from each Annexation Area. As expected, Law Enforcement and Fire Protection Services are the most significant expenditures. It should be noted that the City will not receive any Property Tax in lieu of Motor Vehicle License Fee revenue as a result of annexation of either area. This revenue was eliminated by the state legislature in 2011 (SB 89) and transferred to counties for prison realignment purposes. Revenue/Expenditure offsets for Planning, Building and Engineering are discussed in in the following pages.

*For Planning, Building and Engineering, this analysis assumes that most of the costs for providing these services are fully offset by fees, therefore only those costs not considered fee offset are reflected as expenditures in the Expenditure column of the Tables below. As such, no fees are listed as revenues in the Revenue column of the Tables below.

During the annexation process, the costs for government services will be further analyzed and the fiscal report will be revised accordingly if necessary.

General Fund	-		
Revenues		**Expenditures**	
Property Tax	$576,720	General Government	$0
Sales Tax/Prop in Lieu	554,141	Law Enforcement	2,865,453
Property Transfer Tax	6,685	Fire Protection	389,735
Transient Occupancy Tax	0	Code/Parking Enforcement	173,874
Franchise Fees	223,483	Planning/Building/Engineering*	78,985
Utility Users Tax	1,559,149	Animal Services	0
Business License Tax	103,010	Library	0
Fines/Forfeitures	69,978	Parks & Recreation	306,982
Planning/Building/Engineering Fees*	0		
Total Revenues	**$3,093,166**	**Total Expenditures**	**$3,815,029**
		Net Surplus/(Deficit)	**($721,863)**

Table 8- Annexation Area A- General Fund Revenues/Expenditures

#5.

General Fund -

Revenues		Expenditures	
Property Tax	$1,787,951	General Government	$0
Sales Taxes/Prop in Lieu	2,201,800	Law Enforcement	4,621,330
Property Transfer Tax	22,693	Fire Protection	1,558,941
Transient Occupancy Tax	0	Code/Parking Enforcement	173,874
Franchise Fees	428,465	Planning/Building/Engineering	78,985
Utility Users Tax	2,989,227	Animal Services	0
Business License Tax	332,981	Library	0
Fines/Forfeitures	41,304	Parks & Recreation	0
Planning/Building/Engineering Fees	0		
Total Revenues	**$7,804,421**	**Total Expenditures**	**$6,433,130**
		Net Surplus/(Deficit)	**$1,371,291**

Table 9- Annexation Area B- General Fund Revenues/Expenditures

Revenues

Property Tax

The City will receive Property Tax for general purposes based on the negotiated Property Tax Transfer Agreement that must be negotiated between the City and the County prior to LAFCO action on the annexations. As there is currently no pre-negotiated agreement for this transfer, this analysis assumes that as a minimum, the City will receive its current average share of 13% of the 1% basic levy[13]. The General Fund Property Tax allocations are based on applying this allocation factor to the current year assessed valuation for each Annexation Area[14].

Sales Tax/Property in lieu of Sales Tax

The City will receive its allocation of Sales Tax and Property Tax in lieu of Sales Tax. For purposes of this analysis, these revenues are combined to reflect the full 1% Bradley-Burns Sales Tax available. The County was unable to provide Sales Tax information specific to each Annexation Area, therefore estimates were developed as follows:

Annexation Area A was derived by determining the floor area square footage of retail/commercial buildings within the Area of approximately 369,427 sq. ft.[15], and applying a sales tax factor of $1.50 per square foot. Annexation Area B was derived utilizing the estimate for Area B included in the 2011 City of Carson Annexation Fiscal Study for this Area[16], and factoring a slight inflation factor of 1.0%. The Carson Annexation Fiscal Study sales tax figure was provided by the County, therefore it is considered a reasonable estimate for this analysis.

[13] Email from the City of Compton staff to Civic Solutions, Inc. dtd November 20, 2013
[14] Los Angeles County Assessor Office Parcel Data List- November 2013
[15] Los Angeles County Assessor Office Parcel Data List- November 2013
[16] City of Carson Annexation Staff Report, Plan for Municipal Services, and Fiscal Analysis documents dtd December 2011 (from the City of Carson Website)

Property Transfer Tax

Property Transfer Tax in the amount of $.55 per $1,000 of assessed valuation of real property transferred each year will be available from each Annexation Area. This analysis assumes a 3.0% of assessed valuation annual turnover rate in real estate sales.

Transient Occupancy Tax

Any hotel or motel operating within the Annexation Areas would be subject to the City's 7.5% Transient Occupancy Tax (TOT). Specific information was not available from the County concerning TOT revenue for the Annexation Areas. However, there is only one very small motel identified by the County Assessor's Office located in Annexation Area A, and none in Annexation Area B[17]. As this motel is very small, the amount of TOT that this motel would generate is considered insignificant. Therefore no estimate has been included for this revenue.

Franchise Fees

Franchise Fees for electricity, natural gas, water, solid waste collection/disposal services and other franchises will be available from each Annexation Area from the service providers servicing each area. Specific revenue data for each Annexation Area was not available from the County, therefore this analysis utilizes two distinct methodologies for estimating this revenue based on the land use characteristics of each Annexation Area.

A per capita estimate is utilized for Annexation Area A due to the primarily residential nature of the land uses within Area A. This estimate was derived by determining the City's current annual per capita factor of $16.09 based on the City's FY 13/14 combined budgeted revenue for each franchise, and applying this to the population of Area A.

Annexation Area B was derived on a per acreage basis. As this area encompasses primarily commercial and industrial land uses, with very little residential, a per capita estimate would not reflect an accurate estimate of the commercial/industrial revenue generation. Lacking specific information from the County, the best methodology to apply would be a determination of the city's overall per acre budgeted revenue for the franchises, and applying that factor to this Annexation Area. The estimate was derived by determining the City's current annual per acre factor of $250.56 based on the City's FY 13/14 combined budgeted revenue for each franchise, and applying this to the acreage of Annexation Area B.

One of the franchises that will transfer to the City is for solid waste collection and disposal services. Annexation Area A is currently serviced by the Florence/Firestone Garbage Disposal District- Area 5. The cost for residential service currently provided by the County's franchise waste hauler is approximately $15 per month. Annexation Area B is serviced by non-exclusive franchise waste haulers for commercial service and by Waste Management under an exclusive franchise for residential service. Rates for commercial services vary depending on waste hauler. Residential rates are approximately $19 per month.

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[17] Los Angeles County Assessor Office Parcel Data List- November 2013

#5.

Utility Users Tax

The City currently levies a Utility Users Tax (UUT) of 10% for electricity, natural gas and water, and 8.5% for communication services. These UUT rates will be applicable to each Annexation Area if annexed into the City. Specific revenue data for each Annexation Area for comparative purposes was not available from the County, which imposes a 4.5% UUT. Therefore this analysis utilizes two distinct methodologies for estimating this revenue based on the land use characteristics of each Annexation Area.

A per capita estimate is utilized for Annexation Area A due to the primarily residential nature of the land uses within Area A. This estimate was derived by determining the City's current annual per capita factor of $112.24 based on the City's FY 13/14 combined budgeted revenue for each utility, and applying this to the population of Area A.

Annexation Area B was derived on a per acreage basis. As this area encompasses primarily commercial and industrial land uses, with very little residential, a per capita estimate would not reflect an accurate estimate of the commercial/industrial revenue generation. Lacking specific information from the County, the best methodology to apply would be a determination of the city's overall per acre budgeted revenue for UUT, and applying that factor to this Annexation Area. The estimate was derived by determining the City's current annual per acre factor of $1,748.09 based on the City's FY 13/14 combined budgeted revenue for each utility, and applying this to the acreage of Annexation Area B.

Business License Fee

Business License Fees will be applicable to all businesses within each annexation area. The City's Business License Fee structure is varied depending on the type of business ranging from annual fixed fees to fees based on gross sales. In order to derive an estimate for these fees for each Annexation Area, this analysis assumes that each Annexation Area will realize on the average, the same revenue as is currently realized by the City, on a per acreage basis. The estimates were derived by determining the estimated fees per acre of $194.73 based on the City's FY 13/14 budgeted revenue, and applying this to the acreage of each Annexation Area.

Fines/Forfeitures

Fines and Forfeitures will be realized from each Annexation Area from activities related to motor vehicle, parking, substandard abatement, and other violations currently occurring within each Annexation Area. This analysis utilizes a per capita estimate for each Annexation Area, derived by determining the City's current annual per capita factor of $15.11 based on the City's FY 13/14 budgeted revenue, and applying this to each Annexation Area as follows:

Annexation Area A was derived by utilizing a reduced per capita estimate of $5.04 to reflect the primarily residential nature of the Annexation Area. This would tend to reduce the anticipated revenue from parking citations which are more prevalent in commercial areas.

Annexation Area B utilizes the full City per capita estimate as this reflects a mix of commercial and residential areas. However, it is noted that for Area B, as this Area is substantially commercial/industrial in nature, Area B may have a higher level of revenue than estimated.

Planning/Building/Engineering Fees

Planning, Building and Engineering Fees for each Annexation Area were not available from the County. However, this analysis assumes that most of the costs for providing these services are fully offset by fees, therefore only those costs not considered fee offset are reflected as expenditures in the Expenditure Tables. Therefore no fees are listed as revenues.

Expenditures

General Government

General Government includes administrative departments such as City Council, City Manager, City Clerk, City Attorney and Administrative Services (Finance, IT, Human Resources, Risk Management). This analysis assumes that annexation of Areas A and B should not necessitate any increase in personnel costs or any significant increase in other departmental O & M costs for these functions.

Law Enforcement

Law Enforcement services to each Annexation Area are currently provided by the County Sheriff, with Traffic Enforcement provided by the California Highway Patrol (CHP). Annexation will result in both enforcement activities becoming City responsibility. Law Enforcement costs are one of the most significant cost impacts associated with annexation of each Annexation Area.

The City currently contracts with the County Sheriff to provide these activities in the City, and this analysis assumes that the Annexation Areas will be added to the City contract with the County Sheriff. The County Sheriff provided call response information and additional staffing requirements for each Annexation Area, and is discussed further as follows.

Annexation Area A is serviced from the County Sheriff station in the City at 301 South Willowbrook (adjacent to city hall). The County Sheriff reported service calls into Annexation Area A at 1005 responses in the 1st calendar quarter of 2013 as compared to 951 responses in the 1st calendar quarter of 2012[18]. On an annualized basis, that would average approximately 3,912 calls per year over the 2 year span. The staffing estimates provided by the County Sheriff include two, 2-person cars per shift- 12 total personnel[19], and are listed in Table 6 on Page 14. The staffing level is the same as the existing staffing level currently provided to this area per the Sheriff Department[20]. The deputy per 1,000 of population ratio is approximately .86/1,000 as compared to the existing City ratio of .81/1,000 population

Annexation Area B is serviced from the County Sheriff station in the City of Carson located at 21356 South Avalon. The County Sheriff reported service calls into Annexation Area B at 601 responses in the 1st calendar quarter of 2013 as compared to 448 responses in the 1st calendar quarter of 2012[21]. On an annualized basis, that would average approximately 2,098 calls per year over the 2 year span. The staffing estimates provided by the County Sheriff, 2 per shift- 6 total personnel[22], are listed in Table 6 on Page 14.

