OVERSIGHT BOARD TO THE CITY OF TORRANCE AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE
AGENDA
APRIL 27, 2012
REGULAR MEETING
2:00 P.M.
IN COUNCIL CHAMBERS AT 3031 TORRANCE BL.

OPENING CEREMONIES

1. **CALL MEETING TO ORDER**
   SWEARING IN OF MEMBERS
   ROLL CALL

2. **FLAG SALUTE**

3. **REPORT OF THE CITY CLERK ON THE POSTING OF THE AGENDA**
   The agenda was posted on the Public Notice Board at 3031 Torrance Blvd on Tuesday, April 24, 2012 /s/ Sue Herbers

4. **ANNOUNCEMENT OF WITHDRAWN OR DEFERRED ITEMS**

5. **ORAL COMMUNICATIONS**
   (This portion of the meeting is reserved for comment on items not on the agenda. Under the Ralph M. Brown Act, the Board cannot act on items raised during public comment, but may respond briefly to statements made or questions posed; request clarification; or refer the item to staff. Speakers under Orals are limited to no longer than 3 minutes per speaker)

6. **ADMINISTRATIVE**

6A. Oversight Board Organization

1. Elect Chair and Vice Chair
2. Set meeting time, date and location
3. Review Brown Act meeting laws
4. File Form 700
5. Select Board Member as State Department of Finance contact person
6. Adopt RESOLUTION establishing Oversight Board bylaws

6B. Agenda Organization and Support

1. Identify Secretary
2. Determine a format for Board minutes
3. Approve format for agenda items and staff reports
4. Initiate process for selection of Legal Counsel

6C. Approval of the Recognized Obligation Payment Schedules

1. January to June 2012
2. July to December 2012

6D. Inventory of former Redevelopment Agency owned property

6E. Review of Successor Agency Cash Flow Analysis and Budget

7. ORAL COMMUNICATIONS

(This portion of the meeting is reserved for comment on items not on the agenda. Under the Ralph M. Brown Act, the Board cannot act on items raised during public comment, but may respond briefly to statements made or questions posed; request clarification; or refer the item to staff. Speakers under Orals are limited to no longer than 3 minutes per speaker)

8. ADJOURNMENT

Public Notices

The City of Torrance City Hall Council Chambers is handicapped accessible. If special equipment is needed for the hearing impaired, please call the City Clerk's office at (310) 618-2870. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28CFR35.102-35.104 ADA Title II].

If special electronic equipment is needed to make presentations to the Oversight Board, arrangements should be made in advance by contacting the City Clerk's office at (310) 618-2870. A one (1) week notice is required.

Complete Oversight Board agendas are available for review at City Hall in the Office of the City Clerk and in all public libraries during all normal business hours as well as on City of Torrance Home Page - www.TorranceCA.Gov.

Any writings or documents provided to a majority of the Oversight Board regarding any item on this agenda will be made available for public inspection at the City Clerk's counter at City Hall located at 3031 Torrance Boulevard, Torrance, CA 90503, during normal business hours.

Board Meeting of
April 27, 2012

Honorable Chair and Members
of the City of Torrance Oversight Board
City Hall
Torrance, California

SUBJECT: Oversight Board Organization

RECOMMENDATION

Recommendation that the Oversight Board:

- Elect Chair and Vice Chair
- Set meeting time, date, and location
- Review Brown Act meeting laws
- File Form 700
- Select Board Member as State Department of Finance contact person
- Adopt RESOLUTION establishing Oversight Board bylaws

BACKGROUND AND ANALYSIS

As a result of ABX1-26, an Oversight Board must be formed for each former redevelopment agency to aid in the dissolution process. As this is the first Oversight Board (Board) meeting for the Successor Agency to the City of Torrance Redevelopment Agency, the Board must first address several administrative matters.

There are seven Board members in total. Appointed by the Mayor of the City of Torrance is Jeffery W. Gibson, Community Development Director representing the former Redevelopment Agency employees, and Kenneth Flewellyn, Assistant Finance Director for the City of Torrance. The Sanitation District, which represents the largest special district by property tax share with territory in the jurisdiction of the former redevelopment agency, has appointed Susan Rhilinger. Representing the County Board of Supervisors is John Parsons and Stephen Maguin. The County Superintendent of Education has appointed Patricia Smith, and the Chancellor of the California Community Colleges has appointed JoAnn Higdon. Each Board member is required to file a Form 700 in accordance with the California Fair Political Practices Commission.

A Chairperson and Vice Chairperson must be elected for the Board. The Chairperson will facilitate proper functioning of the Board and will be responsible for planning meetings, coordinating with Board members to ensure that appropriate policies and procedures are in place for effective management, and may be called upon to serve as a spokesperson for the Board at functions or meetings. A Vice Chairperson will serve as the alternate whenever the Chair is unavailable. The names of all Board members, Chairperson, and Vice Chairperson of the Board must be sent to the State Department of Finance by May 1, 2012.

In establishing the agreed-upon rules and procedures, staff recommends that the Board adopt Resolution OB2012-1(Attachment A) and accept the bylaws (Attachment B) for the Board. Patrick Sullivan, Deputy City Attorney for the City of Torrance, will provide a brief

review and introduction to the Brown Act for the benefit of Board members. Each member should have also received a training manual and appendixes following their appointments.

The Board must also set a regular date, place, and time for future meetings. Staff recommends that the Board continue to meet in Council Chambers located at Torrance City Hall in order to facilitate staffing and agenda posting requirement. Following this meeting, staff recommends that the Oversight Board meet on the first and third Wednesday of each month at 2:00 P.M. in Torrance City Council Chambers. Staff will recommend the cancellation of a meeting in advance if there is no pressing need to meet.

The Board must also designate a point of contact for the State Department of Finance (DOF) so that it may communicate effectively to carry out its duties. The appointed contact person's name, email, and phone number must be sent to the State DOF. Staff will transmit this information as soon as the Board establishes it. This person may be a staff member of the Successor Agency, who would be responsible for passing along information between the State DOF and the Board, as needed.

All actions must be taken by achieving a majority vote of the total Board. As this Board has seven (7) members, four (4) affirmative votes are needed to pass a motion.

Staff recommends that the Board elect a Chairperson and Vice Chairperson, establish Board rules and procedures, approve Resolution OB2012-1 establishing Board bylaws, set Board meetings to take place on the first and third Wednesday of every month at 2:00 PM in Torrance City Council Chambers, and appoint a contact person to the State Department of Finance.

Respectfully submitted,

Brian Sunshine
Assistant to the City Manager

By _____
Marina N. Martos
Planning Assistant

CONCUR

_____
Brian Sunshine
Assistant to the City Manager

NOTED

_____
LeRoy Jackson
City Manager

Attachments:

A) Resolution OB2012-1
B) Oversight Board Bylaws

ATTACHMENT A

RESOLUTION NO. OB 2012-1

A RESOLUTION OF THE OVERSIGHT BOARD OF SUCCESSOR AGENCY TO THE CITY OF TORRANCE REDEVELOPMENT AGENCY ADOPTING BY-LAWS

WHEREAS, the Oversight Board of Successor Agency to the City of Torrance Redevelopment Agency (Oversight Board", as applicable) has been established to direct the Successor Agency to take certain actions to wind down the affairs of the Redevelopment Agency in Accordance with the California Health and Safety Code; and

WHEREAS, the Oversight Board desires to adopt Bylaws and regulations for the general operation of the Oversight Board, including but not limited to the designation of officers and conduct of meetings.

NOW, THEREFORE, the Oversight Board of Successor Agency to the City of Torrance Redevelopment Agency does hereby resolve as follows:

SECTION 1. The Bylaws of the Oversight Board, a copy of which is attached hereto and incorporated herein as Exhibit "A", are hereby approved.

SECTION 2. The Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED at a special meeting of the Oversight Board of Successor Agency to the City of Torrance Redevelopment Agency held this 27th day of April, 2012 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____

Chairperson
Oversight Board of Successor Agency
to the City of Torrance Redevelopment Agency

ATTEST:

_____

Oversight Board Secretary

BYLAWS OF THE OVERSIGHT BOARD OF SUCCESSOR AGENCY TO THE CITY OF TORRANCE REDEVELOPMENT AGENCY

ARTICLE 1 – THE OVERSIGHT BOARD

Section 1. Name of Authority

The official name be the "Oversight Board of Successor Agency to City of Torrance Redevelopment Agency" (herein referred to as "Oversight Board").

Section 2. Place of Meeting

The office and regular place of meeting of the Oversight Board shall be at the City of Torrance City Hall, 3031 Torrance Boulevard, Torrance, California. The Oversight Board may hold its meetings at such other locations as the Oversight Board may from time to time designate by resolution, in the order of adjournment, or notice of call of any special meeting.

Section 3. Powers

The Oversight Board shall be vested with all the rights, powers, duties, privileges, and immunities established by the California Health and Safety Code Sections 34179, 34180, and 34181.

ARTICLE II – OFFICERS

Section 1. Officers and Officials

The officers of the Oversight Board shall be composed of seven members. The members shall elect one of their members as the chairperson and select one of their members shall elect one of their members as the vice chairperson. All Oversight Board members shall be selected pursuant to the guidelines set forth in the California Health and Safety Code 34179. Other officials acting as its staff shall be the Executive Director of the Successor Agency, a secretary, and such other employees of the Successor Agency/and or City of Torrance as deemed necessary by the Executive Director of the Successor Agency.

Section 2. Chairperson

The Chairperson of the Oversight Board shall preside at all meetings of the Oversight Board.

Section 3. Vice-Chairperson

The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson.

Section 4. Secretary

The Executive Director of the Successor Agency shall designate a person to serve as the Secretary to the Oversight Board. The Secretary shall keep the records of the Oversight Board, shall act as secretary at meetings of the Oversight Board, shall record all votes, keep a record of the proceedings of the Oversight Board in a journal of proceedings to be kept for such purpose and shall perform all duties incident to the office. The Secretary shall maintain a record of all official proceedings of the Oversight Board and its programs. In the absence of the Secretary, the Executive Director to the Successor Agency shall appoint a member of the staff to act as Secretary.

Section 5. Vacancies

When a seat of the Oversight Board becomes vacant, the position will be filled by a member appointed by the agency who originally appointed the former member. Such appointments are to take place within 60 days of the creation of the vacancy. The Governor may appoint individuals to fill a member position that remains vacant for more than 60 days.

Section 6. Compensation

Oversight Board member shall serve with compensation or reimbursement for expenses.

Board Meeting of
April 27, 2012

Honorable Chair and Members
of the City of Torrance Oversight Board
City Hall
Torrance, California

SUBJECT: Agenda Organization and Support

RECOMMENDATION

Recommendation that the Oversight Board:

- Identify secretary
- Determine a format for Board minutes
- Approve format for agenda items and staff reports
- Initiate process for selection of legal counsel

BACKGROUND AND ANALYSIS

The passage of ABX1-26 marked the dissolution of Redevelopment in the State of California. This bill requires that an Oversight Board (Board) must be formed for each former redevelopment agency to aid in the dissolution process. In order for the Board to properly function, the organization of the agenda and staff report must be agreed upon. Given that this is the Board's first meeting, City of Torrance staff will be assisting with the administrative functions until notified otherwise. Although the County Auditor-Controller has volunteered to take on the administrative functions for the Board, Successor Agency staff recommends that the Board utilize City of Torrance staff for ease of scheduling and consistency with local procedure.

The Board must identify a secretary and determine the format for minutes taken. City of Torrance Staff has surveyed other oversight boards throughout Southern California, and found that the majority are using the sponsoring agency's staff for the administrative functions. There are two kinds of minutes that may be taken depending on the Board's preference: summary minutes and action minutes. Both kinds of minutes provide the date, time, and location of each meeting. Summary minutes include a description of the discussion resulting in an action; whereas, action minutes describe only the actions (motions) or directions given to be acted upon.

Of the Cities who responded to a short internal survey conducted by the City Clerk's Office, the Cities of Downey, Santa Monica, Signal Hill, and Lancaster have elected to take action minutes rather than summary minutes. Staff concurs with this course, and recommends that the Board use action minutes format.

In addition, the Board must direct the Successor Agency as to how it wishes to consider any matters to be presented to it, such as establishing a standard template for staff reports and supporting documentation. In an effort to streamline the preparation and public understanding of Board agenda items, staff recommends that the Board's agenda and staff reports remain consistent in format with those used by the Torrance City Council.

Lastly, the Board must determine how it plans to appoint and contract with legal counsel independent of the Successor Agency. Any costs for said legal counsel will be added to the Recognized Obligation Payment Schedule as an enforceable obligation and will therefore need to be approved by the Board prior to issuing any payments.

Staff recommends that the Board identify the City Clerk of the City of Torrance to serve as the Board secretary, determine that the Board will use action minutes, approve the current template for Board agenda and staff reports, and initiate the process for the selection of independent legal counsel.

Respectfully submitted,

Brian Sunshine
Assistant to the City Manager

By _____
Marina N. Martos
Planning Assistant

CONCUR

_____
Brian Sunshine
Assistant to the City Manager

NOTED

_____
LeRoy Jackson
City Manager

Board Meeting of
April 27, 2012

Honorable Chair and Members
of the City of Torrance Oversight Board
City Hall
Torrance, California

SUBJECT: Approval of the Recognized Obligation Payment Schedules
1. January to June 2012
2. July to December 2012

RECOMMENDATION

Recommendation that the Oversight Board review and approve the Recognized Obligation Payment Schedules for the periods of January through June, and July through December of Fiscal Year 2012.

BACKGROUND AND ANALYSIS

The Recognized Obligation Payment Schedule (ROPS) is a list of all enforceable obligations claimed by the Successor Agency to the former Redevelopment Agency of the City of Torrance. A different ROPS must be adopted each consecutive six month period, and approved by both the Successor Agency and the Oversight Board before being deemed complete.

In accordance with ABX1-26, the Successor Agency adopted two draft ROPS, one for each six-month period, on February 28, and April 4, respectively (Attachments A & B). The ROPS approved on February 28 was subsequently revised to address new requirements by the State Department of Finance, and was approved and posted on March 6, 2012.

Successor Agency staff has been working with the County Auditor-Controller and the State Department of Finance to incorporate all recommended changes for both ROPS schedules. The County has scheduled an audit to begin on May 9, 2012 in accordance with State law to review the ROPS and other aspects of the former Redevelopment project areas. ABX1-26 requires that the Oversight Board approve the ROPS on or before May 1, 2012. A final ROPS will be submitted to your Honorable Body once the audit is complete and approved by the County.

Respectfully submitted,

Eric E. Tsao
Finance Director

CONCUR:

Brian K. Sunshine
Assistant to the City Manager

NOTED:

LeRoy Jackson
City Manager

Attachments:
A) ROPS for January through June, 2012
B) ROPS for July through December, 2012

6C

Name of Redevelopment Agency: Redevelopment Agency of the City of Torrance

Project Area(s) Skypark, Downtown and Industrial - combined

ATTACHMENT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169 (*)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation As of June 30, 2011	Payment Source	Total Due During 2011-12 Fiscal Year	Actual Amounts Expended as of 1/18/12	Payments by month						
							January	February	March	April	May	June	Total
2001 Tax Allocation Refunding Bonds (Skypark)	Bank of New York	Bonds issued to fund non-housing project	528,216.10	RPTTF	$ 352,145.00	$ 352,144.07	$ 176,072.00						$ 176,072.00
Bond Series A (Downtown)	Bank of New York	Bonds issued to fund non-housing project	$ 10,349,167.00	RPTTF	$ 577,933.00	$ 401,881.25			$ 176,051.00				$ 176,051.00
Industrial Series B&C Bond (Industrial)	Bank of New York	Bonds issued to fund non-housing project	$ 36,049,263.00	RPTTF	$ 2,416,098.00	$ 1,803,770.63			$ 612,326.88				$ 612,326.88
Interfund Loan Principal Repayment (Skypark)	City of Torrance	Bond payments	$ 172,376.00	RPTTF	$ 172,376.00	$ 172,376.00							$ -
Bond Admin Fee FY11-12 (Downtown)	Bank of New York	admin	$ 2,000.00	RPTTF	$ 2,000.00	$ 1,722.50							$ -
Bond Admin Fee FY11-12 (Industrial)	Bank of New York	admin	$ 5,000.00	RPTTF	$ 5,000.00	$ 4,188.10							$ -
Notes Payable, Developer (Industrial)	Honda	OPA Developer Agreement	$ 1,775,337.00	RPTTF			$ -						$ -
American Honda Interest (Industrial)	Honda	OPA Developer Agreement Interest	$ 48,000.00	RPTTF	$ 48,000.00	$ -						$ 48,000.00	$ 48,000.00
Admin Cost (Downtown)	Successor Agency	Successor Agency/Oversight Board	$ 63,050.00	ADMIN	$ 63,050.00						$63,050.00		$ 63,050.00
Admin Cost (Industrial)	Successor Agency	Successor Agency/Oversight Board	$ 164,800.00	ADMIN	$ 164,800.00						$164,800.00		$ 164,800.00
Admin Cost (Skypark)	Successor Agency	Successor Agency/Oversight Board	$ 22,150.00	ADMIN	$ 22,150.00						$22,150.00		$ 22,150.00
City Advance 1982 (Industrial)	City of Torrance	Non-housing improvements	$ 56,298.00	RPTTF			$ -						$ -
City Advance 1985 (Industrial)	City of Torrance	Non-housing improvements	$ 48,617,760.00	RPTTF			$ -						$ -
City Advance 1986 (Industrial)	City of Torrance	Non-housing improvements	$ 3,488,417.00	RPTTF			$ -						$ -
City Advance 1987 (Industrial)	City of Torrance	Non-housing improvements	$ 3,325,163.00	RPTTF			$ -						$ -
City Advance 1988 (Industrial)	City of Torrance	Non-housing improvements	$ 298,635.00	RPTTF			$ -						$ -
City Advance 1988 (Industrial)	City of Torrance	Non-housing improvements	$ 63,780.00	RPTTF			$ -						$ -
City Advance 1989 (Industrial)	City of Torrance	Non-housing improvements	$ 151,133.00	RPTTF			$ -						$ -
City Advance 1990 (Industrial)	City of Torrance	Non-housing improvements	$ 247,543.00	RPTTF			$ -						$ -
City Advance 1997 (Industrial)	City of Torrance	Non-housing improvements	$ 1,749,520.00	RPTTF			$ -						$ -
City Advance 1997-1998 (Downtown)	City of Torrance	downtown rehabilitation	$ 192,752.00	RPTTF			$ -						$ -
City Advance 1998 (Industrial)	City of Torrance	Non-housing improvements	$ 1,578,099.00	RPTTF			$ -						$ -
City Advance 1998 (Industrial)	City of Torrance	Non-housing improvements	$ 572,672.00	RPTTF			$ -						$ -
City Advance 1999 (Industrial)	City of Torrance	Non-housing improvements	$ 113,893.00	RPTTF			$ -						$ -
City Advance 1999 (Industrial)	City of Torrance	Non-housing improvements	$ 642,717.00	RPTTF			$ -						$ -
Advance from County 1992-2011 (Downtown)	County of Los Angeles	Pass-Through Agreement	$ 20,250,074.00	RPTTF			$ -						$ -
County Pass-Thru Deferred Interest Downtown	County of Los Angeles	Pass-Through Agreement	$ 896,940.00	RPTTF									$ -
Salaries FY11-12 (Downtown)	City of Torrance	Employee salaries & benefits program Cost	$ 50,000.00	RPTTF	$ 58,400.00	$ 29,801.72	$4,766.38	$4,766.38	$4,766.38	$4,766.38	$4,766.38	$4,766.38	$ 28,598.28
Total Obligations			$ 131,474,755.10		$ 3,881,952.00	$ 2,765,884.27	$ 180,838.38	$ 4,766.38	$ 793,144.26	$ 4,766.38	$ 254,766.38	$ 52,766.38	$ 1,291,048.16