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[18] Email from the LA Sheriff Dept to Civic Solutions, Inc. dtd November 26, 2013
[19] Phone con Civic Solutions, Inc and LA County Sheriff Dept- Compton Station- December 2, 2013
[20] Email from Los Angeles County Sheriff Department to City of Compton dtd March 18, 2014
[21] Letter from Los Angeles County Sheriff Department dtd December 11, 2013
[22] Ibid

In order to develop a reasonable cost estimate for the additional sheriff staffing, lacking specific salary and benefit information for the deputy positions, an overall cost per deputy factor was developed based on total sworn personnel and budgeting information available. The Compton sheriff station has a total of 102 sworn personnel[23], with a combined City of Compton and Unincorporated Area budget of $24,356,351[24]. This equates to a cost of $238,788 per sworn personnel. This factor has been applied to the reported deputy staffing requirements for each Annexation Area to derive at the estimated cost.

However, it should be noted that the estimated cost of servicing Annexation Area B contained in the 2011 City of Carson Annexation Fiscal Study is considerably greater than the computed cost of $1,432,727 based on the staffing levels provided by the Sheriff Department for this analysis. The Carson Analysis report cost data was based on FY 06/07 actual costs for Rancho Dominguez provided by the County, factoring in a 4% annual inflation rate, and then projecting the same level of service as provided in the City of Carson resulting in an estimated cost of $6,254,142[25]. Review of the original 2007 data from the City of Carson 2007 Fiscal Analysis indicates a cost of $3,511,831[26]. Increasing this cost by 4% annually to FY 13/14 results in an estimated cost of $4,621,330. In order to reconcile these discrepancies, further discussions are required with the County, and clarification provided concerning the appropriate level of service for Annexation Area B. This analysis assumes the cost of $4,621,330 may be the better representation of the costs for Annexation Area B.

As part of the process of consideration of either or both annexations, in particular as related to Annexation Area B, a complete review of overall citywide deployment in a post annexation scenario is advisable. This is to ascertain if any economy of scale may be achieved through deployment beat/zone restructuring.

Fire Protection & Emergency Medical

Fire Protection services and Emergency Medical Services (EMS) to each Annexation Area are currently provided primarily by the Consolidated Fire Protection District of Los Angeles County (County Fire Department), with mutual aid provided by the City when requested. Annexation will result in all activities becoming City responsibility. Fire Protection and EMS costs are one of the most significant cost impacts associated with annexation of each Annexation Area. The City maintains four fire stations strategically located within the City, one in close proximity to Annexation Area A. There is one County fire station in Annexation Area B and none in Annexation Area A. Calls for service data and operational costs specific to each Annexation Area were not available from the County. However, the City provided an estimate of additional personnel required to service the Annexation Areas, and calls for service under mutual aid into Annexation Area A.

The City reported service calls with City resources into Annexation Area A at 28 responses in the 1st calendar quarter of 2013 as compared to 22 responses in the 1st calendar quarter of 2012. On an annualized basis, that would average approximately 100 calls per year over the 2 year span.

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23 Los Angeles LAFCO Municipal Service Review- City of Compton dtd November 13, 2013
24 City of Compton FY 13/14 Budget & Los Angeles County FY 13/14 Budget
25 City of Carson Annexation Staff Report, Plan for Municipal Services, and Fiscal Analysis documents dtd December 2011 (from the City of Carson Website)
26 City of Carson Fiscal Analysis for Rancho Dominguez dtd January, 2007

The staffing estimates provided by the City, 5 per shift- 15 total personnel[27], identified in Table 6 on Page 14, were combined for both Annexation Areas. Therefore costs have been pro-rated to each Annexation Area based on an assumption that the majority of personnel would be assigned to the existing County fire station in Annexation Area B. This analysis assumes this station would be transferred to the City, however, the analysis does not include an anticipated cost of the transfer of the station. Since this is a public facility, the transfer of this facility, as is with roads, should be at no cost to the City. The City should discuss and confirm this assumption with the County as part of any annexation discussion for Area B.

The City will not receive the 17% Structural Fire Property Tax associated with either Annexation Area if annexed. That revenue would remain with the County Fire Department[28]. Therefore there is no revenue offset available for these service costs. However, there may be an opportunity to contract with the County Fire Department for those services to continue in the Annexation Areas at a shared cost, or no cost, since the County does retain the Structural Fire Property Tax. The City may wish to discuss this possibility with the County Fire Department if the City pursues the annexations.

Code & Parking Enforcement

Code & Parking Enforcement Expenditures for each Annexation Area were not available from the County. However, the City provided an estimate of additional personnel required to service each Annexation Area[29] which have been identified in Table 6 on Page 14. Some cost offset for these additional personnel are realized by parking fines, abatement fees and other administrative penalties. An estimate of the revenue identified above is included under Fines/Forfeitures in the Revenue Tables.

Planning/Building/Engineering

Planning, Building and Engineering Expenditures for each Annexation Area were not available from the County. However, the City provided an estimate of additional personnel required to service each Annexation Area[30] which have been identified in Table 6 on Page 14. No additional staffing needs were reported for Engineering services. Building reported additional staffing for the combined Annexation Areas. This analysis has pro-rated the Building positions equally between each Annexation Area. This analysis assumes that most of the costs for providing these services are fully offset by fees, therefore only those costs not considered fee offset are reflected as expenditures.

Animal Services

The County provides all Animal Services for the City and within each Annexation Area. The City does not provide those services as a City service. This analysis assumes no change in that service.

[27] Emails from the City of Compton staff to Civic Solutions, Inc. dtd December 4, 2013, December 5, 2013 & December 12, 2013
[28] Phone con GST Consulting & County Fire Department- December 5, 2013
[29] Emails from the City of Compton staff to Civic Solutions, Inc. dtd December 2, 2013 & December 17, 2013
[30] Emails from the City of Compton staff to Civic Solutions, Inc. dtd December 2, 2013, December 3, 2013 & December 17, 2013

Library

The County provides all Library Services for the City and for each Annexation Area. The City does not provide those services as a City service. This analysis assumes no change in that service.

Parks & Recreation

One County park and recreation facility is located within Annexation Area A, and no parks are within Annexation Area B. The City would presumably assume responsibility for the park in Annexation Area A unless the County desires to retain that park as a regional facility. Cost data was not available from the County for operations and maintenance of the park, therefore This analysis utilizes a per capita estimate for Area A, derived by determining the City's current annual per capita allocation of $22.10 based on the City's FY 13/14 budgeted revenue and applying this to the population of Annexation Area A. An undetermined amount of fee revenue may be available from fee based programs operated at the facility as a partial offset for expenditures. However, this revenue would not be substantial therefore is not included in the analysis.

Road/Transportation Restricted Funds

Road/Transportation Restricted Fund revenues are all revenues received that are restricted under law to be utilized for road maintenance, road infrastructure improvements, and transportation improvements such as transit services. Expenditures include those activities related to normal road maintenance and other costs associated with the road right of way. Tables 10 & 11 below and on the following page reflect the road and transportation revenues and expenditures that are estimated to be applicable for each Annexation Area.

Road/Transportation Restricted Funds				
Revenues			**Expenditures**	
	Gas Taxes	$399,821	General Road/RoW Maintenance, Traffic Signal Maintenance	$420,696
	Proposition A	199,341		
	Proposition C	158,334		
	Measure R	127,077		
	Total Revenues	**$884,573**	**Total Expenditures**	**$420,696**
			Net Surplus/(Deficit)	**$463,877**

Table 10- Annexation Area A- Road/Transportation Restricted Funds Revenues/Expenditures

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#5.

Road/Transportation Restricted Funds			
Revenues		**Expenditures**	
Gas Taxes	$78,663	General Road/RoW Maintenance, Traffic Signal Maintenance	$1,081,790
Proposition A	39,220		
Proposition C	31,152		
Measure R	25,002		
Total Revenues	**$174,037**	**Total Expenditures**	**$1,081,790**
		Net Surplus/(Deficit)	**($907,753)**

Table 11- Annexation Area B- Road/Transportation Restricted Funds Revenues/Expenditures

Revenues

Gas Taxes

Gas Taxes are allocated to the City through allocations authorized by Streets and Highways Code Sections 2103, 2105, 2106, 2107 and 2107.5. This revenue is allocated on a per capita basis by the State Controller's Office. The estimated revenue for each Annexation Area was derived by determining the City's current average annual per capita allocations of $28.78 from the State Controller's Office[31], and applying this to the population of each Annexation Area

Proposition A

Proposition A revenue is allocated on a per capita basis by the Los Angeles County Metropolitan Agency (Metro). The estimated revenue for each Annexation Area was derived by determining the City's current annual per capita allocation of $14.35 based on the City's FY 13/14 budgeted revenue, and applying this to the population of each Annexation Area.

Proposition C

Proposition C revenue is allocated on a per capita basis by Metro. The estimated revenue for each Annexation Area was derived by determining the City's current annual per capita allocation of $11.40 based on the City's FY 13/14 budgeted revenue, and applying this to the population of each Annexation Area.

Measure R

Measure R revenue is allocated on a per capita basis by Metro. The estimated revenue for each Annexation Area was derived by determining the City's current annual per capita allocation of $9.15 based on the City's FY 13/14 budgeted revenue, and applying this to the population of each Annexation Area.

[31] State Controller Website- Monthly Highway Users Tax Allocation Report for FY 13/14- July – October

#5.

Expenditures

Road/Right of Way Maintenance

The City will assume all Road/Right of Way Maintenance expenditures for each Annexation Area. These expenditures include all expenditures for routine road and traffic signal maintenance, and street sweeping inclusive of pot-hole repairs and right of way cleanups, etc. Expenditures for each Annexation Area were not available from the County. However, the City provided an estimate of additional personnel required to service each Annexation Area[32] which have been identified in Table 6 on Page 14.

The City staffing requirements were combined for both Annexation Areas, and estimated by City staff based on total staffing for the existing City and pro-rating to the total area of the combined Annexation Areas. Therefore costs have been pro-rated to each Annexation Area based on the geographical size of each Annexation Area. Additionally, total costs have been increased by 30% of personnel costs to provide an estimate for materials and other services related to normal road maintenance.

Note that these total costs do not include any capital improvement requirements that are discussed later in this analysis document.

Other Funds

The City operates several miscellaneous funds for specific purposes. Tables 12 and 13 below and on the following page reflect revenues and expenditure estimates for each Annexation Area for four of the more significant funds directly related to direct services that would be impacted by annexation. As noted, three of the four funds reflect revenues and expenditures as offsetting. Or not applicable to either Annexation Area, therefore no estimates are indicated.