Name of Redevelopment Agency: Redevelopment Agency of the City of Torrance

Project Area(s) Skypark, Downtown and Industrial - combined

ATTACHMENT B

RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169 (*)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation As of January 31, 2012	Payment Source	Total Due During 2012-13 Fiscal Year	Payments by month						
						July	August	September	October	November	December	Total
2001 Tax Allocation Refunding Bonds (Skypark)	Bank of New York	Bonds issued to fund non-housing project	$ 176,072.03	RPTTF	$ 176,072.00	$ 176,072.00						$ 176,072.00
Bond Series A (Downtown)	Bank of New York	Bonds issued to fund non-housing project	$ 9,947,285.75	RPTTF	$ 576,007.00		$ -	$ 406,051.25				$ 406,051.25
Industrial Series B&C Bond (Industrial)	Bank of New York	Non-housing improvements	$ 34,245,492.00	RPTTF	$ 2,450,135.00			$ 1,872,326.88				$ 1,872,326.88
Interfund Loan Principal Repayment (Skypark)	City of Torrance	Bonds issued to fund non-housing project	$ 172,376.00	RPTTF	$ 172,376.00			$ 172,376.00				$ 172,376.00
Bond Admin Fee FY11-12 (Downtown)	Bank of New York	Bond Admin Fees	$ 2,000.00	RPTTF	$ 2,000.00	$ 167.00	$ 167.00	$ 167.00	$ 167.00	$ 167.00	$ 167.00	$ 1,002.00
Bond Admin Fee FY11-12 (Industrial)	Bank of New York	Bond Admin Fees	$ 5,000.00	RPTTF	$ 5,000.00	$ 416.00	$ 416.00	$ 416.00	$ 416.00	$ 416.00	$ 416.00	$ 2,496.00
Notes Payable, Developer (Industrial)	Honda	OPA Developer agreement	$ 1,775,337.00	RPTTF	$ 1,775,337.00	$ 1,775,337.00						$ 1,775,337.00
American Honda Interest (Industrial)	Honda	OPA Developer agreement	$ 48,000.00	RPTTF	$ 48,000.00							$ -
Admin Cost	Successor Agency	Successor Agency/ Oversight Board	$ 63,050.00	Admin	$ 63,050.00	$5,254.00	$5,254.00	$5,254.00	$5,254.00	$5,254.00	$5,254.00	$ 31,524.00
Admin Cost	Successor Agency	Successor Agency/ Oversight Board	$ 164,800.00	Admin	$ 164,800.00	$13,734.00	$13,734.00	$13,734.00	$13,734.00	$13,734.00	$13,734.00	$ 82,404.00
Admin Cost	Successor Agency	Successor Agency/ Oversight Board	$ 22,150.00	Admin	$ 22,150.00	$1,846.00	$1,846.00	$1,846.00	$1,846.00	$1,846.00	$1,846.00	$ 11,076.00
City Advance 1982 (Industrial)	City of Torrance	Non-housing improvements	$ 57,516.90	RPTTF	$ 57,516.90	$ 57,516.90						$ 57,516.90
City Advance 1985 (Industrial)	City of Torrance	Non-housing improvements	$ 49,438,665.31	RPTTF	$ 6,600,450.10	$ 6,600,450.10						$ 6,600,450.10
City Advance 1986 (Industrial)	City of Torrance	Non-housing improvements	$ 3,549,333.81	RPTTF								$ -
City Advance 1987 (Industrial)	City of Torrance	Non-housing improvements	$ 3,394,564.80	RPTTF								$ -
City Advance 1988 (Industrial)	City of Torrance	Non-housing improvements	$ 300,033.38	RPTTF								$ -
City Advance 1988 (Industrial)	City of Torrance	Non-housing improvements	$ 64,086.13	RPTTF								$ -
City Advance 1989 (Industrial)	City of Torrance	Non-housing improvements	$ 151,870.60	RPTTF								$ -
City Advance 1990 (Industrial)	City of Torrance	Non-housing improvements	$ 248,804.57	RPTTF								$ -
City Advance 1997 (Industrial)	City of Torrance	Non-housing improvements	$ 1,782,200.00	RPTTF								$ -
City Advance 1997-1998 (Downtown)	City of Torrance	downtown rehabilitation	$ 192,752.00	RPTTF								$ -
City Advance 1998 (Industrial)	City of Torrance	Non-housing improvements	$ 1,614,638.96	RPTTF								$ -
City Advance 1998 (Industrial)	City of Torrance	Non-housing improvements	$ 592,226.38	RPTTF								$ -
City Advance 1999 (Industrial)	City of Torrance	Non-housing improvements	$ 115,060.14	RPTTF								$ -
City Advance 1999 (Industrial)	City of Torrance	Non-housing improvements	$ 656,300.68	RPTTF								$ -
Advance from County 1992-2011 (Downtown)	County of Los Angeles	County Pass-Through Tax Inc Agreement	$ 20,770,044.43	RPTTF								$ -
County Pass Thru-Deferred Interest (Downtown)	City of Torrance	County Pass-Through Tax Inc Agreement	$ 376,969.57	RPTTF	$ 376,969.57	$ 62,828.00	$ 62,828.00	$ 62,828.00	$ 62,828.00	$ 62,828.00	$ 62,828.00	$ 376,968.00
Salaries FY11-12 (Downtown)	City of Torrance	Employee Salaries & Benefits Program Cost	$ 50,000.00	RPTTF	$ 50,000.00	$ 4,167.00	$ 4,167.00	$ 4,167.00	$ 4,167.00	$ 4,167.00	$4,167.00	$ 25,002.00
TOTAL			**$ 129,976,630.44**		**$ 12,539,863.57**	**$ 8,697,788.00**	**$ 88,412.00**	**$ 2,539,166.13**	**$ 88,412.00**	**$ 88,412.00**	**$ 88,412.00**	**$11,590,602.13**

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ORIGINAL

BOND DEBT SERVICE

Redevelopment Agency of the City of Torrance
Skypark Refunding Bonds
Agency Bond @ 8%

Dated Date 12/11/2001
Delivery Date 12/11/2001

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/11/2001					
07/01/2002	77,266.33	8.000%	109,784.12	187,050.45	187,050.45
01/01/2003	80,356.98	8.000%	95,715.06	176,072.04	
07/01/2003	83,571.25	8.000%	92,500.78	176,072.03	352,144.07
01/01/2004	86,914.11	8.000%	89,157.93	176,072.04	
07/01/2004	90,390.67	8.000%	85,681.36	176,072.03	352,144.07
01/01/2005	94,006.30	8.000%	82,065.74	176,072.04	
07/01/2005	97,766.55	8.000%	78,305.48	176,072.03	352,144.07
01/01/2006	101,677.21	8.000%	74,394.82	176,072.03	
07/01/2006	105,744.30	8.000%	70,327.73	176,072.03	352,144.06
01/01/2007	109,974.07	8.000%	66,097.96	176,072.03	
07/01/2007	114,373.04	8.000%	61,699.00	176,072.04	352,144.07
01/01/2008	118,947.96	8.000%	57,124.08	176,072.04	
07/01/2008	123,705.87	8.000%	52,366.16	176,072.03	352,144.07
01/01/2009	128,654.11	8.000%	47,417.92	176,072.03	
07/01/2009	133,800.28	8.000%	42,271.76	176,072.04	352,144.07
01/01/2010	139,152.29	8.000%	36,919.75	176,072.04	
07/01/2010	144,718.37	8.000%	31,353.66	176,072.03	352,144.07
01/01/2011	150,507.11	8.000%	25,564.92	176,072.03	
07/01/2011	156,527.40	8.000%	19,544.64	176,072.04	352,144.07
01/01/2012	162,788.49	8.000%	13,283.54	176,072.03	
07/01/2012	169,300.03	8.000%	6,772.00	176,072.03	352,144.06
	2,470,142.72		1,238,348.41	3,708,491.13	3,708,491.13

1/31/12

RESOLUTION NO. RA 2001-02

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS TO REFUND THE AGENCY'S SKYPARK REDEVELOPMENT PROJECT 1987 TAX ALLOCATION REFUNDING BONDS, AND APPROVING RELATED DOCUMENTS AND ACTIONS

RESOLVED, by the Redevelopment Agency of the City of Torrance (the "Agency") as follows:

WHEREAS, the Agency has undertaken the redevelopment of the Skypark Redevelopment Project in the City of Torrance (the "~~Skypark~~ Redevelopment Project") pursuant to the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the California Health and Safety Code, and for such purpose the Agency has previously issued its Redevelopment Agency of the City of Torrance (Skypark Redevelopment Project) 1987 Tax Allocation Refunding Bonds, in the original principal amount of $4,285,000 (the "1987 Bonds") pursuant to Resolution No. RA 87-19, adopted September 22, 1987 (the "1987 Bond Resolution"); and

WHEREAS, the Agency has determined that it is in the economic interests of the Agency to refund the 1987 Bonds, and for that purpose the Agency has determined to authorize the issuance of its Skypark Redevelopment Project 2001 Tax Allocation Refunding Bonds, in the aggregate principal amount of $2,470,142.72 (the "Refunding Bonds"), the proceeds of which will be applied to redeem the 1987 Bonds in full on January 1, 2002, and the principal of and interest on which will be payable from the tax increment revenues from the Skypark Redevelopment Project; and

WHEREAS, the Agency has duly considered such transactions and wishes at this time to authorize proceedings for the issuance and sale of the Skypark Project Refunding Bonds;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Issuance of the Skypark Project Refunding Bonds; Approval of Terms and Conditions. The Agency hereby authorizes the issuance of the Refunding Bonds in the principal amount of $2,470,142.72, bearing interest at 8% per annum. The Refunding Bonds shall be issued pursuant to the provisions of Sections 53570 et seq. of the California Government Code and this Resolution, including specifically the Terms and Conditions attached hereto as Exhibit A (the "Terms and Conditions"). The Agency hereby approves the Terms and Conditions, together with such additions thereto and changes therein as the Chair, the Vice Chair or the Executive Director shall deem necessary, desirable or appropriate.

Section 2. Refunding of the 1987 Bonds. The proceeds of the Refunding Bonds shall be held by the Treasurer in trust, when and as received, until January 1, 2002, and on such date the Treasurer shall apply the proceeds of the Refunding Bonds to redeem the 1987 Bonds in full, at a price equal to the principal amount thereof, plus accrued interest to the date of redemption, without premium, in accordance with Section 11 of the 1987 Bond Resolution and the conditional notice of redemption sent to the Owners of the 1987 Bonds on or about December 1, 2001.

Section 3. Sale of the Refunding Bonds. The Agency hereby approves the sale of the Refunding Bonds to the City of Torrance, at a price equal to the principal amount thereof.

Section 4. Engagement of Professional Services. (i) The firm of Jones Hall, A Professional Law Corporation, is hereby retained as bond counsel to the Agency, in connection with the issuance and sale of the Refunding Bonds. Such firm shall be retained upon the terms and conditions set forth in the Agreement for Legal Services, a copy of which is on file with the Agency Secretary, the execution of which by the Executive Director is hereby approved and authorized. (ii) The firm of Northcross, Hill & Ach, LLC, is hereby retained as financial advisor to the Agency in connection with the issuance and sale of the Refunding Bonds. Such firm shall be retained upon the terms and conditions set forth in the Agreement for Financial Advisory Services, a copy of which is on file with the Agency Secretary, and the Executive Director is hereby authorized and directed to execute said Agreement.

Section 5. Official Actions. The Chair, the Vice Chair, the Executive Director, the Treasurer and the Agency, the Agency Chief Accountant, the Secretary of the Agency, and any and all other officers of the Agency, are hereby authorized and directed, for and in the name and on behalf of the Agency, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Refunding Bonds as described herein. Whenever in this resolution any officer of the Agency is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable. The Agency hereby ratifies the delivery of the conditional notice of redemption of the 1987 Bonds, delivered by the Treasurer of the Agency, as Fiscal Agent for the 1987 Bonds, to the owners of the 1987 Bonds on or about December 1, 2001.

Section 6. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

Introduced, Approved, and Adopted this 4th day of December, 2001.

/s/ Dee Hardison
Chairman of the Agency

ATTEST:

/s/ LeRoy J. Jackson
Executive Director of the Agency

/s/ Sue Herbers
Clerk of the Agency

APPROVED AS TO FORM:

John L. Fellows III, Agency Counsel

By: /s/ Ron Pohl

TORRANCE REDEVELOPMENT AGENCY RESOLUTION NO. RA 2001-02

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

I, Sue Herbers, Clerk of the City of Torrance Redevelopment Agency, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the Redevelopment Agency of the City of Torrance at a regular meeting of said Agency held on the 4th day of December, 2001, by the following roll call vote:

AYES:	MEMBERS:	Cribbs, Messerlian, Scotto, Walker, Witkowsky, and Chairman of the Agency Hardison.
NOES:	MEMBERS:	None.
ABSTAIN:	MEMBERS::	None.
ABSENT:	MEMBERS:	Nowatka.

/s/ Sue Herbers
Clerk of the City of Torrance
Redevelopment Agency

EXHIBIT A

TERMS AND CONDITIONS

Relating to
$2,470,142.72
Redevelopment Agency of the City of Torrance
(Skypark Redevelopment Project)
2001 Tax Allocation Refunding Bonds

TERMS AND CONDITIONS

THESE TERMS AND CONDITIONS (these "Terms and Conditions") are incorporated into Resolution No. RA 2001-02 as though fully set forth therein.

ARTICLE I

DETERMINATIONS; DEFINITIONS

Section 1.01. Findings and Determinations. The Agency has reviewed all proceedings heretofore taken and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Agency is now duly empowered, pursuant to each and every requirement of law, to issue the Bonds in the manner and form provided in these Terms and Conditions.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 shall, for all purposes of these Terms and Conditions, of any Supplemental Resolution, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

"*Agency*" means the Redevelopment Agency of the City of Torrance, a public body corporate and politic duly organized and existing under the Law.

"*Annual Debt Service*" means, for each Bond Year, the sum of (1) the interest payable on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Serial Bonds are retired as scheduled and that the Outstanding Term Bonds are redeemed from mandatory Sinking Account payments as scheduled, (2) the principal amount of the Outstanding Serial Bonds payable by their terms in such Bond Year, and (3) the principal amount of the Outstanding Term Bonds scheduled to be paid or redeemed from mandatory Sinking Account payments in such Bond Year.

"*Bond Resolution*" means Resolution RA 2001-02 of the Agency, entitled "Resolution Authorizing The Issuance And Sale Of Tax Allocation Refunding Bonds To Refund The Agency's Skypark Redevelopment Project 1987 Tax Allocation Refunding Bonds, And Approving Related Documents And Actions", adopted December 4, 2001.

"*Bond Law*" means the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with section 53570 of said Code, as in effect on the Closing Date or as thereafter amended.

"*Bonds*" means the $2,470,142.72 principal amount of Redevelopment Agency of the City of Torrance (Skypark Redevelopment Project) 2001 Tax Allocation Refunding Bonds, issued under the Bond Resolution, and when the context requires, includes Parity Bonds.

"*Bond Year*" means any twelve-month period beginning on July 2 in any year and ending on the next succeeding July 1, both dates inclusive, except that the first Bond Year shall begin on the Closing Date, and end on July 1, 2002.

"*Business Day*" means a day of the year on which banks in Los Angeles and San Francisco, California, are not required or permitted to be closed and on which the New York Stock Exchange is not closed.

"*Chair*" means the Chair of the Agency appointed pursuant to section 33113 of the Law, or other duly appointed officer of the Agency authorized by the Agency by resolution or by-law to perform the functions of the Chair in the event of the Chair's absence or disqualification.

"*City*" means the City of Torrance, a chartered city and municipal corporation organized and existing under and pursuant to the laws of the State.

"*Closing Date*" means December 11, 2001, the date on which the Bonds are delivered by the Agency to the City.

"*Costs of Issuance*" means all items of expense directly or indirectly payable by or reimbursable to the Agency relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, operating expenses, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Fiscal Agent and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds.

"*Costs of Issuance Fund*" means the fund by that name established and held by the Fiscal Agent pursuant to Section 3.03(A).

"*County*" means Los Angeles County, a county duly organized and existing under the laws of the State.

"*Debt Service Fund*" means the fund by that name established and held by the Fiscal Agent pursuant to Section 4.03.

"*Defeasance Obligations*" means (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated or (4) pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively (or any combination thereof).

"*Escrow Fund*" means the fund by that name established and held by the Fiscal Agent pursuant to Section 3.03(B).

"*Event of Default*" means any of the events described in Section 8.01.

"*Federal Securities*" means Permitted Investments described in paragraphs (1), (2) or (3) thereof.

"*Fiscal Agent*" means the Treasurer of the Agency, or any successor Fiscal Agent.

"*Fiscal Agent's Office*" means the office of the Fiscal Agent, located at 3031 Torrance Boulevard, Torrance, California 90509.

"*Fiscal Year*" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Agency to the Fiscal Agent in writing as its official fiscal year period.

"*Independent Accountant*" means any accountant or firm of such accountants duly licensed or registered or entitled to practice and practicing as such under the laws of the State, appointed by the Agency, and who, or each of whom: (1) is in fact independent and not under domination of the Agency; (2) does not have any substantial interest, direct or indirect, with the Agency; and (3) is not connected with the Agency as an officer or employee of the Agency, but who may be regularly retained to make reports to the Agency.

"*Interest Account*" means the account by that name established and held by the Fiscal Agent pursuant to Section 4.03(A).

"*Interest Payment Date*" means July 1 and January 1 in each year, commencing July 1, 2002, or, if such day is not a Business Day, on the next succeeding Business Day, so long as any of the Bonds remain Outstanding hereunder.

"*Law*" means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the California Health and Safety Code, and the acts amendatory thereof and supplemental thereto.

"*Low and Moderate Income Housing Fund*" means the fund of the Agency established by the Agency pursuant to section 33334.3 of the Law.

"*Maximum Annual Debt Service*" means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year following the anticipated issuance of Bonds, as certified in writing by the Agency to the Fiscal Agent.

"*1987 Bond Resolution*" means Resolution No. RA 87-19 of the Agency, entitled "Resolution of the Redevelopment Agency of the City of Torrance Authorizing the Issuance of Tax Allocation Refunding Bonds of the Agency in a Principal Amount of Four Million Two Hundred Eighty-Five Thousand Dollars ($4,285,000) to Refund the Agency's $2,650,000 Skypark Redevelopment Project, Tax Allocation Bonds, Series A, A $35,000 Obligation to the City of Torrance, and the Balance of A $2,080,809.31 Note to F.A.B.," adopted September 22, 1987.

"*1987 Bonds*" means the $4,285,000 Redevelopment Agency of the City of Torrance (Skypark Redevelopment Project) 1987 Tax Allocation Refunding Bonds, issued pursuant to the 1987 Bond Resolution.

"*Original Purchaser*" means the City of Torrance.

"*Outstanding*" when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except:

(1) Bonds therefore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation;

(2) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and

(3) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Agency pursuant hereto.

"*Owner*" or "*Bondowner*" means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

"*Parity Debt*" means any loans, advances or indebtedness issued or incurred by the Agency on a parity with the Bonds pursuant to Section 3.04.

"*Plan Limits*" means the limitations contained in the Redevelopment Plan on (i) the number of dollars of taxes which may be divided and allocated to the Agency pursuant to the Redevelopment Plan, as such limitation is prescribed by section 33333.4 of the Law, and (ii) the maximum amount of bonded indebtedness of the Agency payable from Tax Revenues which can be outstanding at one time.

"*Project Area*" means the territory within the Redevelopment Project, as described in the Redevelopment Plan.

"*Rating Category*" means any generic rating category of S&P or Moody's, without regard to any refinement of such category by plus or minus sign or by numerical or other qualifying designation.

"*Record Date*" means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

"*Redemption Account*" means the account by that name established and held by the Fiscal Agent pursuant to Section 4.03(C).

"*Redevelopment Plan*" means the Redevelopment Plan for the Industrial Redevelopment Project, adopted November 16, 1976, by Ordinance No. 2708, as amended by Ordinance No. 3442, adopted November 18, 1997, together with any amendments thereof heretofore or hereafter duly authorized pursuant to the Law.

"*Redevelopment Project*" means the Skypark Redevelopment Project as described in the Redevelopment Plan.

"*Registration Books*" means the records maintained by the Fiscal Agent pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

"*Sinking Account*" means the account by that name established and held by the Fiscal Agent pursuant to Section 4.03(B).

"*Special Fund*" means the fund by that name established and held by the Agency pursuant to Section 4.02.

"*State*" means the State of California.

"*Subordinate Debt*" means any loans, advances or indebtedness issued or incurred by the Agency pursuant to Section 3.05, which is either: (1) by its terms payable from, but not secured by a pledge of or lien upon, the Tax Revenues; or (2) secured by a pledge of or lien upon the Tax Revenues which is expressly subordinate to the pledge of and lien upon the Tax Revenues hereunder for the security of the Bonds.

"*Supplemental Resolution*" means any resolution, agreement or other instrument which has been duly adopted or entered into by the Agency, but only if and to the extent that such Supplemental Resolution is specifically authorized hereunder.

"*Tax Revenues*" means all taxes pledged and annually allocated within the Plan Limits, following the Closing Date, and paid to the Agency with respect to the Project Area pursuant to Article 6 of Chapter 6 (commencing with section 33670) of the Law and section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws, and as provided in the Redevelopment Plan, and all payments, subventions and reimbursements, if any, to the Agency specifically attributable to *ad valorem* taxes lost by reason of tax exemptions and tax rate limitations, and including that portion of such taxes otherwise required by section 33334.3 of the Law to be deposited in the Low and Moderate Income Housing Fund, but only to the extent necessary to repay that portion of the Bonds, and that portion of any Parity Debt (including applicable reserves and financing costs) issued to finance amounts deposited in the Low and Moderate Income Housing Fund for use pursuant to section 33334.2 of the Law to increase or improve the supply of low and moderate income housing within or of benefit to the Project Area; but excluding all other amounts of such taxes (if any) (i) required to be deposited into the Low and Moderate Income Housing Fund of the Agency pursuant to section 33334.3 of the Law for increasing and improving the supply of low and moderate income housing, and (ii) amounts payable by the State to the Agency under and pursuant to Chapter 1.5 of Part 1 of Division 4 of Title 2 (commencing with section 16110) of the California Government Code.

"*Terms and Conditions*" means these Terms and Conditions, as originally attached as Exhibit A to the Bond Resolution, or as they may be amended or supplemented by any Supplemental Resolution adopted pursuant to the provisions hereof.

"*Written Request of the Agency*" or "*Written Certificate of the Agency*" means a request or certificate, in writing signed by the Executive Director, Secretary or Fiscal Agent of the Agency or by any other officer of the Agency duly authorized by the Agency for that purpose.

Section 1.03. Rules of Construction. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of these Terms and Conditions, and the words "herein," "hereof," "hereunder" and other words of similar import refer to these Terms and Conditions as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.01. Authorization of Bonds. Bonds in the aggregate principal amount of Two Million Four Hundred Seventy Thousand, One Hundred Forty Two Dollars and seventy two cents ($2,470,142.72) are hereby authorized to be issued by the Agency under and subject to the terms of the Bond Resolution, these Terms and Conditions and the Bond Law. These Terms and Conditions constitute a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Bonds shall be designated the "Redevelopment Agency of the City of Torrance (Skypark Redevelopment Project) 2001 Tax Allocation Refunding Bonds".

Section 2.02. Terms of Bonds. (A) The Bonds shall be issued in fully registered form without coupons. The Bonds shall mature on July 1, 2012, and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate of 8% per annum. The interest on the Bonds shall be payable at the times and in the amounts shown under the heading "Interest Amount", set forth below:

Payment Date	Principal Amount	Interest Amount	Total Payment	Annual Total
7/1/2002	$77,266.33	$98,805.71	$176,072.04	$176,072.04
1/1/2003	80,356.98	95,715.06	176,072.04	-
7/1/2003	83,571.25	92,500.78	176,072.03	352,144.07
1/1/2004	86,914.11	89,157.93	176,072.04	-
7/1/2004	90,390.67	85,681.36	176,072.03	352,144.07
1/1/2005	94,006.30	82,065.74	176,072.04	-
7/1/2005	97,766.55	78,305.48	176,072.03	352,144.07
1/1/2006	101,677.21	74,394.82	176,072.03	-
7/1/2006	105,744.30	70,327.73	176,072.03	352,144.06
1/1/2007	109,974.07	66,097.96	176,072.03	-
7/1/2007	114,373.04	61,699.00	176,072.04	352,144.07
1/1/2008	118,947.96	57,124.08	176,072.04	-
7/1/2008	123,705.87	52,366.16	176,072.03	352,144.07
1/1/2009	128,654.11	47,417.92	176,072.03	-
7/1/2009	133,800.28	42,271.76	176,072.04	352,144.07
1/1/2010	139,152.29	36,919.75	176,072.04	-
7/1/2010	144,718.37	31,353.66	176,072.03	352,144.07
1/1/2011	150,507.11	25,564.92	176,072.03	-
7/1/2011	156,527.40	19,544.64	176,072.04	352,144.07
1/1/2012	162,788.49	13,283.54	176,072.03	-
7/1/2012	169,300.03	6,772.00	176,072.03	352,144.06

(B) Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) shall be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check

In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, these Terms and Conditions shall be deemed to be and shall constitute a contract between the Agency and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Section 4.02. Special Fund; Deposit of Tax Revenues. There is hereby established a special fund to be known as the "Special Fund", which shall be held by the Agency. The Agency shall transfer all of the Tax Revenues received in any Bond Year to the Special Fund promptly upon receipt thereof by the Agency, until such time during such Bond Year as the amounts on deposit in the Special Fund equal the aggregate amounts required to be transferred to the Fiscal Agent for deposit into the Interest Account, the Sinking Account and the Redemption Account in such Bond Year pursuant to Section 4.03.