Revenues		**Expenditures**	
Retirement Fund	$1,823,263	Retirement Contribution	$1,791,436
Water Fund	0	Water Services	0
Sewer Fund	0	Sewer Services	0
Street Lighting Maint Districts	0	Street Lighting Maint Districts	0
Total Revenues	**$1,823,263**	**Total Expenditures**	**$1,791,436**
		Net Surplus/(Deficit)	**$31,827**

Table 12- Annexation Area A- Other Funds Revenues/Expenditures

[32] Email from the City of Compton staff to Civic Solutions, Inc. dtd December 2, 2013

Revenues		Expenditures	
Retirement Fund	$6,189,060	Retirement Contribution	$6,081,026
Water Fund	0	Water Services	0
Street Lighting Maint Districts	0	Street Lighting Maint Districts	0
Sewer Fund	0	Sewer Services	0
Total Revenues	**$6,189,060**	**Total Expenditures**	**$6,081,026**
		Net Surplus/(Deficit)	**$108,034**

Table 13- Annexation Area B- Other Funds Revenues/Expenditures

Revenues

Retirement Fund

The City levy's a special Property Tax for funding the Employee Retirement Fund at a rate of 0.45% of assessed valuation. The City will have the option to levy this special tax to the properties in each Annexation Area, and this analysis assumes the City will impose the levy.

Water Fund

Each Annexation Area is currently serviced by private water companies. This service will not change through annexation unless the City and the private companies were to negotiate an assumption of this service by the City. As it is unpredictable if the companies would be willing to enter into such an arrangement, this analysis assumes that services will remain private. Therefore there are no direct charge revenues that will be realized for the City for water services. However, the City will be able to levy the Utility Users Tax on water sales. This estimated revenue is included in the General Fund Utility Users Tax revenue estimates.

Sewer Fund

Each Annexation Area is currently serviced by the County Department of Public Works for local sewer services. Regional sewer services are provided by the County Sanitation Districts. Annexation will result in the local sewer activities becoming City responsibility. The City levy's charges for services and capital improvement debt service assessments for operations and maintenance of the City responsible local sewer system. The City will have the option to levy these charges to the properties in each Annexation Area, and this analysis assumes the City will impose these charges. The analysis assumes that these charges are fully offset by expenditures for these services, therefore no revenue are included in the revenue table due to the offset.

Lighting Maintenance Districts

The County provides Street Lighting operations and maintenance to each Annexation Area through County Lighting Assessment Districts. The assessments are collected annually and used to offset the expenditures. This analysis assumes those special assessment districts and services provided will remain with the County. If the City determines that it desires to transfer this function into the citywide system, it is assumed that the City assessments would offset the expenditures sufficiently to result in no net cost to the City.

Expenditures

Retirement Fund

As previously discussed, the City will be able to assess the special property tax for funding retirement obligations. Expenditures of this additional assessment revenue has been calculated based on the ratio of expenditures to revenue for this fund as reflected in the City's FY 13/14 budget. Not included in the calculation is the credit against the fund for the prior year surpluses. This expenditure ratio of 98.3% of revenue has been applied to the estimated revenue for each Annexation Area.

Water Fund

As discussed previous, each Annexation Area is currently serviced by private water companies. This service will not change through annexation unless the City and the private companies were to negotiate an assumption of this service by the City. As it is unpredictable if the companies would be willing to enter into such an arrangement, this analysis assumes that services will remain private. Therefore there are no costs associated with these services.

Sewer Fund

As discussed previous, annexation will result in the local sewer activities becoming City responsibility for each Annexation Area. The City expends funding for maintenance, operations, and capital improvement construction debt service for the City responsible local sewer system. The analysis assumes that these expenditures are fully offset by revenues received for these services, therefore no expenditures are included in the expenditure Tables due to the offset.

Lighting Maintenance Districts

As discussed previous, the County provides Street Lighting operations and maintenance to each Annexation Area through County Lighting Maintenance Districts. The assessments are collected annually and used to offset the expenditures. This analysis assumes those special assessment districts and services provided will remain with the County. If the City determines that it desires to transfer this function into the citywide system, it is assumed that the City assessments would offset the expenditures sufficiently to result in no net cost to the City.

Capital Infrastructure

Table 14 on the following page summarizes the current capital improvement projects programmed by the County for each Annexation Area, and their current status[33]. The County did not provide any cost data for these projects. It should be noted that the Slurry Seal project listed as under construction involves extensive Slurry Seal application on a large number of streets within Annexation Area A, and in both the western and eastern portions of Annexation Area B, per the maps available on the County Public Works website. Additionally, significant reconstruction work has been completed by the County for a significant stretch of Del Amo Blvd at the southern end of Annexation Area B.

[33] Email from LA County Public Works Department staff to Civic Solutions, Inc. dtd November December 9, 2013

As a point of reference, the 2011 City of Carson Annexation Fiscal Study for Annexation Area B estimated required deferred maintenance/capital improvement project costs of $26,902,788[34]. However, this estimate included substantial work related to Del Amo Blvd and other streets which is either now completed or in-process, therefore the cost estimate for infrastructure improvements in this Area should be greatly reduced.

As all cities program long term capital improvements over a period of several years based on anticipated funding levels and priorities, it is assumed in this analysis that the City will assess and determine specific priorities for each Annexation Area if annexed, and program appropriate improvements in the City's overall Capital Improvement Program. Additionally, the City may want to consider as part of annexation of either Area, discussions with the County concerning those deferred maintenance of items that require the most immediate attention to be completed by the County as part of any annexation agreement.

PROJECT NAME	PROJECT STATUS	PROJECT SCOPE	ANNEXATION AREA
Castlegate Avenue, et al. (JOC)	Construction	Slurry Seal	2,4,5,7
Santa Fe Ave - Del Amo Blvd to 700' N/o SPBG 495.6 C	Concept	Resurface & Reconstruction	7
Susana Road - Long Bch Fwy/1450 N Las Hermanas St	Design	Rehabilitation & Reconstruction	7
Wilmington Av - Del Amo Blvd to 200' S/o Victoria St	Design	Rehabilitation	7

Table 14- Capital Improvement Projects

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[34] City of Carson Annexation Staff Report, Plan for Municipal Services, and Fiscal Analysis documents dtd December 2011 (from the City of Carson Website)

#5.

PHASED ANNEXATIONS- PHASE 1 SCENARIO

The City is reviewing the option of completing these annexations, and other areas not a part of this analysis, in phases. Following is a summary of a 1st Phase approach to completing annexations of Annexation Areas A and B.

Under Phase 1 of this process, Island numbers 3, 4 & 5 depicted in Figure 1 on Page 12 in Annexation Area A would be annexed along with a portion of Annexation Area B. The portion of Annexation Area B to be annexed would be generally that area south of the City limits (at the 91 Freeway), west of S. Susana Rd, north of Victoria St, west of Santa Fe Ave where it intersects the Blue Line, and east of the Blue Line. This area encompasses approximately 257 acres of commercial/industrial property with no residential property.

Tables 15 and 16 below and on the following page below reflect the net impact of this Phase 1 annexation scenario. As noted, the overall net impact is positive for both the General Fund and the Road/Transportation Restricted Funds.

*For Planning, Building and Engineering, this analysis assumes that most of the costs for providing these services are fully offset by fees, therefore only those costs not considered fee offset are reflected as expenditures in the Expenditure column of the Table below. As such, no fees are listed as revenues in the Revenue column of the Table below.

Combined General Fund

Revenues		Expenditures	
Property Tax	$480,920	General Government	$0
Sales Tax/Prop in Lieu	$439,208	Law Enforcement	$1,432,727
Property Transfer Tax	$6,104	Fire Protection	$454,691
Transient Occupancy Tax	$0	Code/Parking Enforcement	$74,874
Franchise Fees	$140,863	Planning/Building/Engineering*	$63,189
Utility Users Tax	$982,743	Animal Services	$0
Business License Tax	$53,570	Library	$0
Fines/Forfeitures	$43,906	Parks & Recreation	$0
Planning/Building/Engineering Fees*	$0		
Total Revenues	**$2,147,314**	**Total Expenditures**	**$2,025,481**
		Net Surplus/(Deficit)	**$121,833**

Table 15- Phase 1 Annexation- Combined General Fund Revenue/Expenditures

Combined Road/Transportation Restricted Funds			
Revenues		**Expenditures**	
Gas Taxes	$136,804	General Road/RoW Maintenance, Traffic Signal Maintenance	$235,791
Proposition A	$68,207		
Proposition C	$54,176		
Measure R	$43,481		
Total Revenues	**$302,668**	**Total Expenditures**	**$235,791**
		Net Surplus/(Deficit)	**$66,877**

Table 16- Phase 1 Annexation- Combined Road/Transportation Restricted Revenue/Expenditures

#5.

CONCLUSIONS & RECOMMENDATIONS

Annexation of either Area will have positive and negative impacts on the City in certain areas. For Annexation Area A, the General Fund is negatively impacted while the Road/Transportation Funds reflect a positive impact. Conversely, Annexation Area B reflects a positive impact on the General Fund and a negative impact on the Road/Transportation Funds. Both Annexation Areas reflect a nominally positive impact on the miscellaneous major Other Funds.

As noted previous, there is an overall net positive impact for both Annexation Areas combined. The General Fund results in a combined net positive impact, while the Road/Transportation Restricted Funds result in a combined net negative impact. However, the overall net impact of these combined Funds is positive – $205,552 for the General Fund.

There are several areas of discussion the City may want to consider if the City elects to proceed with the annexation process of all or some of the Annexation Areas.

- The City and County will be required to enter into a Property Tax Transfer Agreement in order for an annexation to proceed. One revenue source that the City would have received prior to 2011, but will now not receive is Property Tax in lieu of Motor Vehicle License Fees that would be applicable to each Annexation Area. This revenue was eliminated for all annexations that occur after June of 2011 by SB 89, and diverted to counties as part of the prison realignment agreement. The City should discuss this disproportionate loss of revenue, in particular as it relates to the deficit in Annexation Area A, as part of the tax transfer discussions. For Annexation Area A, for each 1% of Property Tax Transfer above the 13% assumption, the City would receive an estimated additional $40,517 annually.

- The City should engage the County in discussions of deferred maintenance items that need remediation, in particular those road related items that are of a critical nature. Specifically due to the revenue deficit for Annexation Area B, which also will require the most road rehabilitation effort, a joint cost sharing agreement for rehabilitating those roads that both parties determine a priority should be considered.

- A complete review of overall citywide deployment of law enforcement services in a post annexation scenario is advisable. This is to ascertain if any economy of scale may be achieved through deployment beat/zone restructuring when adding either Annexation Area to the City's overall deployment plan.

- The City would not receive the 17% Structural Fire Property Tax associated with either Annexation Area under the annexations if services transfer to the City Fire Department. That revenue would remain with the County Fire Department. Therefore there is no revenue offset available for these service costs. However, there may be an opportunity to contract with the County Fire Department for those services to continue in the Annexation Areas, in particular for Annexation Area B, at a shared cost, or no cost, since the County does retain the Structural Fire Property Tax. This would be a similar arrangement that the City of Carson has assumed in their fiscal analysis of annexation of Annexation Area B[35]. The City may wish to discuss this possibility

[35] City of Carson Annexation Staff Report, Plan for Municipal Services, and Fiscal Analysis documents dtd December 2011 (from the City of Carson Website)

with the County if the City pursues the annexations. The savings to the General Fund under this scenario would be $389,735 for Annexation Area A and $1,558,941 for Annexation Area B.