All Tax Revenues received by the Agency during any Bond Year in excess of the amount required to be deposited in the Special Fund during such Bond Year pursuant to the preceding paragraph of this Section 4.02 shall be released from the pledge and lien hereunder for the security of the Bonds and may be applied by the Agency for any lawful purposes of the Agency, including but not limited to the payment of Subordinate Debt. Prior to the payment in full of the principal of and interest on the Bonds and the payment in full of all other amounts payable hereunder and under any Supplemental Resolutions, the Agency shall not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in these Terms and Conditions and in any Supplemental Resolution.

Section 4.03. Deposit of Amounts by Fiscal Agent. There is hereby established a trust fund to be known as the Debt Service Fund, which shall be held by the Fiscal Agent hereunder in trust. Moneys in the Special Fund shall be transferred by the Agency to the Fiscal Agent in the following amounts, at the following times, and deposited by the Fiscal Agent in the following respective special accounts, which are hereby established in the Debt Service Fund, and in the following order of priority:

(A) *Interest Account*. On or before the fifth Business Day preceding each Interest Payment Date, the Agency shall withdraw from the Special Fund and transfer to the Fiscal Agent, for deposit in the Interest Account an amount which when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to these Terms and Conditions).

(B) *Sinking Account*. No later than the fifth Business Day preceding each July 1 on which any Outstanding Term Bonds are subject to mandatory redemption pursuant to Section 2.03(B), or otherwise for purchases of Term Bonds pursuant to Section 2.03(B) hereof, the Agency shall withdraw from the Special Fund and transfer to the Fiscal Agent for deposit in the Sinking Account an amount which, when added to the amount then contained in the Sinking Account, will be equal to the aggregate principal amount of the Term Bonds required to be redeemed on such July 1 pursuant to Section 2.03(B). All moneys on deposit in the Sinking Account shall be used and withdrawn by the Fiscal Agent for the sole purpose of paying the principal of the Term Bonds as it shall become due and payable upon redemption or purchase pursuant to Section 2.03(B).

(C) *Redemption Account*. On or before the fifth Business Day preceding any date on which Bonds are to be redeemed pursuant to Section 2.03(A), the Fiscal Agent shall withdraw from the Debt Service Fund and deposit in the Redemption Account an amount required to pay the principal of the Bonds to be redeemed on such date pursuant to Section 2.03(A), taking into account any funds then on deposit in the Redemption Account. The Fiscal Agent shall also deposit in the Redemption Account any other amounts received by it from the Agency designated by the Agency in writing to be deposited in the Redemption Account. All moneys in the Redemption Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of paying the principal of the Bonds to be redeemed pursuant to Section 2.03(A) on the respective dates set for such redemption.

ARTICLE V

OTHER COVENANTS OF THE AGENCY

Section 5.01. Punctual Payment. The Agency shall punctually pay or cause to be paid the principal and interest to become due in respect of all the Bonds, in strict conformity with the terms of the Bonds and of these Terms and Conditions. The Agency shall faithfully observe and perform all of the conditions, covenants and requirements of these Terms and Conditions and all Supplemental Resolutions and the Bonds. Nothing herein contained shall prevent the Agency from making advances of its own moneys howsoever derived to any of the uses or purposes referred to herein.

Section 5.02. Limitation on Additional Indebtedness; Against Encumbrances. The Agency hereby covenants that, so long as the Bonds are Outstanding, the Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, for which all or any part of the Tax Revenues are pledged as security for payment, excepting only the Bonds, any Parity Debt and any Subordinate Debt. The Agency will not otherwise encumber, pledge or place any charge or lien upon any of the Tax Revenues or other amounts pledged to the Bonds superior to the pledge and lien herein created for the benefit of the Bonds.

Section 5.03. Extension of Payment. The Agency will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the Agency, such Bond or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of these Terms and Conditions, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Payment of Claims. The Agency shall promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the Agency or upon the Tax Revenues or other amounts pledged to the payment of the Bonds, or any part thereof, or upon any funds in the hands of the Fiscal Agent, or which might impair the security of the Bonds. Nothing herein contained shall require the Agency to make any such payment so long as the Agency in good faith shall contest the validity of said claims.

Section 5.05. Books and Accounts; Financial Statements. The Agency shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Agency and the City of Torrance, in which complete and correct entries shall be made of all transactions relating to the Redevelopment Project, the Tax Revenues and the Special Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The Agency will cause to be prepared, within one hundred and eighty (180) days after the close of each Fiscal Year so long as the Bonds are Outstanding, complete audited financial statements with respect to such Fiscal Year showing the Tax Revenues, all disbursements of Tax Revenues and the financial condition of the Redevelopment Project, including the balances in all funds and accounts relating to the Redevelopment Project, as of the end of such Fiscal Year. The Agency shall furnish a copy of such financial statements to any Owner upon reasonable request and at the expense of such Owner.

Section 5.06. Protection of Security and Rights of Owners. The Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after the Closing Date, the Bonds shall be incontestable by the Agency.

Section 5.07. Payments of Taxes and Other Charges. Except as otherwise provided herein, the Agency will pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments and other governmental charges which may hereafter be lawfully imposed upon the Agency or the properties then owned by the Agency in the Project Area, or upon the revenues therefrom when the same shall become due. Nothing herein contained shall require the Agency to make any such payment so long as the Agency in good faith shall contest the validity of said taxes, assessments or charges. The Agency will duly observe and conform with all valid requirements of any governmental authority relative to the Redevelopment Project or any part thereof.

Section 5.08. Taxation of Leased Property. All amounts derived by the Agency pursuant to section 33673 of the Law with respect to the lease of property for redevelopment shall be treated as Tax Revenues for all purposes of these Terms and Conditions.

Section 5.09. Disposition of Property. The Agency will not participate in the disposition of any land or real property in the Project Area to anyone which will result in such property becoming exempt from taxation because of public ownership or use or otherwise (except property dedicated for public right-of-way and except property planned for public ownership or use by the Redevelopment Plan in effect on the date of these Terms and Conditions), if such disposition,

of the Fiscal Agent mailed by first class mail, postage prepaid, on the Interest Payment Date, to such Owner at the address of such Owner as it appears on the Registration Books as of such Record Date; *provided however*, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of $1,000,000 or more who shall furnish written wire instructions to the Fiscal Agent on or before the applicable Record Date, which instructions shall continue in effect until revoked in writing, or until such Bonds are transferred to a new Owner. Principal of any Bond shall be paid upon presentation and surrender thereof, at maturity or redemption, at the Fiscal Agent's Office. Both the principal of and interest on the Bonds shall be payable in lawful money of the United States of America.

(C) Each Bond shall be dated the Closing Date, and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (1) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (2) a Bond is authenticated on or before June 15, 2002, in which event it shall bear interest from the Closing Date; *provided, however*, that if, as of the date of authentication of any Bond, interest thereon is in default, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Section 2.03. Redemption of Bonds.

(A) *Optional Redemption*. The Bonds are subject to redemption prior to maturity, at the option of the Agency, on any date, as a whole or in part, from any available source of funds, at the redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

The Agency shall be required to give the Fiscal Agent and the City written notice of its intention to redeem Bonds under this subsection (A) at least 7 days prior to the date fixed for such redemption, and shall transfer to the Fiscal Agent for deposit in the Debt Service Fund all amounts required for such redemption at least 1 Business Day prior to the date fixed for such redemption.

(B) *Sinking Account Redemption.* The Term Bonds shall also be subject to mandatory sinking fund redemption in part by lot on July 1 and January 1 in the years set forth below from Sinking Account payments made by the Agency pursuant to Section 4.03(B), at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the redemption date, without premium, in the aggregate respective principal amounts and on the respective dates as set forth in the following table; *provided, however,* that if some but not all of the Bonds have been redeemed pursuant to subsection (A) above, the total amount of all future Sinking Account payments shall be reduced by the aggregate principal amount of Bonds so redeemed, to be allocated among the Sinking Account payments as are thereafter payable on a pro rata basis, as determined by the Agency (notice of which determination shall be given by the Agency to the Fiscal Agent).

Sinking Fund Redemption Date	Principal Amount To Be Redeemed
7/1/2002	$77,266.33
1/1/2003	80,356.98
7/1/2003	83,571.25
1/1/2004	86,914.11
7/1/2004	90,390.67
1/1/2005	94,006.30
7/1/2005	97,766.55
1/1/2006	101,677.21
7/1/2006	105,744.30
1/1/2007	109,974.07
7/1/2007	114,373.04
1/1/2008	118,947.96
7/1/2008	123,705.87
1/1/2009	128,654.11
7/1/2009	133,800.28
1/1/2010	139,152.29
7/1/2010	144,718.37
1/1/2011	150,507.11
7/1/2011	156,527.40
1/1/2012	162,788.49
7/1/2012	169,300.03

(C) *Notice of Redemption*. The Fiscal Agent on behalf and at the expense of the Agency shall mail (by first class mail, postage prepaid) notice of any redemption at least 7 days prior to the redemption date, to (i) the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books; but such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the redemption date and the redemption price, shall state that such redemption is conditioned upon the timely delivery of the redemption price by the Agency to the Fiscal Agent for deposit in the Redemption Account, shall state the individual number of each Bond to be redeemed or shall state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and shall require that such Bonds be then surrendered at the Fiscal Agent's Office for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

(D) *Partial Redemption of Bonds*. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Agency shall execute and the Fiscal Agent shall authenticate and deliver to the Owner thereof, at the expense of the Agency, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(E) *Effect of Redemption*. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption shall have been duly deposited with the Fiscal Agent, such Bonds so called shall cease to be entitled to any benefit under these Terms and Conditions other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest shall accrue thereon from and after the redemption date specified in such notice.

(F) *Manner of Redemption*. Whenever any Bonds or portions thereof are to be selected for redemption by lot, the Fiscal Agent shall make such selection, in such manner as the Fiscal Agent shall deem appropriate, and shall notify the Agency thereof. All Bonds redeemed or purchased pursuant to this Section 2.03 shall be canceled.

Section 2.04. Form of Bonds. The Bonds, the form of Fiscal Agent's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Appendix A, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by these Terms and Conditions.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the Agency by the signature of its Executive Director and the signature of its Secretary who are in office on the date of execution and delivery of these Terms and Conditions or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the Agency by such persons as at the actual date of the execution of such Bond shall be the proper officers of the Agency although on the date of such Bond any such person shall not have been such officer of the Agency.

Only such of the Bonds as shall bear thereon a Certificate of Authentication in the form hereinafter set forth, manually executed and dated by the Fiscal Agent, shall be valid or obligatory for any purpose or entitled to the benefits of these Terms and Conditions, and such Certificate shall be conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of these Terms and Conditions. In the event temporary Bonds are issued pursuant to Section 2.09 hereof, the temporary Bonds may bear thereon a Certificate of Authentication executed and dated by the Fiscal Agent, may be initially registered by the Fiscal Agent, and, until so exchanged as provided under Section 2.09 hereof, the temporary Bonds shall be entitled to the same benefits pursuant to these Terms and Conditions as definitive Bonds authenticated and delivered hereunder.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Fiscal Agent at its Fiscal Agent's Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Fiscal Agent, duly executed. Whenever any Bond or Bonds shall be surrendered for registration of transfer, the Agency shall execute and the Fiscal Agent shall deliver a new Bond or Bonds, of like series, interest rate, maturity and principal amount of authorized denominations. The Fiscal Agent shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Fiscal Agent in connection with any transfer shall be paid by the Agency.

The Fiscal Agent may refuse to transfer, under the provisions of this Section 2.06, either (1) any Bonds during the period fifteen (15) days prior to the date established by the Fiscal Agent for the selection of Bonds for redemption, or (2) any Bonds selected by the Fiscal Agent for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Fiscal Agent's Office for a like aggregate principal amount of Bonds of other authorized denominations of the same series, interest rate and maturity. The Fiscal Agent shall collect any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.07. The cost of printing Bonds and any services rendered or expenses incurred by the Fiscal Agent in connection with any exchange shall be paid by the Agency.

The Fiscal Agent may refuse to exchange, under the provisions of this Section 2.07, either (1) any Bonds during the fifteen (15) days prior to the date established by the Fiscal Agent for the selection of Bonds for redemption or (2) any Bonds selected by the Fiscal Agent for redemption.

Section 2.08. Registration of Bonds. The Fiscal Agent will keep or cause to be kept, at its Fiscal Agent's Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection by the Agency, upon reasonable prior notice to the Fiscal Agent; and, upon presentation for such purpose, the Fiscal Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Agency, and may contain such reference to any of the provisions of these Terms and Conditions as may be appropriate. Every temporary Bond shall be executed by the Agency upon the same conditions and in substantially the same manner as the definitive Bonds. If the Agency issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Fiscal Agent's Office, and the Fiscal Agent shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations, interest rates and like maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to these Terms and Conditions as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Agency, at the expense of the Owner of such Bond, shall execute, and the Fiscal Agent shall thereupon deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Fiscal Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Fiscal Agent shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Agency and the Fiscal Agent and, if such evidence be satisfactory to both and indemnity satisfactory to them shall be given, the Agency, at the expense of the Owner, shall execute, and the Fiscal Agent shall thereupon deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond has matured or has been called for redemption, instead of issuing a substitute Bond, the Fiscal Agent may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Fiscal Agent and the Agency). The Agency may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Agency and the Fiscal Agent in the premises. Any Bond issued under the provisions of this Section 2.10 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Agency whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of these Terms and Conditions with all other Bonds issued pursuant to these Terms and Conditions.

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS OF BONDS; PARITY DEBT

Section 3.01. Issuance of Bonds. Upon the execution and delivery of these Terms and Conditions, the Agency shall execute and deliver to the Fiscal Agent, Bonds in the aggregate principal amount of Two Million Four Hundred Seventy Thousand, One Hundred Forty Two Dollars and seventy two cents ($2,470,142.72) and the Fiscal Agent shall authenticate and deliver the Bonds upon the Written Request of the Agency.

Section 3.02. Application of Proceeds of Sale. On the Closing Date, the proceeds of sale of the Bonds in the amount of $2,470,142.72 shall be paid to the Fiscal Agent and applied as follows:

(1) The Fiscal Agent shall deposit the amount of $30,000 in the Costs of Issuance Fund; and

(2) The Fiscal Agent shall deposit the amount of $2,440,142.72 in the Escrow Fund.

Section 3.03. Costs of Issuance Fund; Escrow Fund.

(A) Creation and Application of Costs of Issuance Fund. There is hereby established a separate fund to be known as the "Costs of Issuance Fund," which shall be held by the Fiscal Agent in trust. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Fiscal Agent from time to time to pay the

Costs of Issuance upon submission of a Written Request of the Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date six months following the Closing Date, or upon the earlier Written Request of the Agency stating that all known Costs of Issuance have been paid, all amounts, if any, remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Fiscal Agent and transferred to the Debt Service Fund.

(B) Escrow Fund.

(1) Creation of Escrow Fund. There is hereby created by the Agency with, and to be held by, the Fiscal Agent, as security for the payment of the principal of and interest on the 1987 Bonds as hereinafter set forth, an irrevocable escrow to be maintained in trust by the Fiscal Agent on behalf of the Agency and for the benefit of the owners of the 1987 Bonds, said escrow to be designated the "Escrow Fund." All moneys deposited in the Escrow Fund shall constitute a special fund for the payment of the principal of and interest on the 1987 Bonds in accordance with the provisions of the 1987 Bond Resolution. If at any time the Fiscal Agent shall receive actual knowledge that the moneys in the Escrow Fund will not be sufficient to make any payment required by this Section 3.03, the Fiscal Agent shall notify the Agency of such fact and the Agency shall immediately cure such deficiency.

(2) Deposit into Escrow Fund. Concurrently with delivery of the Bonds, the Agency shall cause to be transferred to the Fiscal Agent for deposit into the Escrow Fund the amount of $2,858,757.50 in immediately available funds, derived as follows: (1) from the proceeds of sale of the Bonds in the amount of $2,440,142.72, and (2) from the reserve account established pursuant to the 1987 Bond Resolution in the amount of $418,614.78.

(3) Instructions as to Application of Deposit. The total amount of moneys deposited in the Escrow Fund pursuant to this Section 3.03 shall be applied by the Fiscal Agent, as Fiscal Agent for the 1987 Bonds, for the sole purpose of paying the principal of and interest on the 1987 Bonds as the same shall become due and payable, to and including January 1, 2002, and to redeem all outstanding 1987 Bonds in full on January 1, 2002, at the price of 100% of the principal amount thereof, plus accrued interest to the date of redemption.

Section 3.04. Issuance of Parity Debt.

In addition to the Bonds, the Agency may, by Supplemental Resolution, issue or incur Parity Debt payable from Tax Revenues on a parity with the Bonds to finance the Redevelopment Project in such principal amount as shall be determined by the Agency. The Agency may issue and deliver any such other Parity Debt, subject to the approval of City, as Owner of the Bonds.

Section 3.05. Issuance of Subordinate Debt. In addition to the Bonds, the Agency may issue or incur Subordinate Debt in such principal amount as shall be determined by the Agency. The Agency may issue or incur such Subordinate Debt subject to the following specific conditions precedent:

(1) The Agency shall be in compliance with all covenants set forth in these Terms and Conditions and all Supplemental Resolutions; and

(2) If, and to the extent, such Subordinate Debt is payable from Tax Revenues, then all Outstanding Bonds, Parity Debt and Subordinate Debt coming due and payable following the issuance or incurrence of such Subordinate Debt shall not exceed the Plan Limits.

Section 3.06. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion of the Redevelopment Project or upon the performance by any person of his obligation with respect to the Redevelopment Project.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS

Section 4.01. Security of Bonds; Equal Security. The Bonds shall be equally secured by a pledge of, security interest in all of the Tax Revenues, and a pledge of, security interest in and lien upon all of the moneys in the Special Fund, the Debt Service Fund, the Interest Account, the Sinking Account and the Redemption Account, without preference or priority for series, issue, number, date of execution or date of delivery. Except for the Tax Revenues and such moneys, no funds or properties of the Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest on the Bonds.

when taken together with other such dispositions, would either (1) aggregate more than ten percent (10%) of the land area in the Project Area, (2) aggregate more than ten percent (10%) of the most recent assessed valuation of the property in the Project Area, or (3) cause the amount of Tax Revenues to be received in the succeeding Fiscal Year to fall below Maximum Annual Debt Service.

Section 5.10. Maintenance of Tax Revenues. The Agency shall comply with all requirements of the Law to insure the allocation and payment to it of the Tax Revenues, including without limitation the timely filing of any necessary statements of indebtedness with appropriate officials of the County and, in the case of amounts payable by the State, appropriate officials of the State.

Section 5.11. Compliance with the Law; Low and Moderate Income Housing Fund. The Agency shall ensure that all activities undertaken by the Agency with respect to the redevelopment of the Project Area are undertaken and accomplished in conformity with all applicable requirements of the Redevelopment Plan and the Law, including, without limitation, duly noticing and holding any public hearing required by either section 33445 or section 33679 of the Law prior to application of proceeds of the Bonds to any portion of the Redevelopment Project. Without limiting the generality of the foregoing, the Agency covenants that it shall deposit or cause to be deposited in the Low and Moderate Income Housing Fund established pursuant to section 33334.3 of the Law, all amounts when, as and if required to be deposited therein pursuant to the Law.

Section 5.12. Management and Operations of Properties. The Agency will manage and operate all properties owned by the Agency and comprising any part of the Redevelopment Project, in a sound and businesslike manner, and will keep such properties insured at all times in conformity with sound business practice.

Section 5.13. Plan Limits. The Agency hereby agrees that the aggregate amount of Annual Debt Service remaining to be paid on all Outstanding Bonds shall at no time exceed ninety-five percent (95%) of the aggregate amount of Tax Revenues which the Agency is permitted to receive under the Plan Limits. In the event that such limit is reached or exceeded, the Agency shall (1) deposit into and retain in the Special Fund all Tax Revenues not used to pay current debt service, to be applied for the sole purpose of paying the principal of and interest on the Bonds as they become due and payable, notwithstanding anything herein to the contrary, and (2) not later than July 1 of each succeeding Fiscal Year, cause to be prepared and filed with the Fiscal Agent an accounting which shows the aggregate amount of Annual Debt Service remaining to be paid on all Outstanding Bonds, and the amount of Tax Revenues which the Agency is permitted to receive under the Plan Limits. The Fiscal Agent shall not be responsible for reviewing such accounting.

In addition, the Agency shall not incur any indebtedness payable from Tax Revenues which would cause the Agency to violate any other restrictions contained in the Redevelopment Plan.

Section 5.14. Further Assurances. The Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of these Terms and Conditions, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in these Terms and Conditions.

ARTICLE VI

THE FISCAL AGENT

Section 6.01. Duties, Immunities and Liabilities of Fiscal Agent.