- This analysis assumes that the County park located in Annexation Area A will transfer to the City. This contributes to the General Fund deficit for this area. The City may wish to discuss with the County retaining this park as a County regional facility.

Phase 1 Scenario

As noted previously, the City is reviewing the option of completing these annexations, and other areas not a part of this analysis, in phases. Following is a summary of a 1st Phase approach to completing annexations of Annexation Areas A and B.

Under Phase 1 of this process, Island numbers 3, 4 & 5 depicted in Figure 1 on Page 12 in Annexation Area A would be annexed along with a portion of Annexation Area B. The portion of Annexation Area B to be annexed would be generally that area south of the City limits (at the 91 Freeway), west of S. Susana Rd, north of Victoria St, west of Santa Fe Ave where it intersects the Blue Line, and east of the Blue Line. This area encompasses approximately 257 acres of commercial/industrial property with no residential property.

The overall net impact of this Phase 1 annexation scenario is a positive $188,710, $121,833 to the General Fund and $66,877 to the Road/Transportation Restricted Funds.

#5.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Planning**

RESOLUTION TITLE: **REPORT/REQUEST - RECEIVE AND FILE "CITY OF COMPTON ANNEXATION FISCAL ANALYSIS" REPORT ON ANNEXATION OF SPHERE OF INFLUENCE AREAS IN UNINCORPORATED TERRITORIES KNOWN AS "EAST COMPTON COUNTY ISLANDS" AND "RANCHO DOMINGUEZ" PREPARED BY CIVIC SOLUTIONS, INC. (APRIL 13, 2014) AND PROVIDE DIRECTION TO STAFF**

Robert Delgadillo	**4/30/2014 7:57:29 AM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**5/29/2014 3:04:28 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**5/15/2014 11:44:15 AM**
CITY CONTROLLER	DATE
Johnny Ford	**5/6/2014 11:28:46 AM**
CITY MANAGER	DATE

Use when:

Public Works:	When contracting for Engineering Services.
City Attorney:	When contracting for legal services; contracts that require City Attorney's review.
Controller/Budget Officer:	Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.
Asst. City Manager/OAS:	All personnel actions.

#6.

June 10, 2014

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CRAIG J. CORNWELL
CITY ATTORNEY

SUBJECT: REQUEST TO SCHEDULE A COUNCIL WORKSHOP: ESTABLISHMENT OF A CITY POLICY GOVERNING DISTRIBUTION OF COMPLIMENTARY TICKETS AND PASSES.

Proposed Workshop Date: Tuesday, July 1, 2014 @3:40 p.m.

The City Council will consider a request to schedule a public workshop on **Tuesday, July 1, 2014 at 3:40 p.m.,** to discuss the establishment of a City policy governing the distribution of complimentary tickets and passes purchased or received by the City.

California Fair Political Practices Commission ("FPPC") Regulation 18944.1 regulates complimentary tickets and passes distributed to City officials and employees by their local agency. The regulation requires that the City Council adopt a written policy governing the distribution of complimentary tickets and passes to a city official stating, among other matters, the specific governmental or public purpose to be accomplished by the distribution of tickets and passes in order that they be exempted from the usual gift rules.

A resolution, which if adopted by the Council, will establish a City policy in compliance with Regulation 18944.1, is currently scheduled for presentation to the Council at the meeting of July 8, 2014. Thus, it is recommended that the Council schedule a workshop on this matter for **Tuesday, July 1, 2014 at 3:40 p.m.** so that questions, concerns and suggestions may be addressed and the proposed policy discussed.

CRAIG J. CORNWELL
CITY ATTORNEY

APPROVED FOR FORWARDING:

G. HAROLD DUFFY
CITY MANAGER

#6.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Attorney**

RESOLUTION TITLE: **REQUEST TO SCHEDULE A COUNCIL WORKSHOP: ESTABLISHMENT OF A CITY POLICY GOVERNING DISTRIBUTION OF COMPLIMENTARY TICKETS AND PASSES.**

Proposed Workshop Date: Tuesday, July 1, 2014 @3:40 p.m.

Ruth Rugley	**6/3/2014 4:28:28 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**6/4/2014 5:20:00 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**6/4/2014 9:36:44 AM**
CITY CONTROLLER	DATE
Kelly Montgomery	**6/3/2014 5:47:22 PM**
CITY MANAGER	DATE

Use when:

Public Works:	When contracting for Engineering Services.
City Attorney:	When contracting for legal services; contracts that require City Attorney's review.
Controller/Budget Officer:	Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.
Asst. City Manager/OAS:	All personnel actions.

#7.

June 10, 2014

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING A POLICY GOVERNING THE NAMING OF CITY OWNED FACILITIES AND LAND.

SUMMARY

Adoption of the attached resolution by the City Council will establish a policy for the City of Compton governing the naming of City-owned facilities and land.

BACKGROUND

The City of Compton is currently conducting an internal review of needed policies and it was identified that the City does not have a facility naming policy. Due to the pending opening of the new Compton Community Center, it was determined that this policy is a need for the City and should be completed in a timely manner.

STATEMENT OF THE ISSUE

The Mayor and Council have received inquiries from concerned citizens regarding the naming of the new Community Center. After review, it was determined that the City of Compton does not have a facility naming policy.

The adoption of this policy will allow a framework by which the Mayor and Council may refer in naming City-owned facilities and land now and in the future. The resolution includes the policy document which outlines purpose, policy, definitions, guidelines, procedure and City Council action, follow-up, removal, monetary contributions/donations as well as partnerships as they relate to the naming of facilities and land.

ANALYSIS/ALTERNATIVE

The Council could not adopt a policy and the City could continue its informal process for the naming of facilities.

FINANCIAL IMPACT

This action has no financial impact to the City's General Fund.

#7.

RECOMMENDATION

Staff recommends that the City Council of the City of Compton adopt the attached Resolution.

G. HAROLD DUFFEY
CITY MANAGER

#7.

RESOLUTION NO. __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING A POLICY GOVERNING THE NAMING OF CITY OWNED FACILITIES AND LAND.

WHEREAS, it is important that the City of Compton create a City-wide policy for the naming of City-owned facilities and land; and

WHEREAS, it shall be the policy of the City of Compton to name facilities and land in a manner that will provide an easy and recognizable reference to the City's residents and visitors; and

WHEREAS, the City of Compton Policy Governing the Naming of City Owned Facilities and Land, "Attachment A" of this Resolution, outlines all the necessary elements and steps of the policy and determines that the City Council shall authorize naming of City-owned facilities and land within its jurisdiction by a majority vote; and

WHEREAS, the purpose of the attached policy is to establish a formal and uniform policy regarding the naming of City owned facilities and land.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That the City Council does hereby adopt a policy governing the naming of City-owned facilities and land, which is attached hereto and incorporated herein as "Attachment A."

Section 2. That a certified copy of this Resolution shall be filed in the offices of the City Clerk and every City department and agency.

Section 3. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this ____ day of _____________, 2014.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at the regular meeting thereof held on the _____ day of _______________, 2014.

#7.

That said Resolution was adopted by the following vote, to wit:

AYES: **COUNCIL MEMBERS -**
NOES: **COUNCIL MEMBERS -**
ABSTAIN: **COUNCIL MEMBERS -**
ABSENT: **COUNCIL MEMBERS –**

____
CITY CLERK OF THE CITY OF COMPTON

ATTACHMENT "A"

CITY OF COMPTON'S POLICY GOVERNING THE NAMING OF CITY OWNED FACILITIES AND LAND

Section 1. Purpose of Policy.

The policy of the City of Compton is to name facilities in a manner that will provide an easy and recognizable reference to the City's residents and visitors. This policy is intended for the purpose of establishing a formal and uniform process governing the naming of City-owned facilities and land.

Section 2. Definitions.

Unless otherwise provided herein, facilities and land referred to and included in this policy are as follows:

A. "Buildings": City-owned buildings or structures ("facilities") used for City administration or other City-related business or services provided to City residents. Such facilities include, but shall not be limited to City Hall, community centers and any new or future buildings.

B. "Support Facilities": City-owned facilities that support field operations. Support facilities include, but shall not be limited to the City corporate yard, pump stations, roads, bridges and any new of future facilities.

C. "Land": City-owned land that supports services or functions of the City. Land includes, but shall not be limited to open-spaces, creeks and channels, trails, parks and any new or future lands.

Section 3. Guidelines.

In determining the names given to City-owned facilities and land, the City Council shall give particular consideration to the following policy guidelines:

A. Names will provide an easy and recognizable reference for City residents, corporate citizens and other visitors.

B. Names shall represent broad community principles, which enhance the value and heritage of the City of Compton and will be compatible with community interest.

C. Names shall have timeless qualities and shall make a statement of significance to future generations.

D. Names shall recognize geographic, topographic or historical attributes of the City of Compton.

E. Names shall incorporate the words "City of Compton" where deemed important for civic or other reasons for a facility or land to be identified with the City.

#7.

F. Facilities and land may be named in honor of persons who have served the nation, the State of California and/or the City of Compton in an exceptional and distinguished manner and where such action is warranted by a contribution of service which is deemed to be of major significance.

G. Facilities and land will not be named after living persons unless it is deemed appropriate to take such action on the basis of a significant contribution, monetary or otherwise, which warrants a deviation from these policy guidelines.

H. The naming of facilities and land in honor of deceased persons shall not take place until two years after their deaths. This particular policy guideline is not intended in any way to reflect on the merits of any deceased individual who may have been a prominent civic leader. However, it is felt appropriate to establish such a waiting period to ensure that an individual's accomplishments or contributions will stand the test of time and that decisions shall not be made on an emotional basis immediately following a person's death.

I. Facilities and land may be named after individuals, families, businesses or agencies who have donated the land, building, facility or funds for a significant capital project, particularly if such naming is set forth as a condition of the donation.

J. All names shall be specific so they are not confused with similarly named individuals. Generally, a name shall not be considered if it is already popularly in use and assigned to facilities or land within the City or elsewhere.

K. Naming, renaming, and removing of names shall be the responsibility of the City Council. However, places within City-owned facilities such as a room or area, which does not require formal dedication by the City Council, may be named by the City Manager or his/her designee.

Section 4. Procedure and City Council Action.

Names will be considered whether submitted by Council Offices, City Boards, Commissions or Committees, staff, civic organizations and/or the general public. The selection process may include, where deemed appropriate, a contest or competition, if it is felt that such an alternative would promote greater community-wide interest and participation.

All proposed names will be forwarded to the appropriate project manager or to the City Manager's Office. The City Manager shall submit proposed names to the City Council for consideration and decision as to whether the proposed naming of a facility or land is desirable and appropriate. The City is under no obligation to name a City-owned facility or land even when names are submitted.

The Council may, at its discretion, request creation of a Council Ad-Hoc Facilities/Land Naming Committee. The Ad Hoc Committee, if created, may bring forth screened, evaluated and prioritized selections to the full City Council for consideration.

The City Council shall authorize the naming of City facilities and/or land within its jurisdiction by a majority vote.

Section 5. Selection of Name.

Subsequent to majority approval by the City Council, the new name for the City-owned facility or land shall be conveyed to the Department of Public Works for incorporation in official City maps and plans and to the Department of General Services for appropriate signing of the facility or land.