(A) The Fiscal Agent shall, prior to the occurrence of an Event of Default, and after the curing of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in these Terms and Conditions and no implied covenants, duties or obligations shall be read into these Terms and Conditions against the Fiscal Agent. The Fiscal Agent shall, during the existence of any Event of Default (which has not been cured), exercise such of the rights and powers vested in it by these Terms and Conditions, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(B) Any removal or resignation of the Fiscal Agent and appointment of a successor Fiscal Agent shall become effective upon acceptance of appointment by the successor Fiscal Agent. If no successor Fiscal Agent shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Fiscal Agent or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the Agency for the appointment of a successor Fiscal Agent, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Fiscal Agent. Any successor Fiscal Agent appointed under these Terms and Conditions shall signify its acceptance of such appointment by executing, acknowledging and delivering to the Agency and to its predecessor Fiscal Agent a written acceptance thereof, and thereupon such successor Fiscal Agent, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Fiscal Agent, with like effect as if originally named Fiscal Agent herein; but, nevertheless at the Written Request of the Agency or the request of the

successor Fiscal Agent, such predecessor Fiscal Agent shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Fiscal Agent all the right, title and interest of such predecessor Fiscal Agent in and to any property held by it under these Terms and Conditions and shall pay over, transfer, assign and deliver to the successor Fiscal Agent any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Fiscal Agent, the Agency shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Fiscal Agent all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Fiscal Agent as provided in this subsection, the Agency shall mail a notice of the succession of such Fiscal Agent to the trusts hereunder to each rating agency which then has a current rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books. If the Agency fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Fiscal Agent, the successor Fiscal Agent shall cause such notice to be mailed at the expense of the Agency.

Notwithstanding any other provision of these Terms and Conditions, no removal, resignation or termination of the Fiscal Agent shall take effect until a successor shall be appointed.

Section 6.02. Liability of Fiscal Agent.

(A) The Fiscal Agent shall not be liable for any error of judgment made by a responsible employee or officer, unless the Fiscal Agent shall have been negligent in ascertaining the pertinent facts.

(B) The Fiscal Agent shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than a majority (or other percentage provided for herein) in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Fiscal Agent, or exercising any trust or power conferred upon the Fiscal Agent under these Terms and Conditions.

(C) The Fiscal Agent shall not be liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by these Terms and Conditions, except for actions arising from the negligence or intentional misconduct of the Fiscal Agent. The permissive right of the Fiscal Agent to do things enumerated hereunder shall not be construed as a mandatory duty.

(D) The Fiscal Agent shall not be deemed to have knowledge of any Event of Default hereunder unless and until it shall have actual knowledge thereof, or shall have received written notice thereof from the Agency at its Fiscal Agent's Office. In the absence of such actual knowledge or notice, the Fiscal Agent may conclusively assume that no default has occurred and is continuing under these Terms and Conditions. Except as otherwise expressly provided herein, the Fiscal Agent shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default thereunder. The Fiscal Agent shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Fiscal Agent may rely conclusively on the Agency's certificates to establish the Agency's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Tax Revenues into the Special Fund and the investment and application of moneys on deposit in the Special Fund (other than its covenants to transfer such moneys to the Fiscal Agent when due hereunder).

The Fiscal Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys or receivers and shall be entitled to opinion and advice of counsel concerning all matters of trust and its duties hereunder. The Fiscal Agent shall not be responsible for any action taken or not taken on the part of any agent, attorney or receiver appointed with due care by it hereunder.

The Fiscal Agent shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of these Bonds.

Under no circumstances shall the Fiscal Agent be liable in its individual capacity for the obligations evidenced by the Bonds. The Fiscal Agent shall not be accountable for the use or application by the Agency or any other party of any funds which the Fiscal Agent has released in accordance with the terms of these Terms and Conditions. The immunities and exceptions from liability of the Fiscal Agent shall extend to its officers, directors, employees, agents and attorneys. Whether or not expressly so provided, every provision of these Terms and Conditions relating to the conduct or affecting the liability of the Fiscal Agent shall be subject to the provisions of this Article VI.

Section 6.03. Right to Rely on Documents and Opinions. The Fiscal Agent shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion or other paper or document believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon, but the Fiscal Agent, at its discretion, may make such inquiry or

investigation into such facts or matters as it may see fit, and, if the Fiscal Agent shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Agency, personally or by agent or attorney. The Fiscal Agent may consult with counsel, including, without limitation, counsel of or to the Agency, with regard to legal questions, and, in the absence of negligence or intentional misconduct by the Fiscal Agent, the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Fiscal Agent hereunder in accordance therewith.

The Fiscal Agent shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto is established to the satisfaction of the Fiscal Agent.

Section 6.04. Preservation and Inspection of Documents. All documents received by the Fiscal Agent under the provisions of these Terms and Conditions shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of the Agency and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.05. Deposit and Investment of Moneys in Funds. Moneys in the Escrow Fund, the Debt Service Fund, the Interest Account, the Sinking Account, the Redemption Account and the Costs of Issuance Fund shall be invested by the Fiscal Agent in Permitted Investments , as the Fiscal Agent shall determine.

All moneys held by the Fiscal Agent shall be held in trust, but need not be segregated from other funds unless specifically required by these Terms and Conditions. Except as specifically provided in these Terms and Conditions, the Fiscal Agent shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the Agency for earnings derived from funds that have been invested.

Section 6.06. Accounting Records and Financial Statements. The Fiscal Agent shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with industry standards, in which complete and accurate entries shall be made of all transactions relating to the proceeds of the Bonds made by it and all funds and accounts held by the Fiscal Agent established pursuant to these Terms and Conditions. Such books of record and account shall be available for inspection by the Agency upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Fiscal Agent shall furnish to the Agency, at least monthly, an accounting of all transactions in the form of its customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Fiscal Agent pursuant to these Terms and Conditions.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THESE TERMS AND CONDITIONS

Section 7.01. Amendment. These Terms and Conditions and the rights and obligations of the Agency and of the Owners may be modified or amended at any time by a Supplemental Resolution which shall become binding upon adoption, without the consent of any Owners, to the extent permitted by law and only for any one or more of the following purposes:

(A) to add to the covenants and agreements of the Agency in these Terms and Conditions contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers herein reserved to or conferred upon the Agency; or

(B) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in these Terms and Conditions, or in any other respect whatsoever as the Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Agency, materially adversely affect the interests of the Owners; or

(C) to provide for the issuance of Parity Debt in accordance with Section 3.04; or

(D) to amend any provision hereof relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any of the Bonds, in the opinion of nationally recognized bond counsel.

Except as set forth in the preceding paragraph, these Terms and Conditions and the rights and obligations of the Agency and of the Owners may be modified or amended at any time by a Supplemental Resolution which shall become binding when the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Fiscal Agent. No such modification or amendment shall (1) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Agency to pay the principal or interest at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, or (2) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Resolution modify any of the rights or obligations of the Fiscal Agent

without its prior written consent. In addition, the Fiscal Agent shall be entitled to an opinion of counsel concerning the Supplemental Resolution's lack of any material adverse effect on the owners and that all conditions precedent for any supplement or amendment has been satisfied.

Section 7.02. Effect of Supplemental Resolution. From and after the time any Supplemental Resolution becomes effective pursuant to this Article VII, these Terms and Conditions shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Resolution shall be deemed to be part of the terms and conditions of these Terms and Conditions for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Agency may determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Agency, as to such amendment or modification and in that case upon demand of the Agency the Owners of such Bonds shall present such Bonds for that purpose at the Fiscal Agent's Office, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Agency may determine that new Bonds shall be prepared at the expense of the Agency and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Agency, the Owners of the Bonds shall present such Bonds for exchange at the Fiscal Agent's Office, without cost to such Owners.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01. Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(A) if default shall be made by the Agency in the due and punctual payment of the principal of or interest on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(B) if default shall be made by the Agency in the observance of any of the covenants, agreements or conditions on its part in these Terms and Conditions or in the Bonds contained, other than a default described in the preceding clause (A), and such default shall have continued for a period of sixty (60) days following receipt by the Agency of written notice from the Fiscal Agent or any Owner of the occurrence of such default provided that if in the reasonable opinion of the Agency the failure stated in the notice can be corrected, but not within such 60 day period, such failure will not constitute an event of default if corrective action is instituted by the Agency within such 60 day period and the Agency thereafter diligently and in good faith cures such failure in a reasonable period of time; or

(C) If the Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction will approve a petition seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Agency or of the whole or any substantial part of its property.

If an Event of Default has occurred under this Section 8.01 and is continuing, the Fiscal Agent may, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Fiscal Agent shall (1) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in these Terms and Conditions or in the Bonds to the contrary notwithstanding, and (2) the Fiscal Agent shall, subject to the provisions of Section 8.06, exercise any other remedies available to the Fiscal Agent and the Bond Owners in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Fiscal Agent shall give notice of such Event of Default to the Agency by telephone confirmed in writing. With respect to any Event of Default described in clauses (A) or (C) above the Fiscal Agent shall, and with respect to any Event of Default described in clause (B) above the Fiscal Agent in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Fiscal Agent shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

acquiescence therein, and every power and remedy conferred upon the Owners and the Fiscal Agent by the Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Fiscal Agent.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Fiscal Agent, the Agency, the Fiscal Agent and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.05. Actions by Fiscal Agent as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Fiscal Agent for the equal benefit and protection of all Owners similarly situated and the Fiscal Agent is hereby appointed (and the successive respective Owners by taking and holding the Bonds or Parity Debt shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Fiscal Agent as such attorney-in-fact, *provided, however*, the Fiscal Agent shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel).

Section 8.06. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

Section 8.07. Parties Interested Herein. Nothing in these Terms and Conditions expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Agency, the Fiscal Agent, their officers, employees and agents, and the Owners any right, remedy or claim under or by reason of these Terms and Conditions, or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in these Terms and Conditions contained by and on behalf of the Agency shall be for the sole and exclusive benefit of the Agency, the Fiscal Agent, their officers, employees and agents, and the Owners.

ARTICLE IX
MISCELLANEOUS

Section 9.01. Benefits Limited to Parties; Waiver of Certain Provisions. (A) Nothing in these Terms and Conditions, expressed or implied, is intended to give to any person other than the Agency, the Fiscal Agent and the Owners, any right, remedy or claim under or by reason of these Terms and Conditions. Any covenants, stipulations, promises or agreements in these Terms and Conditions contained by and on behalf of the Agency shall be for the sole and exclusive benefit of the Fiscal Agent and the Owners.

(B) So long as all of the Bonds are owned by the City, the City may waive the provisions of these Terms and Conditions, including but not limited to the creation of accounts and the procedures specified herein as to the payment of the Bonds, the giving of notices of redemption and similar provisions. A waiver may be communicated by the City to the Agency by email message or other convenient means of communication, so long as such communication is memorialized in writing, and so long as there is some reasonable assurance that such communication was delivered (such as a print-out of the email message). Unless otherwise notified by the City, the Agency shall be deemed to be in compliance with all provisions of these Terms and Conditions so long as the payments specified in Section 2.02(A) have been paid to the City in a timely manner. The Agency may make payment to the City by transferring to an account designated by the City, on each Interest Payment Date, the amount specified in Section 2.02(A).

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in these Terms and Conditions or any Supplemental Resolution either the Agency or the Fiscal Agent is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in these Terms and Conditions contained by or on behalf of the Agency or the Fiscal Agent shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Bond Resolution. If the Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable;

(ii) by irrevocably depositing with the Fiscal Agent or another fiduciary, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Agency shall deposit with the Fiscal Agent a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable expenses of the Fiscal Agent, (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and any and all other defaults known to the Fiscal Agent (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Fiscal Agent or provision deemed by the Fiscal Agent to be adequate shall have been made therefor, then, and in every such case, with the prior written approval of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Agency and to the Fiscal Agent, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. All of the Tax Revenues and all sums in the funds and accounts established and held by the Fiscal Agent hereunder upon the date of the declaration of acceleration as provided in Section 8.01, and all sums thereafter received by the Fiscal Agent hereunder, shall be applied by the Fiscal Agent in the following order upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Fiscal Agent in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys and counsel and any outstanding fees, expenses of the Fiscal Agent; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 8.03. Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon these Terms and Conditions, unless (1) such Owner shall have previously given to the Fiscal Agent written notice of the occurrence of an Event of Default; (2) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made Written Request upon the Fiscal Agent to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (3) said Owners shall have tendered to the Fiscal Agent indemnity reasonably acceptable to the Fiscal Agent against the costs, expenses and liabilities to be incurred in compliance with such request; and (4) the Fiscal Agent shall have refused or omitted to comply with such request for a period of sixty (60) days after such Written Request shall have been received by, and said tender of indemnity shall have been made to, the Fiscal Agent.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under these Terms and Conditions, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of these Terms and Conditions shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section 8.03 or any other provision of these Terms and Conditions.

Section 8.04. Non-Waiver. Nothing in this Article VIII or in any other provision of these Terms and Conditions or in the Bonds, shall affect or impair the obligation of the Agency, which is absolute and unconditional, to pay from the Tax Revenues and other amounts pledged hereunder, the principal of and interest on the Bonds to the respective Owners on the respective Interest Payment Dates, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Fiscal Agent to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Fiscal Agent shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an

to these Terms and Conditions, is fully sufficient to pay all or the applicable portion of Outstanding Bonds, including all principal and interest, or;

(iii) by irrevocably depositing with the Fiscal Agent or another fiduciary, in trust, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to these Terms and Conditions, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion of (including all principal and interest at or before maturity;

and, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to Section 2.03(C) or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, then, at the election of the Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Tax Revenues and other funds provided for in these Terms and Conditions and all other obligations of the Fiscal Agent and the Agency under these Terms and Conditions shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (1) the covenants of the Agency hereunder with respect to the Code, (2) the obligation of the Fiscal Agent to transfer and exchange Bonds hereunder, and (3) the obligation of the Agency to pay or cause to be paid to the Owners, from the amounts so deposited with the Fiscal Agent, all sums due thereon and to pay the Fiscal Agent all fees, expenses and costs of the Fiscal Agent. In the event the Agency shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Fiscal Agent shall be authorized to take such actions and execute and deliver to the Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Fiscal Agent which are not required for said purpose or for payment of amounts due the Fiscal Agent pursuant to Section 6.06 shall be paid over to the Agency.

To accomplish defeasance the Agency shall cause to be delivered (i) a report of an Independent Accountant's verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity or earlier redemption date ("Verification"), (ii) an escrow deposit agreement, and (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer "Outstanding" under these Terms and Conditions; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Agency and the Fiscal Agent.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which these Terms and Conditions may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Agency or the Fiscal Agent and in accordance therewith, *provided, however*, that the Fiscal Agent shall not be deemed to have knowledge that any Bond is owned by or for the account of the Agency unless the Agency is the registered Owner or the Fiscal Agent has received written notice that any other registered Owner is such an affiliate.

Section 9.05. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under these Terms and Conditions, Bonds which are owned or held by or for the account of the Agency or the City of Torrance (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination.

Section 9.06. Waiver of Personal Liability. No member, officer, agent or employee of the Agency shall be individually or personally liable for the payment of the principal of or interest on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.07. Destruction of Canceled Bonds. Whenever in these Terms and Conditions provision is made for the surrender to the Fiscal Agent of any Bonds which have been paid or canceled pursuant to the provisions of these Terms

and Conditions, the Fiscal Agent shall destroy such bonds and upon request of the Agency provide the Agency a certificate of destruction. The Agency shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.08. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of these Terms and Conditions shall for any reason be held illegal, invalid or unenforceable. such holding shall not affect the validity of the remaining portions of these Terms and Conditions. The Agency hereby declares that it would have adopted these Terms and Conditions and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of these Terms and Conditions may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the Fiscal Agent is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Fiscal Agent hereunder shall, pending appointment of a successor Fiscal Agent in accordance with the provisions of Section 6.01 hereof, be assumed by and vest in the Fiscal Agent of the Agency in trust for the benefit of the Owners. The Agency covenants for the direct benefit of the Owners that its Fiscal Agent in such case shall be vested with all of the rights and powers of the Fiscal Agent hereunder, and shall assume all of the responsibilities and perform all of the duties of the Fiscal Agent hereunder, in trust for the benefit of the Bonds, pending appointment of a successor Fiscal Agent in accordance with the provisions of Section 6.01 hereof.

Section 9.09. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Fiscal Agent in trust for the payment and discharge of the interest on or principal of the Bonds which remains unclaimed for one (1) year after the date when the payments of such interest and principal have become payable, if such money was held by the Fiscal Agent at such date, or for one (1) year after the date of deposit of such money if deposited with the Fiscal Agent after the date when the interest on and principal of such Bonds have become payable, shall be repaid by the Fiscal Agent to the Agency as its absolute property free from trust, and the Fiscal Agent shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the Agency for the payment of the principal of and interest on of such Bonds.

Section 9.10. Governing Law. These Terms and Conditions shall be construed and governed in accordance with the laws of the State.

APPENDIX A

(FORM OF BOND)

No. R-1 *****$2,470,142.72*****

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
LOS ANGELES COUNTY

REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE
(Skypark Redevelopment Project)
2001 Tax Allocation Refunding Bond

INTEREST RATE:	MATURITY DATE:	DATED DATE:
8%	July 1, 2012	December 11, 2001

REGISTERED OWNER: CITY OF TORRANCE

PRINCIPAL SUM: ***TWO MILLION FOUR HUNDRED THIRTY-FIVE THOUSAND DOLLARS***

The REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before June 15, 2002, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on each July 1 and January 1, commencing July 1, 2002, or, if such day is not a Business Day (as such term is defined in Bond Resolution, hereinafter defined), on the next succeeding Business Day (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the Fiscal Agent's Office (as such term is defined in Bond Resolution) of the Agency's Treasurer (the "Fiscal Agent"), or at such other place as designated by the Fiscal Agent. Interest hereon (including the final interest payment upon maturity or earlier redemption), is payable by check of the Fiscal Agent mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Fiscal Agent as of the Record Date for which such Interest Payment Date occurs; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of $1,000,000 or more upon written instructions of any such registered owner filed with the Fiscal Agent for that purpose on or before the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Agency designated as "Redevelopment Agency of the City of Torrance (Skypark Redevelopment Project) 2001 Tax Allocation Refunding Bonds" (the "Bonds"), of an aggregate principal amount of Two Million Four Hundred Seventy Thousand, One Hundred Forty Two Dollars and seventy two cents ($2,470,142.72), all of like tenor and date, and all issued pursuant to the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with section 53570 of said Code (the "Law"), and pursuant to Resolution No. RA 2001-02 of the Agency adopted December 4, 2001, authorizing the issuance of the Bonds. Additional bonds, or other obligations may be issued on a parity with the Bonds, but only subject to the terms of the Bond Resolution. Reference is hereby made to the Bond Resolution (copies of which are on file at the office of the Agency) and all resolutions supplemental thereto and to the Law for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Tax Revenues (as that term is defined in the Bond Resolution), and the rights thereunder of the registered owners of the Bonds and the rights, duties and immunities of the Fiscal Agent and the rights and obligations of the Agency thereunder, to all of the provisions of which Resolution the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Agency for the purpose of providing funds to refund the Agency's $4,285,000 Redevelopment Agency of the City of Torrance (Skypark Redevelopment Project) 1987 Tax Allocation Refunding Bonds, issued to finance and refinance redevelopment activities with respect to its Skypark Redevelopment Project (the "Project Area"), and to pay certain expenses of the Agency in issuing the Bonds.

The Bonds are special obligations of the Agency, and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Bond Resolution), are payable from, and are secured by a pledge of, security interest in and lien on the Tax Revenues (as defined in the Bond Resolution) derived by the Agency from the Project Area.

There has been created and will be maintained by the Agency, the Special Fund (as defined in the Bond Resolution) into which Tax Revenues shall be deposited and from which the Agency shall transfer amounts to the Fiscal Agent for payment of the principal of and the interest on the Bonds when due. As and to the extent set forth in the Bond Resolution, all such Tax Revenues are exclusively and irrevocably pledged to and constitute a trust fund, in accordance with the terms hereof and the provisions of the Bond Resolution and the Law, for the security and payment or redemption of, and for the security and payment of interest on, the Bonds. In addition, the Bonds shall be additionally secured at all times by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Special Fund, the Debt Service Fund, the Interest Account, the Sinking Account and the Redemption Account (as such terms are defined in the Bond Resolution). Except for the Tax Revenues and such moneys, no funds or properties of the Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest on the Bonds.

The Bonds are subject to redemption prior to maturity, at the option of the Agency, on any date, as a whole or in part, from any available source of funds, at the redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

The Bonds shall also be subject to mandatory redemption in part, on July 1, 2002, and on July 1 and January 1 in each year thereafter, to and including July 1, 2012, from Sinking Account payments made by the Agency pursuant to the Bond Resolution, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the redemption date, without premium, in the aggregate respective principal amounts and on the respective dates as set forth in the following table; provided, however, that if some but not all of the Bonds have been redeemed at the option of the Agency, as described above, the total amount of all future Sinking Account payments shall be reduced by the aggregate principal amount of Bonds so redeemed, to be allocated among the Sinking Account payments as are thereafter payable on a pro rata basis as determined by the Agency (notice of which determination shall be given by the Agency to the Fiscal Agent).

Sinking Fund Redemption Date	Principal Amount To Be Redeemed
7/1/2002	$77,266.33
1/1/2003	80,356.98
7/1/2003	83,571.25
1/1/2004	86,914.11
7/1/2004	90,390.67
1/1/2005	94,006.30
7/1/2005	97,766.55
1/1/2006	101,677.21
7/1/2006	105,744.30
1/1/2007	109,974.07
7/1/2007	114,373.04
1/1/2008	118,947.96
7/1/2008	123,705.87
1/1/2009	128,654.11
7/1/2009	133,800.28
1/1/2010	139,152.29
7/1/2010	144,718.37
1/1/2011	150,507.11
7/1/2011	156,527.40
1/1/2012	162,788.49
7/1/2012	169,300.03

As provided in the Bond Resolution, notice of redemption shall be given by first class mail no less than 7 days prior to the redemption date to the respective registered owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books maintained by the Fiscal Agent, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Bond Resolution, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Bond Resolution, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Bond Resolution, but such declaration and its consequences may be rescinded and annulled as further provided in the Bond Resolution.

The Bonds are issuable as fully registered Bonds, without coupons.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Fiscal Agent's Office of the Fiscal Agent, but only in the manner and subject to the limitations provided in the Bond Resolution, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered Bond or Bonds for the same aggregate principal amount will be issued to the transferee in exchange herefore. The Fiscal Agent may refuse to transfer or exchange (1) any Bonds during the fifteen (15) days prior to the date established for the selection of Bonds for redemption, or (2) any Bonds selected for redemption.

The Agency and the Fiscal Agent may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Agency and the Fiscal Agent shall not be affected by any notice to the contrary.

The rights and obligations of the Agency and the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Bond Resolution, but no such modification or amendment shall (1) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Agency to pay the principal and interest at the time and place and at the rate and in the currency provided herein of any Bond without the express written consent of the registered owner of such Bond, (2) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (3) without its written consent thereto, modify any of the rights or obligations of the Fiscal Agent.

This Bond is not a debt of the City of Torrance, the State of California, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those of the Agency. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Agency, does not exceed any limit prescribed by the Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Bond Resolution.

This Bond shall not be entitled to any benefit under the Bond Resolution or become valid or obligatory for any purpose until the Fiscal Agent's Certificate of Authentication hereon shall have been manually signed by the Fiscal Agent.

IN WITNESS WHEREOF, the Redevelopment Agency of the City of Torrance has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Executive Director and its seal to be reproduced hereon and attested by the facsimile signature of its Secretary, all as of Dated Date stated above.

REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE

By:_____
Executive Director

ATTEST:

_____
Agency Secretary

FISCAL AGENT'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Bond Resolution.

Authentication Date: December 11, 2001

TREASURER OF THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE, As Fiscal Agent

By:_____

ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

_____

_____

_____

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Certificate and do(es) hereby irrevocably constitute and appoint

_____,

attorney, to transfer the same on the registration books of the Fiscal Agent, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution (banks, stock brokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program) pursuant to Securities and Exchange Commission Rule 17 Ad-15.

_____

NOTICE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular, without alteration or enlargement or any change whatsoever.

	Principal	int. rate	Interest	Principal	interest		
			286,646.47				
	115,000.00		228,302.50				
			225,945.00				
	135,000.00		225,945.00				
			223,076.25				
	140,000.00		223,076.25				
			219,996.25				
	145,000.00		219,996.25				
			216,733.75				
	150,000.00		216,733.75				
			213,358.75				
	160,000.00		213,358.75				
			209,678.75				
	165,000.00		209,678.75				
			205,801.25				
	175,000.00		205,801.25				
			201,601.25				
	180,000.00		201,601.25				
			197,191.25				
	190,000.00		197,191.25				
			192,441.25				
	200,000.00		192,441.25				
			187,341.25				
9/1/2010	210,000.00		187,341.25				
3/1/2011			181,881.25				
9/1/2011	220,000.00		181,881.25				
1/31/12 3/1/2012					176,051.25	176,051.25	due for FY11-12
9/1/2012				230,000.00	176,051.25	406,051.25	total P&I due 9/1/12
3/1/2013					169,956.25	169,956.25	
				230,000.00	346,007.50	576,007.50	total P&I due FY12-13
	2,185,000.00		5,465,041.47				
total	8,500,000.00		9,097,326.47				
o/s	6,315,000.00		3,632,285.00				
total o/s debt svc - P &I:			9,947,285.00				

98A

Redevelopment Agency of the City of Torrance

DEBT SERVICE PAYMENTS AND YIELD ON THE BONDS

DOWNTOWN

98A ONLY

Date	$8,500,000 issue dated July 15, 1998 Principal	Interest rate	Interest	Total debt service	Present value on August 19, 1998 using a yield of 5.502522%	
03-01-99			$286,646.47	$286,646.47	$278,466.93	
09-01-99	$115,000	4.100%	228,302.50	343,302.50	324,576.32	
03-01-00			225,945.00	225,945.00	207,900.46	
09-01-00	135,000	4.250%	225,945.00	360,945.00	323,226.22	584021.25
03-01-01		449,021.25	223,076.25	223,076.25	194,415.88	
09-01-01	140,000	4.400%	223,076.25	363,076.25	307,956.29	583072.50
03-01-02			219,996.25	219,996.25	181,601.47	
09-01-02	145,000	4.500%	219,996.25	364,996.25	293,227.92	
03-01-03			216,733.75	216,733.75	169,455.74	581,730.
09-01-03	150,000	4.500%	216,733.75	366,733.75	279,057.35	580,092.50
03-01-04			213,358.75	213,358.75	158,003.20	
09-01-04	160,000	4.600%	213,358.75	373,358.75	269,088.17	583,037.50
03-01-05			209,678.75	209,678.75	147,073.87	
09-01-05	165,000	4.700%	209,678.75	374,678.75	255,772.01	580,480
03-01-06			205,801.25	205,801.25	136,727.16	
09-01-06	175,000	4.800%	205,801.25	380,801.25	246,216.98	582,402.50
03-01-07			201,601.25	201,601.25	126,860.29	
09-01-07	180,000	4.900%	201,601.25	381,601.25	233,698.06	578,792.50
03-01-08			197,191.25	197,191.25	117,529.20	
09-01-08	190,000	5.000%	197,191.25	387,191.25	224,593.16	579632.50
03-01-09			192,441.25	192,441.25	108,638.06	
09-01-09	200,000	5.100%	192,441.25	392,441.25	215,611.20	579782.50
03-01-10			187,341.25	187,341.25	100,171.21	
09-01-10	210,000	5.200%	187,341.25	397,341.25	206,769.28	579222.50
03-01-11			181,881.25	181,881.25	92,113.47	
09-01-11	220,000	5.300%	181,881.25	401,881.25	198,082.35	577932.50
03-01-12			176,051.25	176,051.25	84,450.07	
09-01-12	230,000	5.300%	176,051.25	406,051.25	189,563.43	576007.50
03-01-13			169,956.25	169,956.25	77,218.92	

1965,000

5,283,160.22

36,922

1/31/12

6/30/12

6/30/13

nt Thornton
RNTON LLP

Redevelopment Agency of the City of Torrance

DEBT SERVICE PAYMENTS AND YIELD ON THE BONDS

	$8,500,000 issue dated July 15, 1998				Present value on August 19, 1998 using a yield of 5.502522%
Date	Principal	Interest rate	Interest	Total debt service	
09-01-13	245,000	5.550%	169,956.25	414,956.25	183,485.48
03-01-14			163,157.50	163,157.50	70,213.28
09-01-14	260,000	5.550%	163,157.50	423,157.50	177,225.87
03-01-15			155,942.50	155,942.50	63,562.71
09-01-15	275,000	5.550%	155,942.50	430,942.50	170,950.39
03-01-16			148,311.25	148,311.25	57,258.20
09-01-16	290,000	5.550%	148,311.25	438,311.25	164,686.90
03-01-17			140,263.75	140,263.75	51,290.24
09-01-17	305,000	5.550%	140,263.75	445,263.75	158,459.93
03-01-18			131,800.00	131,800.00	45,648.91
09-01-18	320,000	5.550%	131,800.00	451,800.00	152,290.93
03-01-19			122,920.00	122,920.00	40,323.96
09-01-19	340,000	5.600%	122,920.00	462,920.00	147,794.89
03-01-20			113,400.00	113,400.00	35,235.41
09-01-20	360,000	5.600%	113,400.00	473,400.00	143,155.29
03-01-21			103,320.00	103,320.00	30,407.20
09-01-21	380,000	5.600%	103,320.00	483,320.00	138,432.99
03-01-22			92,680.00	92,680.00	25,834.72
09-01-22	400,000	5.600%	92,680.00	492,680.00	133,658.15
03-01-23			81,480.00	81,480.00	21,512.67
09-01-23	420,000	5.600%	81,480.00	501,480.00	128,857.53
03-01-24			69,720.00	69,720.00	17,435.18
09-01-24	445,000	5.600%	69,720.00	514,720.00	125,271.69
03-01-25			57,260.00	57,260.00	13,562.70
09-01-25	470,000	5.600%	57,260.00	527,260.00	121,543.68
03-01-26			44,100.00	44,100.00	9,893.71
09-01-26	495,000	5.600%	44,100.00	539,100.00	117,707.08
03-01-27			30,240.00	30,240.00	6,425.81
09-01-27	525,000	5.600%	30,240.00	555,240.00	114,825.85

578,113.75
579,100
579,253.75
578,575
577,063.75
574,720

Grant Thornton
GRANT THORNTON LLP

Redevelopment Agency of the City of Torrance

DEBT SERVICE PAYMENTS AND YIELD ON THE BONDS

	$8,500,000 issue dated July 15, 1998				Present value on August 19, 1998 using a yield of 5.502522%
Date	Principal	Interest rate	Interest	Total debt service	
03-01-28			15,540.00	15,540.00	3,127.68
09-01-28	555,000	5.600%	15,540.00	570,540.00	111,755.96
	$8,500,000		$9,097,326.47	$17,597,326.47	$8,529,899.66

The present value of the future payments is equal to:

Principal amount of the Bonds	$8,500,000.00
Accrued interest	43,123.81
Original issue discount	(13,224.15)
	$8,529,899.66

The sum of the present values of the debt service payments of the Bonds on August 19, 1998, using a yield of 5.502522%, is equal to the issue price of the Bonds.

RESOLUTION NO. RA 98-02

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS TO REFUND THE AGENCY'S INDUSTRIAL REDEVELOPMENT PROJECT TAX ALLOCATION REFUNDING BONDS, SERIES 1989, AND THE AGENCY'S DOWNTOWN REDEVELOPMENT PROJECT TAX ALLOCATION BONDS, SERIES 1992, AND APPROVING RELATED DOCUMENTS AND ACTIONS

RESOLVED, by the Redevelopment Agency of the City of Torrance (the "Agency") as follows:

WHEREAS, the Agency has undertaken the redevelopment of the Torrance Industrial Redevelopment Project in the City of Torrance (the "Industrial Redevelopment Project") and the Downtown Redevelopment Project (the "Downtown Project") pursuant to the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the California Health and Safety Code, and for such purpose the Agency has previously issued its Redevelopment Agency of the City of Torrance (Torrance Industrial Redevelopment Project) Tax Allocation Refunding Bonds, Series 1989, in the original principal amount of $32,000,000 (the "1989 Bonds") and its Redevelopment Agency of the City of Torrance (Torrance Downtown Redevelopment Project) Series 1992, in the original principal amount of $9,870,000 (the "1992 Bonds"); and

WHEREAS, the Agency has determined that it is in the economic interests of the Agency to refund the 1989 Bonds, and for that purpose the Agency has determined to authorize the issuance of its: (i) Torrance Industrial Redevelopment Project Tax Allocation Senior Lien Refunding Bonds (Taxable), 1998 Series A, in the aggregate principal amount of not to exceed $18,500,000 (the "Series A Bonds"); (ii) Torrance Industrial Redevelopment Project Tax Allocation Subordinate Lien Refunding Bonds, 1998 Series B, in the aggregate principal amount of not to exceed $13,000,000 (the "Series B Bonds"); and (iii) Torrance Industrial Redevelopment Project Tax Allocation Senior Lien Refunding Bonds, 1998 Series C, in the aggregate principal amount of not to exceed $18,500,000, the proceeds of which will be applied to redeem the Series A Bonds in full on their first call date, August 1, 1999 (the "Series C Bonds") (together, the Series A, Bonds, the Series B Bonds and the Series C Bonds are referred to herein as the "Industrial Project Refunding Bonds"), the principal of and interest on which will be payable from the tax increment and sales tax revenues from the Torrance Industrial Redevelopment Project; and

WHEREAS, the Agency has determined that it is in the economic interests of the Agency to refund the 1992 Bonds, and for that purpose the Agency has determined to authorize the issuance of its Downtown Redevelopment Project Tax Allocation Refunding Bonds, Series 1998 A, in the aggregate principal amount of not to exceed $8,500,000 (the "Downtown Project Refunding Bonds"), the principal of and interest on which will be payable from the tax increment revenues from the Downtown Redevelopment Project; and

WHEREAS, the Agency has duly considered such transactions and wishes at this time to authorize proceedings for the issuance and sale of the Industrial Project Refunding Bonds and the Downtown Project Refunding Bonds;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Issuance of the Industrial Project Refunding Bonds and Downtown Project Refunding Bonds; Approval of the Indentures. The Agency hereby authorizes the issuance of the: (i) Series A Bonds in the principal amount of not to exceed $18,500,000; (ii) Series B Bonds in the principal amount of not to exceed $13,000,000; and (iii) Series C Bonds (the proceeds of which shall be applied to redeem the Series A Bonds on August 1, 1999) in the principal amount of not to exceed $18,500,000, all for the purpose of refunding the 1989 Bonds; and authorizes the issuance of the Downtown Project Refunding Bonds in the principal amount of not to exceed $8,500,000 for the purpose of refunding the 1992 Bonds. The Industrial Project Refunding Bonds and the Downtown Project Refunding Bonds (together, the "Bonds") shall be issued pursuant to the Bond Law and pursuant to separate Indentures of Trust, each dated as of July 1, 1998, by and between the Agency and BNY Western Trust Company, as trustee (the "Indentures"). The Agency hereby approves the Indentures in substantially the form on file with the Agency Secretary, together with such additions thereto and changes therein as the Chair, the Vice Chair or the Executive Director shall deem necessary, desirable or appropriate, and the execution thereof by the Chair, the Vice Chair or the Executive Director shall be conclusive evidence of the approval of any such additions and changes. The Chair, the Vice Chair or the Executive Director is hereby authorized and directed to execute, and the Agency Secretary is hereby authorized and directed to attest and affix the seal of the Agency to, the final form of the Indentures for and in the name and on behalf of the Agency. The Agency hereby authorizes the delivery and performance of the Indentures.

Section 2. Refunding of the 1989 Bonds. The proceeds of the Series A Bonds and the Series B Bonds shall be applied to refund the 1989 Bonds in full pursuant to an Escrow Deposit and Trust Agreement (1989 Bonds), dated the date of issuance of the Bonds, by and between the Agency and Bank of New York Western Trust, as escrow bank (the "Escrow Agreement (1989 Bonds)"). The Agency hereby approves the Escrow Agreement (1989 Bonds), in substantially the form on file with the Agency Secretary, together with such additions thereto and changes therein as the Chair, the Vice Chair or the Executive Director shall deem necessary, desirable or appropriate, and the execution thereof by the Chair, the Vice Chair or the Executive Director shall be conclusive evidence of the approval of any such additions and changes. The Chair, the Vice Chair or the Executive Director is hereby authorized and directed to execute, and the Agency Secretary is hereby authorized and directed to attest and affix the seal of the Agency to, the final form of the Escrow Agreement (1989 Bonds) for and in the name and on behalf of the Agency. The Agency hereby authorizes the delivery and performance of the Escrow Agreement (1989 Bonds).

Section 3. Refunding of the 1992 Bonds. The proceeds of the Downtown Project Refunding Bonds shall be applied to refund the 1992 Bonds in full pursuant to an Escrow Deposit and Trust Agreement (1992 Bonds), dated the date of issuance of the Downtown Project Refunding Bonds, by and between the Agency and Bank of New York Western Trust, as escrow bank (the "Escrow Agreement (1992 Bonds)"). The Agency hereby approves the Escrow Agreement (1992 Bonds), in substantially the form on file with the Agency Secretary, together with such additions thereto and changes therein as the Chair, the Vice Chair or the Executive Director shall deem necessary, desirable or appropriate, and the execution thereof by the Chair, the Vice Chair or the Executive Director shall be conclusive evidence of the approval of any such additions and changes. The Chair, the Vice Chair or the Executive Director is hereby authorized and directed to execute, and the Agency Secretary is hereby authorized and directed to attest

and affix the seal of the Agency to, the final form of the Escrow Agreement (1992 Bonds) for and in the name and on behalf of the Agency. The Agency hereby authorizes the delivery and performance of the Escrow Agreement (1992 Bonds).

Section 4. Redemption and Refunding of the Series A Bonds. The proceeds of the Series C Bonds shall be applied to refund the Series A Bonds in full on August 1, 1999 pursuant to the Indenture of Trust under which the Series C Bonds will be issued.

Section 5. Sale of the Bonds; Designation of Minimum Savings. The Agency hereby approves the bond purchase agreements, by and between Dean Witter Reynolds Inc. as underwriter (the "Underwriter") and the Agency, in substantially the forms on file with the Agency Secretary (the "Bond Purchase Agreements"), together with such additions thereto and changes therein as the Chair, the Vice Chair or the Executive Director shall deem necessary, desirable or appropriate, and the execution thereof by the Chair, the Vice Chair or the Executive Director shall be conclusive evidence of the approval of any such additions and changes. The Chair, the Vice Chair or the Executive Director is hereby authorized and directed to execute the final form of the Bond Purchase Agreement for and in the name and on behalf of the Agency. The Agency hereby approves the negotiated sale of the Bonds to the Underwriter pursuant to the Bond Purchase Agreements so long as the Underwriter's discount, excluding original issue discount which does not constitute compensation to the Underwriter, does not exceed 1.5% for the Bonds.

Notwithstanding the foregoing provisions of this Section 5, the Industrial Project Refunding Bonds shall not be sold, and neither the Chair, the Vice Chair nor the Executive Director shall execute the Bond Purchase Agreements relating to the Industrial Project Refunding Bonds, unless the net present value of the debt service savings generated by issuing the Industrial Project Refunding Bonds are equal to or greater than 4 percent of the par amount of the 1989 Bonds that are refunded. Likewise, the Downtown Project Refunding Bonds shall not be sold, and neither the Chair, the Vice Chair nor the Executive Director shall execute the Bond Purchase Agreement relating to the Downtown Project Refunding Bonds, unless the net present value of the debt service savings generated by issuing the Downtown Project Refunding Bonds are equal to or greater than 4 percent of the par amount of the 1992 Bonds that are refunded.

Section 6. Official Statement. The Agency hereby approves and deems final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 except for permitted omissions, a preliminary form of Official Statement describing the Bonds in the form on file with the Agency Secretary. Distribution of such preliminary Official Statement by the Underwriter to prospective purchasers of the Bonds is hereby approved. The Chair, the Vice Chair or the Executive Director is hereby authorized to execute the final form of the Official Statement, including as it may be modified by such additions thereto and changes therein as the Chair, the Vice Chair or the Executive Director shall deem necessary, desirable or appropriate, and the execution of the final Official Statement by the Chair, the Vice Chair or the Executive Director shall be conclusive evidence of the approval of any such additions and changes. The Agency hereby authorizes the distribution of the final Official Statement by the Underwriter. The final Official Statement shall be executed in the name and on behalf of the Agency by the Chair, the Vice Chair or the Executive Director.

Section 7. Engagement of Professional Services. (i) The firm of Jones Hall, A Professional Law Corporation, is hereby retained as bond counsel and disclosure counsel to the Agency, in connection with the issuance and sale of the Bonds. Such firm shall be retained upon the terms and conditions set forth in the Agreement for Legal Services, a copy of which is on file

with the Agency Secretary, the execution of which by the Executive Director is hereby approved and authorized. (ii) The firm of Project Finance Associates, LLC, is hereby retained as financial advisor to the Agency in connection with the issuance and sale of the Bonds. Such firm shall be retained upon the terms and conditions set forth in the Agreement for Financial Advisory Services, a copy of which is on file with the Agency Secretary, and the Executive Director is hereby authorized and directed to execute said Agreement.

Section 8. Official Actions. The Chair, the Vice Chair, the Executive Director, the Treasurer and the Agency Secretary of the Agency, and any and all other officers of the Agency, are hereby authorized and directed, for and in the name and on behalf of the Agency, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Bonds as described herein, including, specifically, all actions required to be taken: (i) between the closing of the Series A Bonds and the closing of the Series C Bonds; and (ii) in order to procure municipal bond insurance and a reserve fund surety on the Series A and Series C Bonds, if it is determined by the Finance Director of the City that it is financially advantageous to the Agency to purchase a reserve fund surety. Whenever in this resolution any officer of the Agency is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

Section 9. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

INTRODUCED, APPROVED, AND ADOPTED this 23rd day of June, 1998.

/s/ Dee Hardison
Chairman of the Agency

/s/ LeRoy Jackson
Executive Director of the Agency

ATTEST:

/s/ Sue Herbers
Clerk of the Agency

APPROVED AS TO FORM:
John L. Fellows III, Agency Counsel

By /s/ Ronald T. Pohl
Ronald T. Pohl, Assistant Agency Council

TORRANCE REDEVELOPMENT AGENCY RESOLUTION NO. RA 98-02

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

I, Sue Herbers, Clerk of the City of Torrance Redevelopment Agency, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the Redevelopment Agency of the City of Torrance at a regular meeting of said Agency held on the 23rd day of June, 1998, by the following roll call vote:

AYES:	MEMBERS:	Cribbs, Lee, Messerlian, Nakano, O'Donnell, Walker, and Hardison.
NOES:	MEMBERS:	None.
ABSTAIN:	MEMBERS::	None.
ABSENT:	MEMBERS:	None.