Section 6. Removal.

Existing place names are deemed to have historic recognition. It is City policy not to change the name of any existing facility or land, particularly one whose name has City or regional significance, unless there are compelling reasons to do so. Furthermore, the City will consider renaming to commemorate a person or persons only when the person or persons have made major, overriding contributions to the City and whose distinctions are as yet unrecognized.

Section 7. Monetary Contributions/Donations.

Where a facility or land is to be named in consideration of a financial contribution, the money or other property shall be transferred to the City, or its future transfer shall be legally assured, before a naming action shall be taken. All monetary contributions or donations will be earmarked for applicable facility or land purchase, improvements, repairs and/or maintenance at the direction of the City Manager.

Section 8. Government Partnerships.

If the City is working in partnership with another government agency on a particular facility or land, the Council, at its discretion, may partner in the naming of said facility or land.

Unless supported by compelling reasons, the final facility or land name shall comply with all guidelines established in this policy.

#7.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Human Resources**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON ADOPTING A POLICY GOVERNING THE NAMING OF CITY OWNED FACILITIES AND LAND**

Kelly Montgomery	**5/22/2014 11:53:50 AM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

<LegalName>	**<LegalDate>**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**5/22/2014 12:06:27 PM**
CITY CONTROLLER	DATE
Kelly Montgomery	**5/22/2014 11:54:29 AM**
CITY MANAGER	DATE

Use when:

Public Works:	When contracting for Engineering Services.
City Attorney:	When contracting for legal services; contracts that require City Attorney's review.
Controller/Budget Officer:	Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.
Asst. City Manager/OAS:	All personnel actions.

#8.

June 3, 2014

TO: MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING A PURCHASE ORDER WITH THE CITY OF DOWNEY FOR FIRE AND EMERGENCY MEDICAL DISPATCHING SERVICES

SUMMARY

This resolution authorizes a purchase order with the City of Downey for Fire and Emergency Medical dispatching services as per the current contract.

BACKGROUND

The cities of Compton, Downey, Santa Fe Springs and Vernon Fire Departments currently utilize fire communications services from the Joint Powers Communications Center (JPCC), located at Downey Fire Headquarters. By sharing the JPCC with neighboring fire departments, it has allowed effective emergency radio and dispatching services at reduced costs.

SITUATION

On June 8, 2011 Resolution #23,332 was adopted by Council approving an agreement to continue as a member of the JPCC. This request is to pay for the cost of service for fiscal year 2013/14. Total cost for the 2013-14 billing period for said services was $602,155.64. The City of Compton had a fund balance on hand with the City of Downey of which $61,000 could be applied to this year's billing. Therefore the total amount needed at this time is $541,155.64.

FISCAL IMPACT

There is no further impact to the 2013/14 fiscal year budget. Sufficient funds have been budgeted in accounts 10016900004269 and 10016900004240 of the Fire Department's budget.

RECOMMENDATION

That the City Council approves the aforementioned request.

JON THOMPSON
FIRE CHIEF

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

#8.

RESOLUTION NO. ____________

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE CITY OF DOWNEY FOR FIRE AND EMERGENCY MEDICAL DISPATCHING SERVICES

WHEREAS, the City of Compton is a member of the Joint Powers of Authority (JPA) for the Joint Powers Communications Center (JPCC) with three other cities (Downey, Santa Fe Springs, Vernon) for Fire and Emergency Medical dispatching; and

WHEREAS, the aforesaid dispatching services are provided by the Downey Communications Center; and

WHEREAS, each member of the JPA share in the cost of providing this service; and

WHEREAS, Resolution # 23,332 adopted by Council on June 8, 2011approved an agreement which authorizes this payment for said services; and

WHEREAS, funds for this payment have been allocated in the Fire Department's 2013/14 Fiscal Year budget.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That the City Manager is authorized to issue a purchase order to the City of Downey in an amount not to exceed $541,155.64 for dispatching services.

Section 2. The funds for said services shall come from the following accounts of the Fire Department's 2013/14 fiscal year budget:

Account	**Amount**
10016900004269	$473,129.67
10016900004240	$68,025.97

Section 3. That a certified copy of this resolution shall remain on file in the offices of the City Manager, City Clerk, City Controller and the Fire Department.

Section 4. That the Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

ADOPTED this _________________ day of ___________, 2014.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

#8.

RESOLUTION NO. ________________
PAGE TWO

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, do hereby certify that the forgoing resolution was adopted by the City Council, signed by the Mayor, and attested to by the City Clerk at a regular meeting thereof held on ______________ day of ____________, 2014.

That said resolution was adopted by the following vote, to wit:

AYES:	Council Member(s)
NOES:	Council Member(s)
ABSTAINS:	Council Member(s)
ABSENT:	Council Member(s)

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Fire Department**

RESOLUTION TITLE: **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER TO THE CITY OF DOWNEY FOR FIRE AND EMERGENCY MEDICAL DISPATCHING SERVICES**

<ManagersName> — **<ManagersDate>**
DEPARTMENT MANAGER'S SIGNATURE — DATE

REVIEW / APPROVAL

<LegalName> — **<LegalDate>**
CITY ATTORNEY — DATE

<ControllerName> — **<ControllerDate>**
CITY CONTROLLER — DATE

<CityManager> — **<CityManagerDate>**
CITY MANAGER — DATE

Use when:

Public Works:	When contracting for Engineering Services.
City Attorney:	When contracting for legal services; contracts that require City Attorney's review.
Controller/Budget Officer:	Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.
Asst. City Manager/OAS:	All personnel actions.

June 10, 2014

TO: **HONORABLE MAYOR AND COUNCIL MEMBERS**

FROM: **VAN WILSON, GENERAL SERVICES DIRECTOR**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING CERTAIN CITY VEHICLES AS SURPLUS PROPERTY AND AUTHORIZING THE SALE OF SAID VEHICLES.**

SUMMARY

City Council adoption of the attached Resolution will declare forty (40) vehicles, listed in Exhibit "A", as surplus property and authorize the sale of said vehicles.

BACKGROUND

The Fleet Maintenance Division of the General Services Department has an abundance of vehicles that are in need of replacement in the City's existing fleet. Staff has inspected the vehicles and determined that it is in the best interest of the City to remove forty (40) City vehicles from service that are no longer needed by the City.

The vehicles were purchased and maintained by the Fleet Maintenance Division and have been used beyond their economical and/or useful life span whereby declaring the vehicles as surplus property. These surplus vehicles will be sold at public auction to the highest bidder. Items that are not sold at public auction will be reviewed for value, and if appropriate, sold for scrap value. Staff will make the necessary arrangements for the sale and disposal of the vehicles.

STATEMENT OF THE ISSUE

Section 4-11.7 of the Compton Municipal Code provides that materials, supplies, equipment and other personal property of the City that is no longer needed or has become unfit for use may be authorized for sale by the City Manager, except if the value of the property is more than $500.00, consent and approval of the City Council before offering the same for sale.

In order to declare the vehicles in the City's fleet as surplus property, City Council authorization is necessary.

#9.

FISCAL IMPACT

In moving towards the City's energy efficient program, it is the City's intent is to utilize the proceeds from the sale of surplus vehicles to purchase four (4) new energy efficient vehicles. The proceeds from the sale will be deposited in the appropriate City Fund.

RECOMMENDATION

Staff recommends that the City Council declare, pursuant to Section 4-11.7 of the Compton Municipal Code, the vehicles listed in the attached Exhibit “A”, as no longer needed or unfit for municipal purposes and authorize the sale of said vehicles to the highest bidder and/or as scrap.

VAN WILSON, DIRECTOR
GENERAL SERVICES DEPARTMENT

APPROVED FOR FORWARDING:

G. HOWARD DUFFEY
CITY MANAGER

#9.

RESOLUTION NO. ____________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING CERTAIN CITY VEHICLES AS SURPLUS PROPERTY AND AUTHORIZING THE SALE OF SAID VEHICLES.

WHEREAS, the City of Compton Fleet Maintenance Division of the General Services Department is an Internal Service Fund which supports the vehicle and mobile equipment needs for City departments; and

WHEREAS, staff has inspected the fleet and has determined there are (40) forty vehicles that have been used beyond their economical and/or useful life span and may be declared as surplus property; and

WHEREAS, Section 4-11.7 of the Compton Municipal Code provides that materials, supplies, equipment and other personal property of the City that is no longer needed or has become unfit for municipal purposes, and the sale value of such property exceeds $500.00, the City Council may consent and approve of the sale thereof; and

WHEREAS, it is the opinion of City staff that it is in the best interest of the City to remove these vehicles from service by means of sale to the highest bidder at a public auction, or if appropriate, for scrap value; and

WHEREAS, the proceeds from the sale of surplus vehicles will be deposited in the appropriate City Fund.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the City Council does hereby declare that the forty (40) City vehicles listed in Exhibit "A", attached hereto and incorporated herein, are no longer needed for municipal purposes and/or have become unfit for municipal purposes and is authorized to be sold to the highest bidder(s) at public auction or, if appropriate, sold for scrap value.

SECTION 2. That a copy of this Resolution shall be filed in the office of the City Manager, City Attorney, City Controller, Public Works/Municipal Utilities and General Services Departments.

SECTION 3. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this ____ day of _____________, 2014.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

#9.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on the ____ day of _______________, 2014.

That said Resolution was adopted by the following vote, to wit:

AYES: COUNCIL MEMBERS -
NOES: COUNCIL MEMBERS -
ABSENT: COUNCIL MEMBERS -
ABSTAIN: COUNCIL MEMBERS -

____
CITY CLERK OF THE CITY OF COMPTON

#9.

VEHICLE #	VIN #	MAKE
106	3DWG46D78G231258	DODGE
107	3D7KR28DX8G236962	DODGE
510	2B3KA43R58H325176	DODGE
515	2B3KA43RX8H325187	DODGE
526	2G1WB58K881319517	CHEVY
528	2G1WB58K881320361	CHEVY
531	2G1WB58K681320889	CHEVY
533	2G1WB58K981320983	CHEVY
673		JOHNSTON
696	1FDAF56F6YEC98544	FORD
160	1FTRX27WBXKV85079	FORD
920	1FDXE45561HA97365	FORD
917	1FDXE40SXXHA88295	FORD
919	1FDXEE45581HA97366	FORD
	2FALP73W7TX121542	FORD
202	3FTNF20L31MA76823	FORD
806		GM
	2FDLF47G7JCB54300	FORD
673	1FVXF8005ADAU7537	
674	1FVXF8001ADAU7535	
204	1FTMH20S31ED16921	FORD
133		FORD
164	1FTRX27WXXKB85083	FORD
205	1FTNW20871ED16923	FORD
128		FORD
127	FTHF25HXSNB60694	FORD
314	1GDGC34KOGE529175	
113	1GBJ7D1B7FVI05836	
203	1FTMW20551ED1692	FORD
954	1FDSE31MX3HA56862	
960	1FDSS31M63HA71677	
647		CHEVY
106	3FTRF17272MA11578	FORD
124	1FTCR10UISPA96677	FORD
129	1FTCR10AXSUC14457	FORD
674	2010 Freighliner / Tymco 600 Sweeper (PW)	
673	2010 Freighliner / Tymco 600 Sweeper (PW)	
406	FORD F700	
407	FORD F700	
	FORD CROWN VICTORIA	
417	DRESSER PAYLOADER	
418	JOHN DEERE 455E	
692	FORD F700 (?) WATER TRUCK	
124		
129		

#9.