/s/ Sue Herbers
Clerk of the City of Torrance
Redevelopment Agency

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF TORRANCE)
This is to certify that the foregoing is a true and correct copy of the original document.
Dated: 8/10/98
Sue Herbers
SUE HERBERS, City Clerk

	principal	interest	principal	interest		
		459,262.50				
		344,446.88				
		344,446.88				
	180,000.00	344,446.88				
		340,486.88				
	210,000.00	340,486.88				
		335,761.88				
	245,000.00	335,761.88				
		330,126.88				
	280,000.00	330,126.88				
		323,546.88				
	315,000.00	323,546.88				
		315,986.88				
	355,000.00	315,986.88				
		307,289.38				
	400,000.00	307,289.38				
		297,289.38				
	445,000.00	297,289.38				
		286,164.38				
	495,000.00	286,164.38				
		273,541.88				
	545,000.00	273,541.88				
		259,371.88				
	605,000.00	259,371.88				
		243,339.38				
9/1/2011	665,000.00	243,339.38				
3/1/2012				225,384.38		due FY11-12
9/1/2012			735,000.00	225,384.38	960,384.38	toal P&I due 9/1/12 (sereies B)
3/1/2013				205,171.88	205,171.88	
			735,000.00	430,556.26	1,165,556.26	total P&I due FY12-13 (sereies B)
					1,284,578.75	total P&I due FY12-13 (sereies C)
1/31/2012	4,740,000.00	8,118,414.50			2,450,135.01	
total	12,770,000.00	12,269,026.88			960,384.38	toal P&I due 9/1/12 (sereies B)
					911,942.50	toal P&I due 9/1/12 (sereies C)
bal	8,030,000.00	4,150,612.38			1,872,326.88	

total o/s debt svc - P&I:	12,180,612.38	series B
	22,064,880.00	series C
	34,245,492.38	total

IND 98B

5403-102.0024 25 26

Redevelopment Agency of the City of Torrance
(Torrance Industrial Redevelopment Project)

DEBT SERVICE PAYMENTS ON THE SERIES B BONDS

$12,770,000 issue dated July 1, 1998

Date	Principal	Interest rate	Interest	Total debt service
03-01-99			$459,262.50	$459,262.50
09-01-99			344,446.88	344,446.88
03-01-00			344,446.88	344,446.88
09-01-00	$180,000	4.400%	344,446.88	524,446.88
03-01-01			340,486.88	340,486.88
09-01-01	210,000	4.500%	340,486.88	550,486.88
03-01-02			335,761.88	335,761.88
09-01-02	245,000	4.600%	335,761.88	580,761.88
03-01-03			330,126.88	330,126.88
09-01-03	280,000	4.700%	330,126.88	610,126.88
03-01-04			323,546.88	323,546.88
09-01-04	315,000	4.800%	323,546.88	638,546.88
03-01-05			315,986.88	315,986.88
09-01-05	355,000	4.900%	315,986.88	670,986.88
03-01-06			307,289.38	307,289.38
09-01-06	400,000	5.000%	307,289.38	707,289.38
03-01-07			297,289.38	297,289.38
09-01-07	445,000	5.000%	297,289.38	742,289.38
03-01-08			286,164.38	286,164.38
09-01-08	495,000	5.100%	286,164.38	781,164.38
03-01-09			273,541.88	273,541.88
09-01-09	545,000	5.200%	273,541.88	818,541.88
03-01-10			259,371.88	259,371.88
09-01-10	605,000	5.300%	259,371.88	864,371.88
03-01-11			243,339.38	243,339.38
09-01-11	665,000	5.400%	243,339.38	908,339.38
03-01-12			225,384.38	225,384.38
09-01-12	735,000	5.500%	225,384.38	960,384.38
03-01-13			205,171.88	205,171.88
09-01-13	805,000	5.625%	205,171.88	1,010,171.88
03-01-14			182,531.25	182,531.25

502,913.76 1,077,913.76
502,711.26 1,107,711.26
2011
1/31/2012
11-12

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98B

Redevelopment Agency of the City of Torrance
(Torrance Industrial Redevelopment Project)

DEBT SERVICE PAYMENTS ON THE SERIES B BONDS

$12,770,000 issue dated July 1, 1998

	Date	Principal	Interest rate	Interest	Total debt service	
	09-01-14	285,000	5.625%	182,531.25	467,531.25	
	03-01-15			174,515.63	174,515.63	
2016	09-01-15	305,000	5.625%	174,515.63	479,515.63	
	03-01-16			165,937.50	165,937.50	
2017	09-01-16	320,000	5.625%	165,937.50	485,937.50	
	03-01-17			156,937.50	156,937.50	
2018	09-01-17	340,000	5.625%	156,937.50	496,937.50	
	03-01-18			147,375.00	147,375.00	
2019	09-01-18	355,000	5.625%	147,375.00	502,375.00	
	03-01-19			137,390.63	137,390.63	
2020	09-01-19	375,000	5.625%	137,390.63	512,390.63	
	03-01-20			126,843.75	126,843.75	
2021	09-01-20	400,000	5.625%	126,843.75	526,843.75	642,437.50
	03-01-21			115,593.75	115,593.75	
2022	09-01-21	420,000	5.625%	115,593.75	535,593.75	639,375.
	03-01-22			103,781.25	103,781.25	
2023	09-01-22	445,000	5.625%	103,781.25	548,781.25	640,046.88
	03-01-23			91,265.63	91,265.63	
2024	09-01-23	470,000	5.625%	91,265.63	561,265.63	639,312.51
	03-01-24			78,046.88	78,046.88	
2025	09-01-24	495,000	5.625%	78,046.88	573,046.88	637,171.88
	03-01-25			64,125.00	64,125.00	
2026	09-01-25	525,000	5.625%	64,125.00	589,125.00	
	03-01-26			49,359.38	49,359.38	
2027	09-01-26	555,000	5.625%	49,359.38	604,359.38	
	03-01-27			33,750.00	33,750.00	
2028	09-01-27	585,000	5.625%	33,750.00	618,750.00	
	03-01-28			17,296.88	17,296.88	
2029	09-01-28	615,000	5.625%	17,296.88	632,296.88	
		$12,770,000		$12,269,026.88	$25,039,026.88	

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	principal	interest	principal	interest		
		710,919.11				
	85,000.00	499,865.00				
		497,740.00				
	305,000.00	497,740.00				
		490,115.00				
	320,000.00	490,115.00				
		482,115.00				
	335,000.00	482,115.00				
		473,740.00				
	350,000.00	473,740.00				
		464,990.00				
	370,000.00	464,990.00				
		455,740.00				
	385,000.00	455,740.00				
		446,115.00				
	405,000.00	446,115.00				
		435,990.00				
	425,000.00	435,990.00				
		425,365.00				
	445,000.00	425,365.00				
		413,238.75				
	470,000.00	413,238.75				
		400,431.25				
9/1/2011	495,000.00	400,431.25				
3/1/2012				386,942.50		due FY11-12
9/1/2012			525,000.00	386,942.50	911,942.50	toal P&I due 9/1/12 (sereies C)
3/1/2013				372,636.25	372,636.25	
			525,000.00	759,578.75	1,284,578.75	total P&I due FY12-13
1/31/2012	4,390,000.00	11,181,944.11				
total	18,500,000.00	19,136,824.11				
bal	14,110,000.00	7,954,880.00				
total o/s debt svc - P&I:		22,064,880.00	series C			

Redevelopment Agency of the City of Torrance
(Torrance Industrial Redevelopment Project)

[SERVICE PAYMENTS ON THE SERIES C BONDS

5403-102.0027 28 29 30

IND 99C

$18,500,000 issue dated June 15, 1999

Date	Principal	Interest rate	Interest	Total debt service
03-01-00			$710,919.11	$710,919.11
09-01-00	$85,000	5.000%	499,865.00	584,865.00
03-01-01			497,740.00	497,740.00
09-01-01	305,000	5.000%	497,740.00	802,740.00
03-01-02			490,115.00	490,115.00
09-01-02	320,000	5.000%	490,115.00	810,115.00
03-01-03			482,115.00	482,115.00
09-01-03	335,000	5.000%	482,115.00	817,115.00
03-01-04			473,740.00	473,740.00
09-01-04	350,000	5.000%	473,740.00	823,740.00
03-01-05			464,990.00	464,990.00
09-01-05	370,000	5.000%	464,990.00	834,990.00
03-01-06			455,740.00	455,740.00
09-01-06	385,000	5.000%	455,740.00	840,740.00
03-01-07			446,115.00	446,115.00
09-01-07	405,000	5.000%	446,115.00	851,115.00
03-01-08			435,990.00	435,990.00
09-01-08	425,000	5.000%	435,990.00	860,990.00
03-01-09			425,365.00	425,365.00
2010 09-01-09	445,000	5.450%	425,365.00 838,603.75	870,365.00 1,283,603.75
03-01-10			413,238.75	413,238.75
2011 09-01-10	470,000	5.450%	413,238.75 813,670	883,238.75 1,283,670
03-01-11			400,431.25	400,431.25
1/31/12 09-01-11	495,000	5.450%	400,431.25	895,431.25 11-12
03-01-12 ✓ 6/30/12			386,942.50 ✓	386,942.50
09-01-12	525,000	5.450%	386,942.50	911,942.50
03-01-13			372,636.25	372,636.25
09-01-13	550,000	5.450%	372,636.25	922,636.25
03-01-14			357,648.75	357,648.75
09-01-14	585,000	5.450%	357,648.75	942,648.75

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99C

Redevelopment Agency of the City of Torrance
(Torrance Industrial Redevelopment Project)

DEBT SERVICE PAYMENTS ON THE SERIES C BONDS

$18,500,000 issue dated June 15, 1999

	Date	Principal	Interest rate	Interest	Total debt service	
	03-01-15			341,707.50	341,707.50	
2016	09-01-15	615,000	5.450%	341,707.50	956,707.50	
	03-01-16			324,948.75	324,948.75	
2017	09-01-16	650,000	5.450%	324,948.75	974,948.75	
	03-01-17			307,236.25	307,236.25	
2018	09-01-17	685,000	5.450%	307,236.25	992,236.25	
	03-01-18			288,570.00	288,570.00	
2019	09-01-18	720,000	5.450%	288,570.00	1,008,570.00	
	03-01-19			268,950.00	268,950.00	
2020	09-01-19	760,000	5.500%	268,950.00	1,028,950.00	1,277,000
	03-01-20			248,050.00	248,050.00	
2021	09-01-20	800,000	5.500%	248,050.00	1,048,050.00	1274100
	03-01-21			226,050.00	226,050.00	
2022	09-01-21	845,000	5.500%	226,050.00	1,071,050.00	1273862.50
	03-01-22			202,812.50	202,812.50	
2023	09-01-22	890,000	5.500%	202,812.50	1,092,812.50	1271150
	03-01-23			178,337.50	178,337.50	
2024	09-01-23	940,000	5.500%	178,337.50	1,118,337.50	1270825
	03-01-24			152,487.50	152,487.50	
2025	09-01-24	995,000	5.500%	152,487.50	1,147,487.50	1272612.50
	03-01-25			125,125.00	125,125.00	
2026	09-01-25	1,050,000	5.500%	125,125.00	1,175,125.00	1271375
	03-01-26			96,250.00	96,250.00	
2027	09-01-26	1,105,000	5.500%	96,250.00	1,201,250.00	
	03-01-27			65,862.50	65,862.50	
2028	09-01-27	1,165,000	5.500%	65,862.50	1,230,862.50	
	03-01-28			33,825.00	33,825.00	
2029	09-01-28	1,230,000	5.500%	33,825.00	1,263,825.00	
		$18,500,000		$19,136,824.11	$37,636,824.11	

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DOR 272

BNY MELLON
CORPORATE TRUST
The Bank of New York Mellon
Trust Company, N.A.

CITY OF TORRANCE
2010 AUG 26 AM 10: 33
FINANCE DEPT.

INVOICE

000186 XBFRSD01

TORRANCE CITY REDEVELOPMENT AGENCY
EXECUTIVE DIRECTOR
ATTN ERIC TSAO
3031 TORRANCE BLVD
TORRANCE, CA 90503

Invoice Number:	**252-1496094**
Account Number:	TORRDOWN98A
Invoice Date:	**20-Aug-10**
Cycle Date:	**01-Aug-10**
Administrator:	Jacki Nowak
Center Name:	Los Angeles South Muni
Phone Number:	213-630-6408
Currency:	USD

CITY OF TORRANCE REDEVELOPMENT AGENCY
TAX ALLOCATION REFUNDING BONDS SERIES 1998A
DOWNTOWN REDEVELOPMENT PROJECT

	Quantity		Rate	Proration	Subtotal	Total
Flat						
Administration Fee						**1,575.00**
For the period: August 01, 2010 to July 31, 2011						
Variables						
Audit Confirmation Fee						**50.00**
For the period: August 01, 2009 to July 31, 2010						
Fee	1.00	@	50.00		50.00	
Investment Transaction Fee						**70.00**
For the period: August 01, 2009 to July 31, 2010						
Fee	2.00	@	35.00		70.00	
Expenses						
Out of Pocket Expense**						**101.70**

Invoice Total:	**1,796.70**
Satisfied To Date:	**0.00**
Balance Due	FY 2011 Invoice **1,796.70**

**Miscellaneous out-of-pocket expenses include postage, stationery, supplies, telephone, express mail, IRS forms, etc. (if applicable).

Terms: Payable upon receipt. Please reference the invoice and account number with your remittance.
Our Tax ID Number is 95-3571558. Please fax Taxpayer Certification requests to (732) 667-9576.

Check Payment Instructions:
The Bank of New York Mellon
Financial Control Billing Department
P.O. Box 19445A
Newark, NJ 07195-0445

Please enclose billing stub.

Wire Payment Instructions:
The Bank of New York Mellon
ABA # 021000018
Account: GLA # 111-565
For further credit: TAS # 016760

Please reference Invoice Number: 252-1496094

Est. FY 2012 Invoice $2,000.

000186 XBFRSD01 000272

[redacted]

DOR 291

BNY MELLON
CORPORATE TRUST
The Bank of New York Mellon
Trust Company, N.A.

CITY OF TORRANCE
2010 JUL 22 AM 10: 21
FINANCE DEPT.

INVOICE

000212 XBFRSD01

REDEVELOPMENT AGENCY - CITY OF TORRANCE
ATTN: FINANCE DIRECTOR
3031 TORRANCE BLVD.
TORRANCE, CA 90503

Invoice Number:	**252-1487881**
Account Number:	TORRANCE98B
Invoice Date:	**15-Jul-10**
Cycle Date:	**01-Jul-10**
Administrator:	Jacki Nowak
Center Name:	Los Angeles South Muni
Phone Number:	213-630-6408
Currency:	USD

REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE (TORRANCE INDUSTRIAL REDEVELOPMENT PROJECT) TAX ALLOCATION SUBORDINATE LIEN REFUNDING BONDS 1998 SERIES B (UNINSURED)

	Quantity	Rate	Proration	Subtotal	Total
Flat					
Administration Fee					**1,500.00**
For the period: July 01, 2010 to June 30, 2011					
Audit Confirmation Fee - Flat					**50.00**
For the period: July 01, 2010 to June 30, 2011					
Dissemination Agent Fee					**250.00**
For the period: July 01, 2010 to June 30, 2011					
Variables					
Investment Transaction Fee					**105.00**
For the period: July 01, 2009 to June 30, 2010					
Fee	3.00	@ 35.00		105.00	
Expenses					
Out of Pocket Expense**					**114.30**

Invoice Total:	**2,019.30**
Satisfied To Date:	**0.00**
Balance Due	**2,019.30** Series B
	2,747.20 Series C
	4,766.50

**Miscellaneous out-of-pocket expenses include postage, stationery, supplies, telephone, express mail, IRS forms, etc. (if applicable).

Terms: Payable upon receipt. Please reference the invoice and account number with your remittance.
Our Tax ID Number is 95-3571558. Please fax Taxpayer Certification requests to (732) 667-9576.

FY 2011 Invoice

Check Payment Instructions:
The Bank of New York Mellon
Financial Control Billing Department
P.O. Box 19445A
Newark, NJ 07195-0445

Wire Payment Instructions:
The Bank of New York Mellon
ABA # 021000018
Account: GLA # 111-565
For further credit: TAS # 016760

Est FY 2012 Invoice $5,000

Please enclose billing stub.

Please reference Invoice Number: 252-1487881

000212 XBFRSD01 000291

MM

DOR 186

BNY MELLON
CORPORATE TRUST

The Bank of New York Mellon
Trust Company, N.A.

CITY OF TORRANCE

2010 JUN 28 AM 11:00

FINANCE DEPT.

INVOICE

000127 XBFRSD01

TORRANCE CITY REDEVELOPMENT AGENCY
EXECUTIVE DIRECTOR
ATTN ERIC TSAO
3031 TORRANCE BLVD
TORRANCE, CA 90503

Invoice Number:	**252-1483433**
Account Number:	TORRANCE99C
Invoice Date:	**24-Jun-10**
Cycle Date:	**01-Jun-10**
Administrator:	Jacki Nowak
Center Name:	Los Angeles South Muni
Phone Number:	213-630-6408
Currency:	USD

CITY OF TORRANCE REDEVELOPMENT AGENCY
SENIOR LIEN FORWARD REFUNDING BONDS SERIES 1999C
TORRANCE INDUSTRIAL REDEVELOPMENT PROJECT

	Quantity	Rate	Proration	Subtotal	Total
Flat					
Administration Fee					**1,500.00**
For the period: June 01, 2010 to May 31, 2011					
Variables					
Audit Confirmation Fee					**50.00**
For the period: June 01, 2009 to May 31, 2010					
Fee	1.00	@ 50.00		50.00	
Investment Transaction Fee					**70.00**
For the period: June 01, 2009 to May 31, 2010					
Fee	2.00	@ 35.00		70.00	
Redemption Fee					**500.00**
For the period: June 01, 2009 to May 31, 2010					
Fee	1.00	@ 500.00		500.00	
One Time Charges					
Redemption Notice Fee					**500.00**
Expenses					
Out of Pocket Expense**					**127.20**

Invoice Total:	**2,747.20**
Satisfied To Date:	**0.00**
Balance Due	**2,747.20**

**Miscellaneous out-of-pocket expenses include postage, stationery, supplies, telephone, express mail, IRS forms, etc. (if applicable).

Terms: Payable upon receipt. Please reference the invoice and account number with your remittance.
Our Tax ID Number is 95-3571558. Please fax Taxpayer Certification requests to (732) 667-9576.

Check Payment Instructions:
The Bank of New York Mellon
Financial Control Billing Department
P.O. Box 19445A
Newark, NJ 07195-0445

Wire Payment Instructions:
The Bank of New York Mellon
ABA # 021000018
Account: GLA # 111-565
For further credit: TAS # 016760

Please enclose billing stub.

Please reference Invoice Number: 252-1483433

000127 XBFRSD01 000186

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THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE, CALIFORNIA

(A Component Financial Reporting Unit of
the City of Torrance)

Basic Financial Statements

Year ended June 30, 2011

(With Independent Auditors' Report Thereon)

(5) Long-Term Debt

(a) Advances

At June 30, 2011, the balance of the City's advances to the Agency aggregated $17,090,248. The Agency shall resume repayment of these advances when the annual tax increments allocation exceeds the annual debt service requirement.

The Agency also has advances from the County of Los Angeles (County) aggregating $20,250,074, which includes accrued interest of $7,516,104 on advances of $12,733,970 at June 30, 2011. In April 1991, the Agency entered into an agreement for Allocation of Tax Incremental Funds. Under the agreement, the County agrees to loan a portion of its share of tax incremental property tax revenue to the Agency. Advances accrue at a simple interest rate of 7% per year beginning in fiscal year 1992-1993. The Agency shall commence repayment of these advances when the annual tax increment allocation exceeds the annual debt service requirement.

(b) Notes Payable

In April 1985, the Agency entered into a Participation Agreement (PA) with American Honda Motor Co., Inc. (Honda) for the acquisition and redevelopment of 25 acres within the Industrial Redevelopment Project for the American Honda Corporation National Headquarters Complex. The agreement provided for an advance of $8,000,000 for purchase of the land and

THE REDEVELOPMENT AGENCY OF
THE CITY OF TORRANCE, CALIFORNIA
(A Component Financial Reporting Unit of
The City of Torrance)

Notes to the Basic Financial Statements

(Continued)

excess acquisition and relocation costs. In June 1987, the Agency and Honda entered into a First Implementation Agreement that amended the PA to provide for an additional interest-bearing advance of $3,000,000. The interest rate on these advances is adjusted every six months based on the average California Municipal Bond Merrill Lynch Index, which at June 30, 2011 was 5.19%. At June 30, 2011, the Agency's indebtedness to Honda, including accrued interest of $864,547 on the advances of $910,790, aggregated $1,775,337. Repayment of these advances is to be effected through the proceeds of tax allocation bonds and tax increments from the site.

(c) Bonds Payable

A summary of the Agency's bonds payable at June 30, 2011 is as follows:

Skypark Project	$	488,616
Downtown Project		6,535,000
Industrial Project		23,300,000
	$	30,323,616

(d) 2001 Tax Allocation Refunding Bonds – Skypark Project

On December 31, 2001, the Agency issued the Skypark 2001 Tax Allocation Refunding Bonds in the aggregate principal amount of $2,470,143 with an average interest rate of 8% per annum. The proceeds of the Refunding Bonds were used to redeem the 1987 Tax Allocation Bonds in full, at a price equal to the principal amount plus accrued interest to the date of redemption, without premium, in accordance with Section 11 of the 1987 Bond Resolution and the conditional notice of redemption sent to the Owners of the 1987 Bonds on December 1, 2001.

The bonds will mature on July 1, 2012, with annual principal payments ranging from $158,000 to $369,000. Interest is payable semiannually on July 1 and January 1 of each year at the rate of 8%. The principal and interest are to be repaid directly from tax increments accruing to the Agency.

THE REDEVELOPMENT AGENCY OF
THE CITY OF TORRANCE, CALIFORNIA
(A Component Financial Reporting Unit of
The City of Torrance)

Notes to the Basic Financial Statements

(Continued)

Annual debt service requirements to maturity for the bonds are as follows:

		Principal	Interest	Total debt service
Year ending June 30:				
2012	$	319,316	32,828	352,144
2013		169,300	6,772	176,072
	$	488,616	39,600	528,216

(e) 1998 Series A Tax Allocation Refunding Bonds – Downtown Project

On July 15, 1998, the Agency issued $8,500,000 Tax Allocation Refunding Bonds. Proceeds of the Bonds were used to refund the Agency's outstanding Downtown Redevelopment Project Tax Allocation Refunding Bonds, Series 1992, to repay the entire obligation represented by the Gascon Mar Loan, to fund a reserve for the Bonds and to pay the costs of issuing the Bonds.

Commencing September 1, 1999, $2,415,000 of the 1998 Bonds mature serially through 2012 with annual principal payments ranging from $115,000 to $230,000. Starting from September 1, 2013 and continuing through 2028, the principal on the term bonds totaling $6,085,000 is payable annually in amounts ranging from $245,000 to $555,000. Interest is payable on March 1 and September 1 of each year with rates ranging from 4.10% to 5.30% for serial bonds and 5.55% to 5.60% for term bonds. Principal and interest are to be repaid directly from the tax increments accruing to the Agency.

THE REDEVELOPMENT AGENCY OF
THE CITY OF TORRANCE, CALIFORNIA
(A Component Financial Reporting Unit of
The City of Torrance)

Notes to the Basic Financial Statements

(Continued)

Annual debt service requirements to maturity for the bonds are as follows:

		Principal	Interest	Total debt service
Year ending June 30:				
2012	$	220,000	357,932	577,932
2013		230,000	346,008	576,008
2014		245,000	333,114	578,114
2015		260,000	319,100	579,100
2016		275,000	304,254	579,254
2017-2021		1,615,000	1,268,399	2,883,399
2022-2026		2,115,000	749,700	2,864,700
2027-2029		1,575,000	135,660	1,710,660
	$	6,535,000	3,814,167	10,349,167

(f) ***1998 Series A and B Tax Allocation Refunding Bonds, 1999 Series C Tax Allocation Refunding Bonds – Industrial Project***

On July 1, 1998, the Agency issued the following series Bonds: (i) $18,385,000 Tax Allocation Senior Lien Refunding Bonds, 1998 Series A and (ii) $12,770,000 Tax Allocation Subordinate Lien Refunding Bonds, 1998 Series B. On June 15, 1999, the Agency issued $18,500,000 Tax Allocation Senior Lien Forward Refunding Bonds, 1999 Series C. Proceeds of the Series A Bonds and the Series B Bonds were used to refund the Agency's outstanding Industrial Redevelopment Project Tax Allocation Refunding Bonds, Series 1989, to repay the Torrance Center II obligation represented by the Gascon Mar Loan, to fund a reserve fund for the Bonds and to pay the costs of issuing the Bonds. The Series C Bonds were used to redeem and refund in whole the Series A Bonds, to fund a reserve account, and to pay the costs of issuing the Series C Bonds.