MODEL	YEAR	LICENSE
RAM 3500	2008	1308195
RAM	2008	1258727
CHARGER	2008	1308031
CHARGER	2008	1308023
IMPALA	2008	1292546
IMPALA	2008	
IMPALA	2008	1292605
IMPALA	2008	1292606
STREET SWEEPER		1112369
F550 DUMP TRUCK		NO LICENSE
F250 W/ PULLING MACHINE		1042166
E450 BUS		1105104
E450 BUS		1017350
E450 BUS		1104978
CROWN VICTORIA		e035410
F2520XL		112376
TRUCK		e079818
EFI		e033647
STREET SWEEPER		1373588
STREET SWEEPER		1373587
F250 CREW CAB		1112373
F250XL		1086310
F250XL		1042185
CREW CAB		1112375
F250/LIFT GATE		E028954
F250/LIFT GATE		E29014
		E079740
		E443550
F250 CREW CAB		1112374
E350 VAN		1112761
		1112741
CHEVY 2500		E079755
F150		1095520
RANGER		e029007
RANGER		e029003
		1228172
		E469959
		1310661
		E038809

#9.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **General Services**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON DECLARING CERTAIN CITY VEHICLES AS SURPLUS PROPERTY AND AUTHORIZING THE SALE OF SAID VEHICLES**

Van Wilson	**4/16/2014 7:05:12 AM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

Ruth Rugley	**6/2/2014 6:24:47 PM**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**5/29/2014 4:35:14 PM**
CITY CONTROLLER	DATE
Kelly Montgomery	**4/17/2014 11:13:14 AM**
CITY MANAGER	DATE

Use when:

Public Works:	When contracting for Engineering Services.
City Attorney:	When contracting for legal services; contracts that require City Attorney's review.
Controller/Budget Officer:	Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.
Asst. City Manager/OAS:	All personnel actions.

June 10, 2014

TO: **MAYOR AND COUNCILMEMBERS**

FROM: **CITY MANAGER**

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON, ACTING IN THE CAPACITY OF HOUSING SUCCESSOR ACCEPTING THE TRANSFER OF HOUSING ASSETS FROM THE SUCCESSOR AGENCY OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON PURUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34176.**

SUMMARY

Requesting the City Council, acting in its capacity as Housing Successor to adopt a Resolution accepting the transfer of housing assets from the Successor Agency of the Community Redevelopment Agency of the City of Compton.

BACKGROUND

Upon the dissolution of the Compton Community Redevelopment Agency on February 1, 2012, the Successor Agency to the Community Redevelopment Agency (the "Successor Agency") was constituted. Pursuant to Health and Safety Code Section 34176(a), the City Council of the City of Compton adopted Resolution No. 23,498, electing for the City to retain the housing assets and functions previously performed by the former Community Redevelopment Agency. Health and Safety Code Section 34176(e) defines "housing asset" as any loan or grant receivables, funded from the former Agency's Low and Moderate Income Housing Fund (the "LMIH Fund") to provide down payment assistance to qualified homebuyers and homeowners within the jurisdictional boundaries of the Agency.

STATEMENT OF ISSUE

On August 1, 2012, the City of Compton, acting in its capacity as the Housing Successor, submitted a Compton Oversight Board-approved Housing Transfer Form (attached) to the California Department of Finance (the "DOF"). On April 9, 2014, DOF issued its determination letter approving transfer of the certain housing assets (vacant parcels and loan receivables) to the Housing Successor. The DOF determination letter also granted the Housing Successor all rights, powers, duties, and obligations associated with the housing activities of the former Agency related to the transferred housing assets.

A. TRANSFER OF REAL PROPERTY

Based on the DOF Letter of Determination regarding the Housing Asset Transfer List, the following vacant parcels were approved as housing assets to be transferred to the City, acting as the Housing Successor for housing development purposes:

#10.

Description	Type	APN	Source of Funds
16208-16216 S. Atlantic	Vacant Land	7301-002-016	Bond Proceeds
16208 S. Atlantic Ave	Vacant Land	7301-002-017	Bond Proceeds
16216 S. Atlantic	Vacant Land	7301-002-014	Bond Proceeds
1436 W. Compton	Vacant Land	6142-006-009	Bond Proceeds
950 W. Alondra Ave	Vacant Land	6141-013-007	Bond Proceeds
1950 N. Central Ave	Vacant Land	6145-003-026	Bond Proceeds
930 W. Compton Blvd	Vacant Land	6179-001-002	Bond Proceeds
1716 E. Rosecrans	Vacant Land	6184-002-902	Bond Proceeds
409 N. Alameda	Vacant Building	6166-010-032	Bond Proceeds

ANALYSIS

The Successor Agency purchased the above vacant land parcels with 2010 tax allocation bond proceeds Series "A" Housing funds for development of moderate income residential projects. The proceeds from the sale of the housing asset parcels will be retained by Housing Successor to expand homeownership opportunities in the community. Additionally, a portion of the Successor Agency's 2010 tax allocation bond proceeds have been set aside to provide down payment assistance to the homebuyers of the completed homes. These funds have been identified in the Successor Agency's Due Diligence Review (DDR) Report – Housing Funds as "Restricted funds" meaning the funds will stay within the jurisdictional boundaries of the City. To ensure continuous affordability of the homes, the Successor Agency will place affordability restrictions on these developments.

B. TRANSFER OF LOAN/GRANT RECEIVABLES

The DOF approved the transfer of loan/grant receivables balances totaling $23,777,034.00 ($2,300,000+$21,477,034) identified in the LMIHF of Due Diligence Review (DDR) from the Successor Agency to the City, acting in its capacity as the Housing Successor.

ANALYSIS

The outstanding loan receivables totaling $23,777,034.00 consists of : 1.) $21,477,034 representing loans provided to eligible program participants under the former Community Redevelopment Agency's First Time Homebuyer program; 2.) $2,300,000 representing development loan to the Alameda Court project in connection with production of the 28 townhomes.

Health and Safety Code Section 34176(e) defines "housing asset" as any loan or grant receivables, funded from the Low and Moderate Income Housing Fund (the "LMIH Fund") to provide down payment assistance to qualified homebuyers and homeowners within the jurisdictional boundaries of the Agency. The DOF approval for transference of loan/grant receivables balances totaling $23,777,034.00

to the Housing Successor provides opportunity to recapture loan receivables in the form of program income to carry out affordable housing programs.

FINANCIAL IMPACT

There is no negative fiscal impact to the City's General Fund with the approval of this resolution. The Successor Agency has already allocated funds under the 2010 Tax Allocation Bond – Series A housing proceeds to facilitate implementation of First Time Homebuyer assistance program for the identified developments. These funds are available in the Account No. 3070-91-0000-4266. The current balance in this account is $6,100,000 dollars. These bond funds will be available for use once the Successor Agency receives a Finding of Completion from the DOF.

In fact the DOF approval for the City to retain the housing assets of the former Agency provides several economic benefits to the community as follows:

1. The City will receive increased property tax revenue, because the property currently does not participate in the property tax roll as public land. Once the development is completed, the project will infuse millions of dollars of new private investment into the City of Compton.

2. The City of Compton, acting as the Housing Successor, would receive land sales proceeds that would have otherwise gone to the County.

3. The DOF approval for transference of loan/grant receivables balances totaling $23,777,034.00 to the City as Housing Successor provides opportunity to recapture loan receivables in the form of program income to carry out affordable housing programs. Health and Safety Code Section 34176(d) states that "…any funds generated from housing assets…shall be maintained in a separate Low and Moderate Income Housing Asset Fund...Funds in this account shall be used in accordance with applicable housing related provisions of the Community Redevelopment Law."

RECOMMENDATION

That the Council adopt attached Resolution accepting the transfer of Housing Assets from the Successor Agency to the City of Compton, acting in its capacity as Housing Successor.

DR. KOFI SEFA-BOAKYE, REDEVELOPMENT MANAGER
SUCCESSOR AGENCY

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

#10.

RESOLUTION NO. _______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON, ACTING IN THE CAPACITY OF HOUSING SUCCESSOR ACCEPTING THE TRANSFER OF HOUSING ASSETS FROM THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34176.

WHEREAS pursuant to Health and Safety Code Section 34175(b) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al*. (53 Cal.4th 231(2011), on February 1, 2012, all assets, properties, contracts, leases, books and records, buildings, and equipment of the former Community Redevelopment Agency of the City of Compton (the "Agency") transferred to the control of the Successor Agency of the former Community Redevelopment Agency (the "Successor Agency") by operation of law; and.

WHEREAS, pursuant to Health and Safety Code Section 34176(a), the City Council of the City of Compton (the "City") adopted Resolution No. 23498, electing for the City to retain the housing assets, as allowed by law, and functions previously performed by the former Community Redevelopment Agency; and

WHEREAS, Health and Safety Code Section 34177(g) directs the Successor Agency to effectuate transfer of housing functions and assets to the appropriate entity designated pursuant to Health and Safety Code Section 34176, being the Housing Successor, and Health and Safety Code Section 34181(c) provides that the oversight board of the Successor Agency (the "Oversight Board") shall direct the Successor Agency to transfer housing assets pursuant to Health and Safety Code Section 34176; and

WHEREAS, Health and Safety Code Section 34176(a) (2) directs the entity assuming the housing functions of the former redevelopment agency to submit to the State Department of Finance (the "DOF") a list (the "Housing Assets List") of all housing assets, including any assets transferred between February 1, 2012 and the date on which the Housing Assets List is created; and

WHEREAS, on August 1, 2012, the City of Compton, acting in its capacity as the Housing Successor Agency, submitted the Housing Transfer Form to the California Department of Finance; and

WHEREAS, on April 9, 2014, DOF issued its determination letter approving transfer of the certain housing assets comprising of assessor parcel numbers 7301-002-016; 7301-002-017; 7301-002-014;6142-006-009;6141-013-007;6145-003-026;6179-001-002;6184-002-902;6166-010-032 and loan receivables with balances totaling $23,777,034.00 contained in DOF's Housing Asset Transfer. The DOF determination letter also granted the Housing Successor all rights, powers, duties, and obligations associated with the housing activities of the former Agency related to the transferred housing assets.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON DOES HEREBY RESOLVES AS FOLLOWS:

<u>Section 1.</u> That the above recitals are true and correct and are a substantive part of this Resolution.

<u>Section 2.</u> That the City Council of the City of Compton, acting in its capacity as Housing Successor hereby accepts certain housing assets comprising of Assessor Parcel Nos. 7301-002-016; 7301-002-017; 7301-002-014;6142-006-009;6141-013-007;6145-003-026;6179-001-002;6184-002-902;6166-010-032 and loan receivables with balances totaling $23,777,034.00 contained in State Department of Finance's Housing Asset Transfer Form, which is attached hereto and incorporated herein.

<u>Section 3</u>. That pursuant to the California Health and Safety Code, the City of Compton, acting in its capacity as the Housing Successor assumes all rights, powers, duties, and obligations associated with the housing activities of the former Agency related to the transferred housing assets.

#10.

Section 4. That the officers and staff of the City are hereby authorized and directed, jointly and severally, to execute and record such documents and instruments and to do any and all other things which they may deem necessary or advisable to effectuate this Resolution.

ADOPTED this _____ day of ___________, 2014.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at the regular meeting thereof held on the _____ day of __________, 2014.

That said Resolution was adopted by the following vote, to wit:

AYES: **COUNCIL MEMBERS -**
NOES: **COUNCIL MEMBERS -**
ABSENT: **COUNCIL MEMBERS -**

____
CITY CLERK OF THE CITY OF COMPTON

#10.

DEPARTMENT OF FINANCE

EDMUND G. BROWN JR. ▪ GOVERNOR

915 L STREET ▪ SACRAMENTO CA ▪ 95814-3706 ▪ WWW.DOF.CA.GOV

REVISED

April 9, 2014

Mr. G. Harold Duffey, Executive Director
City of Compton
205 South Willowbrook
Compton, CA 90220

Dear Mr. Duffey:

Subject: Housing Assets Transfer Form

This letter supersedes the California Department of Finance's (Finance) Housing Asset Transfer Form (Form) letter dated August 31, 2012. Pursuant to Health and Safety Code (HSC) section 34176 (a) (2), the City of Compton as Housing Successor Agency (Agency) submitted a Form to Finance on August 1, 2012, for the period February 1, 2012 through August 1, 2012. Finance issued its determination related to those transferred asset on August 31, 2012.

HSC section 34176 (e) defines a housing asset. Based on a review of additional information and documentation provided to Finance, Finance has completed its review of those specific items as further discussed below:

- Exhibit A, Items 1 through 5 – Real Property. The Agency provided documents to support the assets meet the definition of HSC section 34176 (e). However, Finance notes that the Agency submitted Oversight Board Action 2013-018 on May 24, 2013 for the sale and disposition of these properties to Compton Senior Apartments, L.P. (META Housing). Finance's letter dated August 23, 2013, approved the sale and disposition; therefore, we determined the disposition of these assets has already been addressed through a separate process and are no longer available for transfer to the Agency.

- Exhibit A, Item 6 – Real Property. Finance continues to deny the transfer of this item as it does not meet the definition of a housing asset per HSC section 34176 (e). Pursuant to former redevelopment agency resolution 1,808, the property will be developed for a mixed use project and is slated to use 2010 tax allocation housing bond proceeds totaling $1.3 million; however, the property was not purchased using the housing bond proceeds. In fact, City of Compton (City) resolution 20,020 provided by the Agency indicates that the property was donated to the Agency and it does not have any low to moderate income housing covenants or restrictions; the only restriction on the property is that it not be used as a restaurant or other eating establishment. Therefore, we continue to deny this item is as a housing asset eligible for transfer pursuant to HSC section 34176 (e).

  Finance notes that to the extent the successor agency of the former redevelopment agency would like to retain this property for housing purposes, HSC section 34191.5 (c)

(2) states that one of the property disposition options available to the successor agency is the retention of property for future development purposes pursuant to an approved Long Range Property Management Plan.

- Exhibit A, Item 7 through 12 – Vacant Land Parcels. Finance no longer denies the transfer of these parcels. The Agency provided documentation supporting these parcels were purchased with 2010 tax allocation housing bond proceeds for mixed use projects; therefore, restrictions are in place for use of these assets for low to moderate income housing purposes.

- Exhibit A, Item 13 and 14 – Real Property. Finance continues to deny the transfer of these properties. Documentation provided do not support these items are restricted for low to moderate income housing purposes; therefore, these items cannot be approved for transfer as housing assets per HSC section 34176 (e).

- Exhibit A, Item 15 – Real Property. Finance no longer denies the transfer of this item. Documentation provided by the Agency shows this property was purchased using funds from the Low and Moderate Income Housing Fund (LMIHF) and therefore, its use is restricted for low to moderate income housing purposes.

- Exhibit A, Item 16 – Real Property. Finance continues to deny the transfer of these properties. Documentation provided by the Agency indicates these properties were purchased in 2010 using tax allocation bond proceeds. In addition, the Agency provided the Purchase and Sale Agreement for these properties; however, nothing in the agreement indicates these properties are restricted for low and moderate income housing purposes.

- Exhibit C, Items 1 through 5 - Low and Moderate Income Housing Encumbrance. Finance continues to deny the transfer of these items. Documentation provided by the Agency supports this encumbrance is for the acquisition of the properties identified as Items 7 through 12 on Exhibit A. Because these properties have already been acquired and subsequently transferred to the developer through an approved Oversight Board action, the encumbrances for the purchase of the properties and the associated transfer of the encumbrances on the Form are no longer necessary.

- Exhibit D, Item 1 – Loan receivable with a balance of $2,300,000. Finance no longer denies the transfer of this item. The Agency provided documentation supporting this loan was funded with funds from the LMIHF for affordable housing purposes.

- Exhibit D, Item 2 – Loan receivables with balances totaling $21,477,034. Finance no longer denies the transfer of this item. This amount represents loan balances as of February 1, 2012. Our review indicates that these balances were also included in the LMIHF Due Diligence Review (DDR) as of June 30, 2012 with balance of $21,145,976. The LMIHF DDR was reviewed and approved by the Oversight Board and Finance. Therefore, this asset is a housing asset per HSC section 34176 (e) and eligible for transfer.

- Exhibit D, Item 3 – Loan receivable with a balance of $1,470,441. Finance continues to deny the transfer of this item. The Agency confirmed these loans were made from

#10.

federal funding sources, not redevelopment funds. As the loans were not funded with funds from the LMIHF, this item is not a housing asset pursuant to HSC section 34176 (e) and is not eligible for transfer.

- Exhibit D, Item 4 – Loan from the City of Compton (City) totaling $3 million. Finance continues to deny the transfer of this item. Discussions with Agency staff indicate this is a loan from the City to the former redevelopment agency (RDA) for the purchase of the properties identified as items 7 through 12 on Exhibit A. Exhibit D is for loans and grants receivable made by the former RDA from the LMIHF, not for loans payable. However, Finance notes that this item may be placed on a Recognized Obligations Payment Schedule for payment after the successor agency receives a finding of completion pursuant to HSC section 34191.4.

- Exhibit D, Item 5 – Loan receivables with balances totaling $956,944. Finance continues to deny the transfer of this item. For this loan, the Agency submitted general ledger entries showing expenditures from the LMIHF for supplies, and payroll and benefit expenditures; however, documentation provided does not demonstrate a valid loan made from the LMIHF.

This is Finance's final determination related to the assets reported on your Form. Except for items disallowed as noted above, Finance is not objecting to the remaining items listed on your Form. Assets transferred deemed not to be a housing asset shall be returned to the successor agency.

Please direct inquiries to Evelyn Suess, Dispute Resolution Supervisor, or Danielle Brandon, Analyst, at (916) 445-1546.

Sincerely,

JUSTYN HOWARD
Assistant Program Budget Manager

cc: Dr. Kofi Sefa-Boakye, Director, City of Compton
Mr. Michael Antwine, Deputy Redevelopment Director, City of Compton
Ms. Kristina Burns, Manager, Community Redevelopment Administration Section, Property Tax Division, Los Angeles County Department of Auditor-Controller
California State Controller's Office

DEPARTMENT OF FINANCE
HOUSING ASSETS LIST
ASSEMBLY BILL X1 26 AND ASSEMBLY BILL 1484
(Health and Safety Code Section 34176)

Former Redevelopment Agency: Successor Agency to the City of Compton Community Redevelopment Agency

Successor Agency to the Former Redevelopment Agency: Successor Agency to the City of Compton Community Redevelopment Agency

Entity Assuming the Housing Functions of the former Redevelopment Agency: City of Compton Successor Housing Agency

Entity Assuming the Housing Functions Contact Name:		Title		Phone		E-Mail Address	
Entity Assuming the Housing Functions Contact Name:	Dr. Kofi Sefa-Boakye	Title	Director	Phone	310-605-5511	E-Mail Address	kboakye@comptoncity.org
Entity Assuming the Housing Functions Contact Name:	Michael Antwine	Title	Deputy Director	Phone	310-605-5511	E-Mail Address	mantwine@comptoncity.org

All assets transferred to the entity assuming the housing functions between February 1, 2012 and the date the exhibits were created are included in this housing assets list.
The following Exhibits noted with an X in the box are included as part of this inventory of housing assets:

Exhibit A - Real Property	X
Exhibit B- Personal Property	
Exhibit C - Low-Mod Encumbrances	X
Exhibit D - Loans/Grants Receivables	X
Exhibit E - Rents/Operations	
Exhibit F- Rents	
Exhibit G - Deferrals	

Prepared By: **Dr. Kofi Sefa-Boakye, Director**

Date Prepared: **31-Jul-12**

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Exhibit A - Real Property

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

Item #	Type of Asset a/	Legal Title and Description	Carrying Value of Asset	Total square footage	Square footage reserved for low-mod housing	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant b/	Date of transfer to Housing Successor Agency	Construction or acquisition cost funded with Low-Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition by the former RDA	real property (option to purchase, easement, etc.)
1	Vacant Land	302 N. Tamarind Ave.	$3,000,000	7,000	7,000	Yes	Low-Mod	10-May-12	Acquisition			1-Oct-08	Purchase
2	Vacant Land	212 E. Arbutus Ave.	"	41,937	41,937	Yes	Low-Mod	5/10/2012	Acquisition			1-Oct-08	Purchase
3	Vacant Land	201 N. Tamarind Ave.	$98,225	7,500	7,500	Yes	Low-Mod	5/10/2012	Acquisition			1-Oct-08	Purchase
4	Vacant Land	209 N. Tamarind Ave.	same	7,500	7,500	Yes	Low-Mod	5/10/2012	Acquisition			1-Oct-08	Purchase
5	Vacant Land	Tamarind/Elm	"	2,500	2,500	Yes	Low-Mod	5/10/2012	Acquisition			1-Oct-08	Purchase
6	Vacant Land	1117 S. Long Beach Blvd.		56,509	56,509	Yes		5/10/2012	Acquisition				Purchase
7	Vacant Land	16208 - 16216 S. Atlantic Ave.	$1,750,000	50,000	50,000	Yes	Bond Funds	5/10/2012	Acquisition			Nov-10	Purchase
8	Vacant Land	1436 W. Compton	$1,451,000			Yes	Bond Funds	5/10/2012	Acquisition			May-10	Purchase
9	Vacant Land	950 W. Alondra Blvd.	$1,970,000	1.81 acres	1.81 acres	Yes	Bond Funds	5/10/2012	Acquisition			Mar-11	Purchase
10	Vacant Land	1950 N. Central Ave.	$2,160,000	3.03 acres	3.03 acres	Yes	Bond Funds	5/10/2012	Acquisition			Mar-11	Purchase
11	Vacant Land	930 W. Compton Blvd.	$2,100,000	0.49 acres	0.49 acres	Yes	Bond Funds	5/10/2012	Acquisition			Jun-11	Purchase
12	Vacant Land	1716 E. Rosecrans	$500,000	11,000	11,000	Yes	Bond Funds	5/10/2012	Acquisition			Apr-11	Purchase
13	Vacant Land	217 E. Indigo St.		7,750	7,750	Yes		5/10/2012	Acquisition				Purchase
14	Vacant Land	106 E. Cedar St.		7,497	7,497	Yes		5/10/2012	Acquisition				Purchase
15	Vacant Building	409 N. Alameda St.	$800,000	3,986	3,986	Yes	Bond Funds	5/10/2012	Acquisition			Jul-11	Purchase
16	Vacant Building	413-415 N. Alameda St.	$550,000	11,030	11,030	Yes	Bond Funds	5/10/2012	Acquisition			Jul-11	Purchase
17													
18													
19													
20													

a/ Asset types may include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

Exhibit B - Personal Property

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

Item #	Type of Asset a/	Description	Carrying Value of Asset	Date of transfer to Housing Successor Agency	Acquisition cost funded with Low-Mod Housing Fund monies	Acquisition costs funded with other RDA funds	Acquisition costs funded with non-RDA funds	Date of acquisition by the former RDA
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a/ Asset types any personal property provided in residences, including furniture and appliances, all housing-related files and loan documents, office supplies, software licenses, and mapping programs, that were acquired for low and moderate income housing purposes, either by purchase or through a loan, in whole or in part, with any source of funds.