THE REDEVELOPMENT AGENCY OF
THE CITY OF TORRANCE, CALIFORNIA
(A Component Financial Reporting Unit of
The City of Torrance)

Notes to the Basic Financial Statements

(Continued)

Annual debt service requirements to maturity for the bonds are as follows:

		Principal	Interest	Total debt service
Year ending June 30:				
2012	$	1,160,000	1,256,098	2,416,098
2013		1,260,000	1,190,135	2,450,135
2014		1,355,000	1,117,988	2,472,988
2015		870,000	1,056,403	1,926,403
2016		920,000	1,007,109	1,927,109
2017-2021		5,405,000	4,195,236	9,600,236
2022-2026		7,075,000	2,479,216	9,554,216
2027-2029		5,255,000	447,078	5,702,078
	$	23,300,000	12,749,263	36,049,263

(g) Changes in Advances and Long-Term Liabilities

The following is a summary of changes in Advances from the City of Torrance for the year ended June 30, 2011:

	Advances from the City of Torrance				
	Advances from Self-Insurance Fund	Advances from Water Fund	Advances from General Fund	Advances from Sewer Fund	Total
Balance at June 30, 2010	$ 1,000,000	1,154,432	15,858,555	419,028	18,432,015
Increase in obligations	—	—	364,641	—	364,641
Principal reduction	(1,000,000)	—	(706,408)	—	(1,706,408)
Balance at June 30, 2011	$ —	1,154,432	15,516,788	419,028	17,090,248
Amounts due within one year	$ —	—	—	—	—

THE REDEVELOPMENT AGENCY OF
THE CITY OF TORRANCE, CALIFORNIA
(A Component Financial Reporting Unit of
The City of Torrance)

Notes to the Basic Financial Statements

(Continued)

The following is a summary of changes in long-term liabilities for the year ended June 30, 2011:

		Notes payable	Bonds payable			
	Advances from L.A. County	Advances from developers	Skypark Project Bonds payable	Downtown Project Bonds payable	Industrial Project Bonds payable	Total
Balance at June 30, 2010	$ 18,674,905	1,726,610	815,197	6,869,894	24,823,405	52,910,011
Increase (Decrease) in obligations	1,575,169	48,727	(11,809)	(3,640)	(19,227)	1,589,220
Principal reduction	—	—	(295,225)	(210,000)	(1,075,000)	(1,580,225)
Balance at June 30, 2011	$ 20,250,074	1,775,337	508,163	6,656,254	23,729,178	52,919,006
Amounts due within one year	$ —	—	319,316	220,000	1,160,000	1,699,316

DR

PROMISSORY NOTE

UP TO $11,000,000 May 14, 1985

The Redevelopment Agency of the City of Torrance (the "Agency"), a public body, corporate and politic, organized and existing under the Community Redevelopment Law of the State of California, with offices located at City Hall, 3031 Torrance Boulevard, Torrance, California 90503, hereby promises to pay to American Honda Motor Company, Inc., ("American Honda"), or Order, at the address designated from time to time by the holder hereof, the principal sum of the aggregate amounts of Participant's Loan and the Participant's Additional Advance by American Honda to the Agency (which may be by way of cash advances or draws on one or more letters of credit issued by banks for the account of American Honda) which shall not exceed $11,000,000 in the aggregate, with interest as provided herein.

This Note is executed under and pursuant to the Participation Agreement by and between the Redevelopment Agency of the City of Torrance and American Honda Motor Co., Inc., dated as of April 16, 1985 (the "Participation Agreement"), to evidence the obligation of the Agency under that Agreement to repay the loan(s) made by Participant, American Honda, as provided therein. Terms used herein have the same meaning as defined in the Participation Agreement. In case of a conflict in payment terms between this Note and the Participation Agreement, the terms of the Participation Agreement shall control.

This Note is not a debt of the City of Torrance, the State of California, or any of its political subdivisions

or any public agency other than the Agency, and neither said City, said State, any of its political subdivisions nor in any public agency other than the Agency is liable hereon, nor in any event shall this Note be payable out of any funds or properties other than those of the Agency. Further, this Note is a special limited obligation of Agency and shall be repayable as more particularly set forth in the Participation Agreement only from and limited by the availability of funds to the Agency from: (a) Tax Increments from the Site; (b) proceeds of Tax Allocation Bonds; and (c) under certain circumstances as more particularly set forth in the Participation Agreement and/or hereinafter, Tax Increments and proceeds from the subsequent disposition of land comprising the Sales Property.

Payment of principal and interest shall be made in the amounts of not less than Tax Increments From the Site not otherwise used to make payments (including funding of accounts and reserves) required under the Tax Allocation Bonds provided for in Section 113.d. of the Participation Agreement, plus proceeds of Tax Allocation Bonds referred to in the Participation Agreement; after repayment of $3,000,000 principal, the amount payable shall be reduced by the amounts of pro rata payments made on the City Loan, all as referred to and set forth in the Participation Agreement; provided, however, that payments shall also be made from Tax Increments (other than Tax Increments from the Site) upon termination of the Participation Agreement upon certain events provided therein or if the Agency determines, in its reasonable discretion, that (i) the Participant has completed the development of the Site and has fully performed its obligations under the Participation Agreement; (ii) such Tax Increments are not otherwise pledged or committed by the Agency to pay loans, advances or other indebtednesses (including Tax Allocation Bonds) incurred

by the Agency to carry out the Project; and (iii) the use of such Tax Increments to make payments on this Note will not impair, impede or delay the Agency in carrying out the Project and implementing the Redevelopment Plan. Payments shall be made from time to time within thirty (30) days after receipt by the Agency of Tax Increments from the County. This Note may be prepaid in whole or in part without penalty and, at the sole discretion of the Agency from any source of funds in addition to those limited sources set forth in this Note, at any time. This Note shall be due and payable in full on July 19, 2012.

Unpaid principal shall bear interest at the rate of ten percent (10%) per annum except during periods of Participant's default as set forth in the Participation Agreement, during and for which period of default interest shall be deemed waived and shall not accrue or be payable; provided, however, that when the City Loan referred to in Section 112 of the Participation Agreement has been completely repaid, interest shall continue to accrue but shall not be payable during any such period of default. Unpaid interest shall accrue, and accrued interest shall bear interest in the same manner as unpaid principal (accrual of interest shall not prevent a default in payment due and payable).

The Agency acknowledges that this is not a Demand Note and expressly waives any defense based upon any statutes of limitations. The Agency waives any diligence, demand, presentment for payment, notice for non-payment, protest and notice of protest, notice of any renewals or extensions of this Note, and all rights of any statutes of limitations, and agrees that the time for payment of this Note may be extended at the sole discretion of the holder without impairing the liability of the Agency. Any delay on the part of the holder

in exercising any right hereinder shall not operate as a waiver of any such right, and any waiver granted with respect to one default shall not operate as a waiver in the event of any subsequent default.

This Promissory Note shall be nonassignable (except to a bank or banks or other entity providing the funds for the Participant's Loan and the Participant's Additional Advance under the Participation Agreement or other funds to the Participant in connection with the acquisition and development of the Site, and reassignable from said bank or other entity to the Participant) without the consent of the Agency.

IN WITNESS WHEREOF, the Redevelopment Agency of the City of Torrance has caused this Note to be executed in its name and on its behalf by its Executive Director.

DATE: 14 May 1985

REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE

By _____
Executive Director

4/23/2012

INDUSTRIAL TORRANCE REDEVELOPMENT AGENCY
SCHEDULE OF INDEBTEDNESS - from 1985
As of January 31, 2012

	%	PRINCIPAL			INTEREST	TOTAL
MISC ADVANCES						
07.01.85	current	$ 84,726.00	(A)	see attached doc	$ 83,915.73	$ 168,641.73
05.15.85	12%	1,200,000.00	(B)	see attached doc	2,861,600.00	4,061,600.00
07.23.85	12%	635,000.00	(C)	see attached doc	1,513,416.90	2,148,416.90
09.14.85	12%	860,461.00	(D)	see attached doc	2,050,765.35	2,911,226.35
10.01.85	12%	1,628,495.00	(E)	see attached doc	4,665,993.96	6,294,488.96
10.01.85	12%	3,000,000.00	(F)	see attached doc	8,206,130.05	11,206,130.05
JV#11119,INT PMT FD 10					(609,633.00)	(609,633.00)
JV#2009-8283,INT PMT FD 10 6/30/09					(688,260.18)	(688,260.18)
Principal Payment-BT-1698 1/13/01		(50,000.00)				(50,000.00)
ADVANCE FROM SELF-INSURANCE						
05.15.85	12%/10%	3,000,000.00	(G)	see attached doc	1,166,666.67	4,166,666.67
05.15.85	10%	1,000,000.00	(H)	see attached doc	158,333.33	1,158,333.33
					13,472,008.78	13,472,008.78
05.15.85	12%	0.00			2,403,333.24	2,403,333.24
ADVANCE FROM WATER FUND						
05.15.85	12%	700,000.00	(I)	see attached doc	2,095,712.48	2,795,712.48
TOTAL CITY ADVANCES - INDUSTRIAL- from 1985		**$ 12,058,682.00**			**$ 37,379,983.31**	**$ 49,438,665.31**
CITY ADVANCES - INDUSTRIAL-from other years		4,786,734.00				
TOTAL CITY ADVACNES - INDUSTRIAL		16,845,416.00				
TOTAL CITY ADVANCES - DOWNTOWN		192,752.00				
CITY ADVANCES - misc.		52,080.00				
TOTAL CITY ADVANCES - tie to 6/30/11 RDA F/S footnote (5)(g)		**$ 17,090,248.00**				

THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE, CALIFORNIA

(A Component Financial Reporting Unit of
the City of Torrance)

Basic Financial Statements

Year ended June 30, 2011

(With Independent Auditors' Report Thereon)

THE REDEVELOPMENT AGENCY OF
THE CITY OF TORRANCE, CALIFORNIA
(A Component Financial Reporting Unit of
The City of Torrance)

Notes to the Basic Financial Statements

(Continued)

Annual debt service requirements to maturity for the bonds are as follows:

	Principal	Interest	Total debt service
Year ending June 30:			
2012	$ 1,160,000	1,256,098	2,416,098
2013	1,260,000	1,190,135	2,450,135
2014	1,355,000	1,117,988	2,472,988
2015	870,000	1,056,403	1,926,403
2016	920,000	1,007,109	1,927,109
2017-2021	5,405,000	4,195,236	9,600,236
2022-2026	7,075,000	2,479,216	9,554,216
2027-2029	5,255,000	447,078	5,702,078
	$ 23,300,000	12,749,263	36,049,263

(g) Changes in Advances and Long-Term Liabilities

The following is a summary of changes in Advances from the City of Torrance for the year ended June 30, 2011:

	Advances from the City of Torrance				
	Advances from Self-Insurance Fund	Advances from Water Fund	Advances from General Fund	Advances from Sewer Fund	Total
Balance at June 30, 2010	$ 1,000,000	1,154,432	15,858,555	419,028	18,432,015
Increase in obligations	—	—	364,641	—	364,641
Principal reduction	(1,000,000)	—	(706,408)	—	(1,706,408)
Balance at June 30, 2011	$ —	1,154,432	15,516,788	419,028	17,090,248
Amounts due within one year	$ —	—	—	—	—

1.

June 21, 1985

Agency Meeting

June 25, 1985

AGENCY AGENDA ITEM 3b

COMPANION TO COUNCIL ITEM

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

Members of the Agency:

SUBJECT: Adoption of Redevelopment Project Budgets and Acceptance of City Advance

gv-7036
7/1/85

ABSTRACT

Consideration of Redevelopment Administrative Budget and Project Budgets for Fiscal Year 1985-86 as proposed on pages 245 through 255 of the City Manager's proposed budget. Also, acceptance of an advance from City Redevelopment Reserves to partially fund the Eastside Project and the Downtown Project. Redevelopment staff recommends approval of Redevelopment Project Budgets for Fiscal Year 1985-86 and adoption of the attached resolution accepting an advance of $236,796 from the City.

BACKGROUND AND ANALYSIS

101,726

California Community Redevelopment Law requires that the Agency annually adopt an Administrative Budget and Project Budgets, including the proposed expenditures of the Agency, proposed indebtedness to be incurred and anticipated revenues. The Agency Administrative Budget and Project Budgets are included this year as part of the City Manager's proposed Budget (see Companion item).

Redevelopment Law also provides authority for the Agency to borrow funds from the City to finance project administration and implementation. Traditionally, the City has provided such loans to the Agency from time to time, and maintains reserves in the General Fund expressly for such purpose. These reserves have been accumulated from long-term debt repayment by the Agency. The available balance in General Fund Redevelopment Reserves is approximately $885,438.

Detailed Redevelopment Project Budgets for Fiscal Year 1985-86 are included on pages 245 through 255 of the City Manager's proposed Budget (see Companion item).

RECOMMENDATION

Redevelopment staff recommends that the Agency:

1. Approve the Redevelopment Administrative and Project Budgets for Fiscal Year 1985-86 proposed on pages 245 through 255 of the City Manager's proposed Budget; and

3B

2.

2. Adopt the attached resolution accepting an advance of $236,796 from City General Fund Redevelopment Reserves for the following:

Downtown Project	$135,070
Torrance Industrial Project	101,726
	$236,796

and agreeing to repay the City, plus interest, at the average rate normally earned by the City.

Respectfully submitted,

DAVID S. FERREN
Deputy Executive Director

By _____
Michael G. Bihn
Planning Associate

CONCUR:

David S. Ferren
Deputy Executive Director

LeRoy J. Jackson
Executive Director

MGB:pe

Attachment: Resolution

/20/85 pe

3.

RESOLUTION NO. _____

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE, CALIFORNIA, ACCEPTING THE SUM OF $236,796 AS AN ADVANCE FROM THE CITY OF TORRANCE TO PARTIALLY FUND THE DOWNTOWN AND TORRANCE INDUSTRIAL REDEVELOPMENT REDEVELOPMENT PROJECTS FOR FISCAL YEAR 1985-86

WHEREAS, the City Council of the City of Torrance has authorized the Redevelopment Agency to transact business and exercise its powers; and

WHEREAS, by provisions of the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq), the City Council may appropriate, and the Agency may accept, funds necessary for the administration and implementation of redevelopment projects; and

WHEREAS, the Redevelopment Agency has adopted project budgets for Fiscal Year 1985-86; and

WHEREAS, by adoption of Resolution No. _____, the City Council advanced the sum of $236,796 to the Redevelopment Agency to partially fund its Downtown and Torrance Industrial Redevelopment Projects for Fiscal Year 1985-86.

NOW, THEREFORE, THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE DOES RESOLVE AS FOLLOWS:

1. The Agency hereby accepts the sum of $236,796 from the City of Torrance to be allocated as follows:

Downtown Project	$135,070
Torrance Industrial Project	101,726
TOTAL	$236,796

84,726 +17,000 (A)

2. Said funds will be used for administration and implementation of said redevelopment projects; and

3. The Agency hereby agrees to repay to the City any funds, plus interest accrued thereon at the average rate normally earned by the City. Repayment will be made from the proceeds of said projects resulting from tax increments, the sale of tax allocation bonds and/or a developer or developers; except that, if said projects fail to generate sufficient proceeds for repayment, said proceeds will not be reimbursed to the City of Torrance.

May 7, 1985

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Council Meeting:
May 7, 1985

Approved (Exec. Se: DR

COMPANION ITEM

Members of the Council:

SUBJECT: Execution of a $2.9 Million Loan Between the Redevelopment Agency and the City of Torrance

ABSTRACT

It is recommended that your Honorable Body adopt a Resolution authorizing the execution of a loan between the Redevelopment Agency and the City of Torrance and approving an amendment to the Agency budget for the Industrial Redevelopment Project.

BACKGROUND

On April 9, 1985, the City Council approved and authorized the execution of a Participation Agreement between the Redevelopment Agency of the City of Torrance and American Honda Motor Company, Incorporated; and a Resolution authorzing a Loan Agreement between the Redevelopment Agency and the City of Torrance amending the Redevelopment budget.

The Redevelopment Agency now needs a loan of $2.9 million to fulfill the commitments set forth in the Participation Agreement.

Further information and analysis of the loan are transmitted in the companion Redevelopment Agency item.

ANALYSIS

The City Manager recommends that the City advance the $2.9 million from the following reserves:

GENERAL FUND

Self-Insurance Catastrophe		$500,000
Compensated Absences		600,000
Fine Arts Center	1,200,000 (B)	200,000
Contingency		400,000
Self-Insured Deferred Expense Reserve		500,000
SUB TOTAL		$2,200,000

Σ $1,200,000. (A)

OTHER

Loan from Water Fund	(I)	$700,000
GRAND TOTAL		$2,900,000

The Redevelopment Agency shall repay the $2.9 million loan to the City of Torrance at the prevailing interest rate. Part of the loan will be repaid as soon as the money is returned from the Courts in regard to the eminent domain procedure. The remainder shall repaid from the tax increments from the entire project area.

RECOMMENDATION

It is therefore recommended that your Honorable Body adopt a Resolution authorizing the execution of a loan between the Redevelopment Agency and the City of Torrance and approving an amendment to the Agency budget for the Industrial Redevelopment Project.

Respectfully submitted,

LeROY J. JACKSON
CITY MANAGER

By Liz Rojas
Liz Rojas
Senior Management Assistant

CONCUR:
LeRoy J. Jackson
LeRoy J. Jackson
City Manager

Attachment

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE, CALIFORNIA, APPROVING AND AUTHORIZING EXECUTION OF A LOAN AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE AND THE CITY OF TORRANCE AND APPROVING AN AMENDMENT TO THE AGENCY BUDGET FOR THE INDUSTRIAL REDEVELOPMENT PROJECT

WHEREAS, the Redevelopment Agency of the City of Torrance (the "Agency") is carrying out the Redevelopment Plan for the Torrance Industrial Redevelopment Project (the "Project"); and

WHEREAS, the Agency on April 9, 1985, adopted Resolution No. RA 85-15 approving and authorizing execution of a Participation Agreement between the Agency and American Honda Motor Company, Inc.; and

WHEREAS, the Agency on April 9, 1985, adopted Resolution No. RA 85-16 approving and authorizing execution of a Loan Agreement between the Agency and the City of Torrance amending the budget for the Industrial Redevelopment Project to implement the Participation Agreement and further the public purposes of redevelopment of the project by acquiring the land and equipment within the 25 acre area of the Industrial Redevelopment Project; and

WHEREAS, the Agency adopted on April 30, 1985 Resolution No. RA 85-17 receiving and approving certain revised appraisals of land and equipment with the 25 acre area of the Torrance Industrial Redevelopment Project and authorizing and directing the Executive Director to make new Offers to Purchase based upon the revised appraisals; and

WHEREAS, the revised real property appraisals resulted in an increase of $1,039,000; and

WHEREAS, the revised fixtures and equipment appraisals resulted in an increase of $219,149; and

WHEREAS, the Agency is currently purchasing and negotiating land sites for owners within the 25+ acres and at the same time is required to deposit the money with courts. Specifically the Agency has authorized the purchase of the Stone and Meyers property for $510,000; and

WHEREAS, the cost of special consultants for the redevelopment activities totals approximately $250,000; and

WHEREAS, an additional $881,851 is required so that the Agency can enter into escrow and negotiate with owners in the 25 acre area.

WHEREAS, the City is authorized by the Community Redevelopment Law and its own municipal powers to extend assistance to the Agency, with or without consideration, and to make grants and loans to the Agency on such terms as it deems necessary, all of which further municipal public purposes of the City; and

WHEREAS, the City Council finds the terms of the proposed Loan Agreement appropriate to implement the Participation Agreement and further the public purposes of redevelopment of the project.

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

Section 1. The City Council hereby approves and authorizes execution of the Loan Agreement and the City Manager is hereby authorized and directed to execute said Loan Agreement on behalf of the City and to take such further actions and execute such necessary documents as are necessary and appropriate to carry out the Loan Agreement.

Section 2. An amendment to the Annual Budget of the Agency for the Industrial Redevelopment Project is hereby approved to reflect the loan from the City under the Loan Agreement.

Introduced, approved and adopted this 7th day of May, 1985.

_____
Mayor of the City of Torrance

ATTEST:

_____
City Clerk of the City of Torrance

APPROVED AS TO FORM:

STANLEY E. REMELMEYER, City Attorney

By_____

7/19/85-bt

RESOLUTION NO. RA85-28

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE AUTHORIZING THE PURCHASE OF CERTAIN PROPERTY, APPROPRIATING THE NECESSARY FUNDS AND ACCEPTING ADVANCES FROM THE GAS TAX FUND AND GENERAL FUND RESERVE FOR REDEVELOPMENT ACTIVITIES AND AMENDING THE AGENCY BUDGET FOR THE INDUSTRIAL REDEVELOPMENT PROJECT ACCORDINGLY.

WHERAS, the Redevelopment Agency of the City of Torrance (the "Agency") is carrying out the Redevelopment Plan for the Torrance Industrial Redevelopment Project; and

WHEREAS, the Agency desires to relocate tenants and property owners in the Project area; and

WHEREAS, the Armco Street parking lot on Carson Street between Abalone and Cabrillo Avenues is for sale; and

WHEREAS, a negotiated purchase price of $2,088,570 for the three and one-half plus acre parcel was accepted by the Agency on June 4, 1985; and

WHEREAS, a temporary internal cash loan or advance is necessary for the Agency to purchase this property; and

WHEREAS, the required cash flow can be met by appropriating and accepting funds as follows:

. Prior City advance	$ 430,000
. Unallocated Redevelopment Fund balance	$ 123,000
. General Fund Reserve for Redevelopment Activities	$ 635,000
. Gas tax advance	$ 900,570
Total	$2,088,570.