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Exhibit C - Low-Mod Encumbrances

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

Item #	Type of housing built or acquired with enforceably obligated funds a/	Date contract for Enforceable Obligation was executed	Contractual counterparty	Total amount currently owed for the Enforceable Obligation	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant b/	Current owner of the property	Construction or acquisition cost funded with Low-Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition of the property
1	Multi-family Housing 302 N. Tamarind Ave.	1-Oct-08	City of Compton	3,000,000	Yes	Low Moderate	Successor Agency	$3,000,000			
2	Multi-family Housing 212 E. Arbutus Ave.	1-Oct-08	City of Compton	3,000,000	Yes	Low Moderate	Successor Agency	$3,000,000			
3	Multi-Family Housing 201 N. Tamarind Ave.	1-Oct-08	City of Compton	3,000,000	Yes	Low Moderate	Successor Agency	$3,000,000			
4	Multi-Family Housing 209 N. Tamarind Ave.	1-Oct-08	City of Compton	3,000,000	Yes	Low Moderate	Successor Agency	$3,000,000			
5	Multi-Family Housing Tamarind/Elm	1-Oct-08	City of Compton	3,000,000	Yes	Low Moderate	Successor Agency	$3,000,000			
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a/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

Exhibit D - Loans/Grants Receivables

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

Item #	Was the Low-Mod Housing Fund amount issued for a loan or a grant?	Amount of the loan or grant	Date the loan or grant was issued	Person or entity to whom the loan or grant was issued	Purpose for which the funds were loaned or granted	Are there contractual requirements specifying the purposes for which the funds may be used?	Repayment date, if the funds are for a loan	Interest rate of loan	Current outstanding loan balance
1	Yes	$2,300,000		Alameda Court	Affordable	Yes	2015		$2,300,000
2	Yes	$21,477,034	1999 - Current	Various Homeowners	Downpayment Assistance	Yes	Various	0%	$21,477,034
3	Yes	$1,470,441	1999 - Current	Various Homeowners	Health&Safety	Yes	Various		$1,470,441
4	Yes	$3,000,000	2010	City of Compton	Affordable Senior Housing	Yes	Various	0%	$3,000,000
5	Yes	$956,944	1999-Current	Various Homeowners	Health&Safety	Yes	Various	3%-%5	$956,944
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Exhibit E - Rents/Operations

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

Item #	Type of payment a/		Type of property with which they payments are associated b/		Property owner		Entity that collects the payments		Entity to which the collected payments are ultimately remitted		Purpose for which the payments are used		Is the property encumbered by a low-mod housing covenant?		Source of low-mod housing covenant c/		Item # from Exhibit A the rent/operation is associated with (if applicable)
1					Successor Agency												
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20					Successor Agency												

a/ May include revenues from rents, operation of properties, residual receipt payments from developers, conditional grant repayments, costs savings and proceeds from refinancing, and principal and interest payments from homebuyers subject to enforceable income limits.

b/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

c/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

Exhibit F - Rents

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

Item #	Type of payment a/	Type of property with which the payments are associated b/	Property owner	Entity that collects the payments	Entity to which the collected payments are ultimately remitted	Purpose for which the payments are used	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant c/	Item # from Exhibit A the rent is associated with (if applicable)
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a/ May include rents or home loan payments.

b/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

c/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

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#10.

Exhibit G - Deferrals

City or County of xxxxx

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
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#10.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Community Redevelopement**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON, ACTING IN THE CAPACITY OF HOUSING SUCCESSOR ACCEPTING THE TRANSFER OF HOUSING ASSETS FROM THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34176**

Kofi Sefa-Boakye	**5/29/2014 3:37:37 PM**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

<LegalName>	**<LegalDate>**
CITY ATTORNEY	DATE
Stephen Ajobiewe	**5/29/2014 4:33:55 PM**
CITY CONTROLLER	DATE
G. Harold Duffey	**5/29/2014 4:21:34 PM**
CITY MANAGER	DATE

Use when:

Public Works:	When contracting for Engineering Services.
City Attorney:	When contracting for legal services; contracts that require City Attorney's review.
Controller/Budget Officer:	Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.
Asst. City Manager/OAS:	All personnel actions.

#11.

June 3, 2014

TO: MAYOR AND COUNCIL MEMBERS

FROM: ROBERT DELGADILLO, (INTERIM) DIRECTOR
PALNNING AND ECONOMIC DEVELOPMENT DEPARTMENT

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT FOR THE SECOND SUPERVISORIAL DISTRICT PROPOSITION A GRANT FUNDING AND APPROVES THE CAMPFIRE GIRLS REGIONAL ACTIVITY CENTER PROPERTY ACQUISITION.

SUMMARY
The City Council will consider a resolution approving the application for a grant funding the acquisition of the Compton Camp Fire Regional Activity Center.

BACKGROUND INFORMATION
The Compton Camp Fire Regional Activity Center site was purchased by a private party in December of 2013. The City is purchasing the property to maintain the site as an open space recreational park.

STATEMENT OF THE ISSUE
The City of Compton will apply for a $300,000 grant from the Los Angeles County Regional Park and Open Space District to help fund the purchase of the Compton Camp Fire Regional Activity Center site. An adopted authorizing resolution approving the submission of the application and the underlying project is required as part of the application package.

FINANCIAL IMPACT
Approval of the authorizing resolution affirming the City's desire to submit an application for a grant will have no direct impact to the City's General Fund. The City will contribute $350,000 toward the purchase of the property.

RECOMMENDATION
Staff recommends that the City Council adopt the attached Resolution.

ROBERT DELGADILLO, (INTERIM) DIRECTOR
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO. _________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT FOR THE SECOND SUPERVISORIAL DISTRICT PROPOSITION A GRANT FUNDING AND APPROVES THE CAMPFIRE GIRLS REGIONAL ACTIVITY CENTER PROPERTY ACQUISITION.

WHEREAS, the people of the County of Los Angeles on November 3, 1992, and on November 5, 1996 enacted Los Angeles County Proposition A, Safe Neighborhood Parks, Gang Prevention, Tree-Planting, Senior and Youth Recreation, Beach and Wildlife Protection (the Propositions), which among other uses, provides funds to public agencies and nonprofit organizations in Los Angeles County for the purpose of acquiring and/or development of facilities and open space for public recreation; and

WHEREAS, the Proposition also created the Los Angeles County Regional Park and Open Space District (the District) to administer said funds; and

WHEREAS, the District has set forth the necessary procedures governing application for grant funds under the Propositions; and

WHEREAS, the City of Compton desires to purchase real estate property located at 450 W. Raymond Street, Compton, commonly known as the Campfire Girls Regional Activity Center (the "Project"); and

WHEREAS, the City of Compton also desires to use City funds as well as the District funds for the acquisition and development of this Project; and

WHEREAS, the District's procedures require the City of Compton to certify, by resolution, the approval of the application before submission of said application(s) to the District; and

WHEREAS, said application contains assurances that the City of Compton must comply with in order to receive the grant funds; and

WHEREAS, the City of Compton certifies, through this resolution, that the application is approved for submission to the District; and

WHEREAS, as part of the application process, the City of Compton will enter into an Agreement with the District in order for the District to provide funds for the acquisition and development of this Project.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMPTON *DOES* HEREBY RESOLVE AS FOLLOWS:

Section 1. That the City Manager is hereby authorized to execute and submit to the Los Angeles County Regional Park and Open Space District, all documents including, but not limited to applications, agreements, amendments, payment requests and so forth, which may be necessary for the completion of the Campfire Girls Regional Activity Center Property Acquisition.

Section 2. That the City Council approves the application with the Los Angeles County Regional Park and Open Space District for Funds for the acquisition and development of the property located at 450 W. Raymond Street, Compton for park and open space purposes.

Section 3. That the City understands the assurances and certifications in the application submitted to the District on behalf of the City.

Section 4. That the City of Compton shall have a continuing obligation to maintain sufficient funds to operate and maintain this project.

#11.

<u>Section 5</u>. That the City of Compton will sign and return, within 30 days, both copies of the project agreement sent by the Los Angeles County Regional Park and Open Space District for authorizing signature, upon City Attorney's approval as to form.

<u>Section 6.</u> That a certified copy of this Resolution shall be filed in the offices of the City Clerk, City Manager, City Attorney, and Planning and Economic Development Department.

<u>Section 7.</u> That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this ____ day of _____________, 2014.

____
MAYOR OF THE CITY OF COMPTON

ATTEST:

____
CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held on this ____ day of _______________, 2014.

That said Resolution was adopted by the following vote, to wit:

AYES: COUNCIL MEMBER(S)
NOES: COUNCIL MEMBER(S)
ABSTAIN: COUNCIL MEMBER(S)
ABSENT: COUNCIL MEMBER(S)

____
CITY CLERK OF THE CITY OF COMPTON

#11.

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **City Clerk**

RESOLUTION TITLE: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT FOR THE SECOND SUPERVISORIAL DISTRICT PROPOSITION A GRANT FUNDING AND APPROVES THE CAMPFIRE GIRLS REGIONAL ACTIVITY CENTER PROPERTY ACQUISITION**

<ManagersName>	**<ManagersDate>**
DEPARTMENT MANAGER'S SIGNATURE	DATE

REVIEW / APPROVAL

<LegalName>	**<LegalDate>**
CITY ATTORNEY	DATE
<ControllerName>	**<ControllerDate>**
CITY CONTROLLER	DATE
<CityManager>	**<CityManagerDate>**
CITY MANAGER	DATE

Use when:

Public Works:	When contracting for Engineering Services.
City Attorney:	When contracting for legal services; contracts that require City Attorney's review.
Controller/Budget Officer:	Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.
Asst. City Manager/OAS:	All personnel actions.