NOW, THEREFORE, THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE DOES HEREBY RESOLVE AS FOLLOWS:

1) Authorize the purchase of subject property at the agreed price;

2) Appropriate the advances as requested and listed above;

3) Accept the advances from the gas tax fund and the General Fund Reserve for Redevelopment Activities and pay interest at the City's current interest earnings' rate;

4) Authorize the Executive Director, Chairman and Clerk to execute any necessary documents to complete said sale.

Introduced, approved and adopted this 23rd day of July, 1985.

/s/ James R. Armstrong
Chairman of the Agency

1.

Adopted 10/1

September 27, 1985

Council Meeting
October 1, 1985

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Loan Agreement Amendment

ABSTRACT

The City Manager recommends that the City Council adopt the attached Resolution amending the loan agreement between the City of Torrance and the Redevelopment Agency of the City of Torrance and authorizing the advancement of three million dollars from the General Fund Temporary Idle Fund for a Redevelopment Revolving Fund.

BACKGROUND

As of May 9, 1985 the City of Torrance has made a series of advancements to the Redevelopment Agency. It is important that now all of the advances be incorporated into a single loan amendment. The following is a summary of the City's actions;

- On May 7, 1985, the City loaned to the Agency $2.9 million dollars from various city reserves; 5/15/85
- On July 23, 1985, the City loaned the Agency $2,088,570 from various funding sources;
- On September 24, 1985, the City loaned the Agency $860,461; (D)

IN-10024 10/1/85

The Agency is now requesting that the City loan an additional $3 million dollars to establish a Redevelopment Revolving Fund.

The abovementioned totals $8,849,031. The Redevelopment Agency shall repay the loan at 12%. It shall be paid from the money returned from the courts, the tax increments received from the entire redevelopment project, and bond proceeds.

Further information and analysis of the loan are transmitted in the companion Redevelopment Agency item.

RECOMMENDATION

The City Manager recommends that the City Council adopt the attached Resolution amending the loan agreement between the City of Torrance and the Redevelopment Agency of the City of Torrance and authorizing the advancement of three million dollars from the General Fund Temporary Idle Fund for a Redevelopment Revolving Fund.

Respectfully submitted,

LeRoy J. Jackson
City Manager

PREPARED BY:
Liz Rojas
Liz Rojas
Assistant to City Manager

Need Refer to Bert for handling. AR

17B

RESOLUTION NO. RA85-32

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE AUTHORIZING AND DIRECTING THE CHAIRMAN AND EXECUTIVE DIRECTOR TO EXECUTE, AND THE AGENCY CLERK TO ATTEST A PURCHASE AGREEMENT WITH THE CITY OF TORRANCE FOR THE ACQUISITION OF CERTAIN LAND BOUNDED BY 223RD STREET, ABALONE AVENUE, PLAZA DEL AMO, AND THE SOUTHERN PACIFIC RAILWAY TRACKS FOR THE SUM OF $1,628,495

WHEREAS, the City of Torrance is the owner of approximately 3.72 acres of land within the City of Torrance, bounded by 223rd Street, Abalone Avenue, Plaza Del Amo, and the Southern Pacific Railway tracks, more fully described in Exhibit "A" attached hereto; and

WHEREAS, the Redevelopment Agency desires to purchase said land for the purpose of relocating certain displaced businesses from the 26-Acre acquisition portion of the Torrance Industrial Redevelopment Project; and

WHEREAS, the City has offered the land for the appraised value of $1,628,495 reserving therefrom that portion the land previously dedicated by the said City for street purposes,

NOW, THEREFORE, the Redevelopment Agency of the City of Torrance hereby resolves as follows:

1. That it hereby authorizes and directs the Chairman and Executive Director to execute, and the Agency Clerk to attest a sale and purchase agreement with the City of Torrance for the property in Exhibit "A"; and

2. That the Chairman, Executive Director, and Agency Clerk are further authorized and directed to execute and attest any other incidental forms, instruments, or documents necessary to secure the recording, processing, or conveyance of the said land to the Agency; and

3. That the Agency hereby agrees to pay the sum of $1,628,495.00 to the City of Torrance for the said property, plus interest accrued thereon at the legal rate of twelve percent (12%) per annum from tax increment accruing from the Torrance Industrial Redevelopment Project or from tax increment bonds sold for the purpose of purchasing said land.

Introduced, approved and adopted this 1st day of October, 1985.

ATTEST:

/s/ James R. Armstrong
Chairman of the Agency

/s/ Donna M. Babb
City Clerk

/s/ LeRoy J. Jackson
Executive Director of the Agency

APPROVED AS TO FORM:
STANLEY E. REMELMEYER, City Attorney

By_____

2.

RESOLUTION NO. 85-285

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE, CALIFORNIA APPROVING AND AUTHORIZING AMENDMENT OF THE LOAN AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE AND THE CITY OF TORRANCE AND APPROVING AN AMENDMENT TO THE AGENCY BUDGET FOR THE INDUSTRIAL REDEVELOPMENT PROJECT

WHEREAS, the Redevelopment Agency of the City of Torrance (the "Agency") is carrying out the Redevelopment Plan for the Torrance Industrial Redevelopment Project (the "Project"); and

WHEREAS, the Agency on April 9, 1985, adopted Resolution No. RA 85-15 approving and authorizing execution of a Participation Agreement between the Agency and American Honda Motor Company, Inc.; and

WHEREAS, the Agency on April 9, 1985, adopted Resolution No. RA 85-16 approving and authorizing execution of a Loan Agreement between the Agency and the City of Torrance amending the budget for the Industrial Redevelopment Project to implement the Participation Agreement and further the public purposes of redevelopment of the project by acquiring the land and equipment within the 25 acre area of the Industrial Redevelopment Project; and

WHEREAS, the Agency adopted on April 30, 1985, Resolution No. RA 85-17 receiving and approving certain revised appraisals of land and equipment with the 25 acre area of the Torrance Industrial Redevelopment Project and authorizing and directing the Executive Director to make new Offers to Purchase based upon the revised appraisals; and

WHEREAS, on May 7, 1985, the City loaned to the Agency $2.9 million dollars from various City reserves; and

WHEREAS, on July 23, 1985, the City loaned the Agency $2,088,570 from various funding sources; and

WHEREAS, on ~~November~~ SEPTEMBER 24, 1985, the City loaned the Agency $860,461; and

WHEREAS, an additional $3,000,000 is required so that the Agency can enter into escrow and negotiate with owners in the 25 acre area; and

WHEREAS, the City is authorized by the Community Redevelopment Law and its own municipal powers to extend assistance to the Agency, with or without consideration, and to make grants and loans to the Agency on such terms as it deems necessary, all of which further municipal public purposes of the City; and

WHEREAS, the City Council finds the terms of the proposed Loan Agreement appropriate to implement the Participation Agreement and further the public purposes of redevelopment of the project.

3.

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

Section 1. The City hereby approves and authorizes an amendment to the Loan Agreement totaling $8,849,031 which shall be repaid at 12% interest and the City Manager is hereby authorized and directed to execute said amended Loan Agreement on behalf of the Agency and to take such further actions and execute such necessary documents as are necessary and appropriate to carry out the Loan Agreement.

Section 2. An amendment to the Annual Budget of the Agency for the Industrial Redevelopment Project is hereby approved and authorized to reflect the loan from the City under the Loan Agreement.

Introduced, approved and adopted this 1st day of October , 1985.

_____
Mayor of the City of Torrance

ATTEST:

_____
City Clerk of the City of Torrance

APPROVED AS TO FORM:

STANLEY E. REMELMEYER, City Attorney

By_____

DR

040385

RESOLUTION NO. RA 85-16

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE APPROVING AND AUTHORIZING EXECUTION OF A LOAN AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE AND THE CITY OF TORRANCE AND AMENDING THE AGENCY BUDGET FOR THE INDUSTRIAL REDEVELOPMENT PROJECT

WHEREAS, the Redevelopment Agency of the City of Torrance (the "Agency") is carrying out the Redevelopment Plan for the Torrance Industrial Redevelopment Project (the "Project"); and

WHEREAS, the Agency has approved a Participation Agreement (the "Participation Agreement") from American Honda Motor Co., Inc. (the "Participant"), providing for the sale of certain real property (the "Sales Property") to the Participant for development along with development of certain property (the "Participating Property") owned by the Participant (the Sales Property and Participating Property being described in the Participation Agreement as the "Site"); and

Self Insurance (G)

WHEREAS, in implementation of the Participation Agreement, the Agency has proposed to enter into a Loan Agreement (the "Loan Agreement") with the City of Torrance (the "City") to provide the Agency a loan of $3,000,000 to finance Agency costs as set forth in the Participation Agreement;

WHEREAS, the City is authorized by the Community Redevelopment Law and its own municipal powers to extend assistance to the Agency, with or without consideration, and to make grants and loans to the Agency on such terms as it deems necessary, all of which further municipal public purposes of the City; and

WHEREAS, the Agency finds the terms of the proposed Loan Agreement appropriate to implement the Participation

W

Agreement and further the public purposes of redevelopment of the Project;

NOW, THEREFORE, THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Agency hereby approves and authorizes execution of the Loan Agreement and the Executive Director is hereby authorized and directed to execute said Loan Agreement on behalf of the Agency and to take such further actions and execute such necessary documents as are necessary and appropriate to carry out the Loan Agreement.

Section 2. An amendment to the Annual Budget of the Agency for the Industrial Redevelopment Project is hereby approved and authorized, to reflect the loan from the City under the Loan Agreement.

Introduced, approved and adopted this 9th day of April, 1985.

/s/ James R. Armstrong
Chairman of the Agency

/s/ LeRoy J. Jackson
Executive Director

ATTEST:

/s/ Donna M. Babb
Clerk of the Agency

APPROVED AS TO FORM:

STANLEY E. REMELMEYER
Agency Counsel

By _____

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

I, DONNA M. BABB, Clerk of the Redevelopment Agency of the City of Torrance, California, do hereby certify that the foregoing resolution was duly introduced, approved and adopted by the said Agency at a regular meeting of said Agency held on the 9th day of APRIL, 1985, by the following roll call vote:

AYES: MEMBERS: Applegate, Geissert, Mock, Nakano, Walker, Wirth and Armstrong.

NOES: MEMBERS: None

ABSENT: MEMBERS: None

/s/ Donna M. Babb
Clerk of the Redevelopment Agency
of the City of Torrance

DOWNTOWN TORRANCE REDEVELOPMENT PROJECT 3/16/2012

Schedule of Indebtedness

Interest updated thru 1/31/12

Date of Advance	Description	Interest Rates	7.1.11 Principal	7.1.11 Interest	7.1.11 Total	7.1.11 - 1.31.12 Principal Additions (Reductions)	7.1.11 - 1.31.12 Interest Additions (Reductions)	As of January 31, 2012 PRINCIPAL	As of January 31, 2012 INTERESTS	As of January 31, 2012 TOTAL
Fiscal year 1997/98										
Post&Sartori Ave Acqui & Rehab,10/21/97,11A	Loan from General Fund		0.00		0.00	0.00		0.00		0.00
1332-1334 Post Ave Acquisition, 01/28/98,13A	Loan from General Fund		192,751.88		192,751.88	0.00		192,751.88		192,751.88
Relocation of National Council Alcohol./Drug.	Loan from General Fund		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4/14/98, 4A, JV#06297'98						0.00				
Total Advances from General Fund			**192,751.88**	**0.00**	**192,751.88**	**0.00**	**0.00**	**192,751.88**	**0.00**	**192,751.88**
TOTAL OF ADVANCES FR. CITY			192,751.88	0.00	192,751.88	0.00	0.00	192,751.88	0.00	192,751.88
									(Proof))	192,751.88
ADVANCES FROM THE COUNTY		**7%**	12,733,969.61	7,516,104.23	20,250,073.84	0.00	519,970.43	12,733,969.61	8,036,074.66	**20,770,044.27**
GRAND TOTAL OF ALL ADVANCES/INT			12,926,721.49	7,516,104.23	20,442,825.72	0.00	519,970.43	12,926,721.49	8,036,074.66	**20,962,796.15**
									(Proof)	**20,962,796.15**
BONDS PAYABLE		VARIOUS	6,535,000.00	3,814,166.25	10,349,166.25	(220,000.00)	(357,932.50)	6,315,000.00	3,456,233.75	**9,771,233.75**

64820

AGREEMENT FOR ALLOCATION OF TAX INCREMENT FUNDS

(Amendment No. 1 to the
Torrance Downtown Redevelopment Project)

THIS AGREEMENT, made and entered into this 4TH day of April, 1991, by and between the City of Torrance ("City"), the Redevelopment Agency of the City of Torrance ("Agency"), and the County of Los Angeles.

WITNESSETH

WHEREAS, the City and the Agency plan to hold a joint public hearing for the purpose of considering the approval and adoption of the Amendment No. 1 to the Redevelopment Plan for the Downtown Redevelopment Project ("Amendment"); and

WHEREAS, the City will consider the adoption of an ordinance approving and adopting the Amendment; and

WHEREAS, the Agency has consulted with representatives of the County of Los Angeles and the Los Angeles County Flood Control District (collectively, the "County") pursuant to California Health and Safety Code Section 33353.3 to determine the fiscal impact of the Amendment; and

WHEREAS, prior to the aforementioned public hearing, the County, acting through its Chief Administrative Officer, the City and the Agency agreed to address the fiscal impact of the Plan; and

WHEREAS, the County has found and the Agency and City hereby find, on the basis of substantial evidence submitted by the County, that the Torrance Downtown Redevelopment Project, as amended ("Project") will cause financial detriment to the County as defined in California Health and Safety Code Section 33012; and

RC91-001

Copy

WHEREAS, this **AGREEMENT** is entered into upon the authority of California Health and Safety Code Section 33401 and the provisions of the Plan required by Health and Safety Code Section 33338.1; and

WHEREAS, the Agency and City agree to make any findings necessary to the determination of financial detriment pursuant to Section 33401; and

WHEREAS, by approval of this **AGREEMENT**, the parties hereto find and determine that any financial effects described in California Health and Safety Code Sections 33012 and 33401 relating to the Amendment are thereby alleviated; and

WHEREAS, the County intends that this **AGREEMENT** shall serve as a solution to their concerns regarding the Amendment and agree to forebear any judicial remedies they may have to challenge the validity or implementation of the Amendment.

NOW THEREFORE, for and in consideration of the foregoing, the parties do hereby agree as follows:

SECTION 1. Definitions. (a) "Assessment Roll" shall mean the 1978-79 assessment roll, which was the last roll equalized prior to the effective date of the ordinance adopting the Project. The Assessment Roll shall be utilized as the base year assessment roll for allocation of taxes for the Project pursuant to California Health and Safety Code Section 33670 and the provisions of this **AGREEMENT**.

(b) "Tax Increment Revenues" shall mean that portion of tax revenues generated by application of the basic tax levy to any increases in the respective assessed valuation within the Project area which would otherwise be allocated to the Agency pursuant to California Health and Safety Code Section 33670.

(c) "County Share" of Tax Increment Revenues shall mean that portion of property taxes generated from the basic tax levy within the Project area on or after the effective date of this Agreement which would be allocated to the County in the absence of a division of taxes pursuant to California Health and Safety Code Section 33670. For purposes of this **AGREEMENT**, the County Share shall be fifty-seven and three-tenths percent (57.3%).

(d) "Agency Share" of Tax Increment Revenues shall mean that percentage of property taxes generated from the basic tax levy within the Project area which would be allocated to the Agency as a result of a division of taxes pursuant to California Health and Safety Code Section 33670, less the County Share. For purposes of the **AGREEMENT**, the Agency Share for the Amendment shall be forty-two and seven-tenths percent (42.7%).

SECTION 2. Allocation of Tax Increment Revenues. The Tax Increment Revenues for the Project shall annually be distributed as follows:

(a) Commencing upon the effective date of the amendment and subject to SECTION 4 of the **AGREEMENT**, the County shall annually be allocated the County Share as defined in SECTION 1(c) herein. The allocation to be made pursuant to this SECTION 2(a) shall not be used to calculate the Agency's maximum tax increment limit for the Project.

(b) The Agency shall annually be allocated the Agency Share as defined in SECTION 1(d) herein.

SECTION 3. Tax Rate Increases. In addition to the portion of taxes allocated to the County pursuant to California Health and Safety Code Section 33670 (a) and SECTION 2 herein, an amount equal to all that portion of the Tax Increment Revenues allocable to the Agency pursuant to Section 33670(b) attributable to increases in the rate of tax levied by the

County Board of Supervisors for the benefit of the County or special districts for which the Board of Supervisors acts as the governing body, which levy occurs after the tax year in which the ordinance adopting the Amendment became effective, shall be allocated to the County pursuant to California Health and Safety Code Section 33676(a)(1). The allocation to be made pursuant to this SECTION 3 shall not be used to calculate the Agency's maximum tax increment limit for the Project.

SECTION 4. In Lieu Payments. If, as the result of Agency acquisition of property for land banking purposes, property within the Project area is removed from the tax rolls for a period of more than three (3) years, the Agency shall pay directly to the County an amount of money in lieu of taxes which would have been received had the property not been removed. The Agency agrees to notify the County of the removal of property from the tax rolls by providing relevant information with the Statement of Indebtedness filed for the Project. The payment to be made under this SECTION shall commence the fourth year the property is off the rolls and shall be the equivalent of the County Share derived from said property calculated upon the assessed value on the rolls for the property at time of removal.

SECTION 5. County Loan. Recognizing the Agency's need to utilize a portion of the County Share of the annual Tax Increment Revenues generated in the Project area to meet existing and projected annual debt service for the Project, the County agrees to loan a portion of the County's Share of Tax Increment Revenues allocated to the County pursuant to SECTION 2 of this AGREEMENT ("County Deferral") to the Agency on the basis stated below;

(a) The County shall annually loan to the Agency that portion of the County Share of the Tax Increment Revenues necessary, when combined with the Agency Share, to meet

existing and projected annual debt service (including but not limited to bonded debt, developer participation agreements and city loans). The maximum annual debt service amounts as described in Exhibit A of this **AGREEMENT** shall not exceed one million five hundred fifty thousand dollars ($1,550,000). In no event shall the annual County Deferral exceed the County's Share of annual Tax Increment Revenues specified in SECTION 2(a) of this **AGREEMENT.**

(b) The Agency shall, in good faith, attempt to fully repay the County Deferral, with simple interest, prior to the end of the life of the Project, as amended.

(c) The County Deferral shall accrue simple interest at seven percent (7%) per year. The interest may be repaid by the Agency at the net present value with other Agency revenues; or with County approved Agency improvements to County facilities (the value of which shall be determined by the County); or with tax increment during the 50 year life of the Project, as amended, as long as the total outstanding interest is fully repaid by the last year of the Project.

(d) The Agency shall commence repayment of the principal and interest amounts (as applicable) of the County Deferral beginning with the fiscal year immediately following the year in which the Agency's annual tax increment allocation exceeds the annual debt service requirement as specified in SECTION 5(a) herein and identified in Exhibit A to this Agreement. The County Deferral shall terminate that year. Such repayment of interest and principal of the County Deferral from tax increment shall be from Agency Share of tax increment allocation in excess of that stipulated for annual debt service for Project related uses, in the manner and method as set forth in the attached Exhibit A. All such payments shall be

applied firstly to interest and secondly to principal. Both the County Share and that portion of the Agency Share due to County as repayment of principal and interest shall be subordinate to Agency issued bonded indebtedness.

(e) The County shall begin to receive the full County Share of Tax Increment Revenues the year in which the County Deferral is terminated.

(f) The County Deferral shall be considered indebtedness for the purpose of listing on the annual statements of indebtedness for the Project.

SECTION 6. Housing Fund. California Health and Safety Code Section 33334.2 requires that twenty percent (20%) of the tax increment revenue allocated to the Agency shall be paid into a fund to be used for low- and moderate-income housing unless certain findings are made. During the life of the Project, as amended, the parties agree that, in any year in which Tax Increment Revenues are to be contributed to the Low and Moderate Income Housing Fund ("Housing Fund"), such contribution shall be governed by the following:

(a) The Agency shall be responsible for required contributions to the Housing Fund from the Agency Share. If, as a result of litigation, which litigation is not initiated by the City or Agency, a determination is made by a court of competent jurisdiction that twenty percent (20 %), or less, of the total amount of the County Share of Tax Increment Revenues generated from the Project area are required to be contributed to the Housing Fund, the County shall contribute to the Housing Fund the portion of the County Share required by the court including the prompt payment of any sums determined by such court to be in arrears. County shall pay such amounts regardless of whether the court finds Agency or County to be legally responsible for such payments.

(b) The Agency shall not be obligated to defend any action challenging the amount of tax increment funds deposited in the Housing Fund, where an unfavorable judgment would result in the County contributing a portion of its County Share pursuant to this **AGREEMENT**. Upon receipt of service of any legal action challenging the amount of the housing set aside, Agency shall notify County in writing of the pending action.

SECTION 7. County-Owned/Leased Property. The development by the County of any real property owned or leased by the County within the Project area shall not be subject to the approval or control of the City or Agency beyond that available to the City prior to the date of execution of this **AGREEMENT**, except with the written consent of the County.

SECTION 8. Redevelopment Plan Amendments. The parties agree that the Agency shall not amend the Redevelopment Plan for the Downtown Redevelopment Project for any of the purposes described in California Health and Safety Code Section 33354.6 which could result in creation of a fiscal review committee without prior notification of the County. Recognizing the financial detriment caused by the Project, the parties agree that the terms of this **AGREEMENT** shall be extended to such amendment if the Redevelopment Plan is amended.

SECTION 9. Administration. County's Auditor-Controller shall annually determine, document and distribute Tax Increment Revenues in accordance with this **AGREEMENT**, as follows:

(a) The Auditor-Controller shall annually determine, as provided by law: (1) The total amount of Tax Increment Revenues generated by the Project, as amended; (2) the total amount of Tax Increment Revenues that will be allocated to the Agency; and (3) the amount of

Tax Increment Revenues to be allocated to the County based on the distribution established by this **AGREEMENT.**

(b) The County Auditor-Controller shall allocate and distribute the property tax revenues generated from within the Project, as amended, in the manner described in California Health and Safety Code Sections 33670 (a) and (b) and in accordance with the requirements of this **AGREEMENT.** In the event the County Auditor-Controller makes an overpayment to the Agency, the Auditor-Controller shall serve upon the Agency a written demand for payment setting forth the amount of overpayment and an explanation of how such amount is calculated. The Agency shall repay the County for such overpayment within 30 days of the written demand, or the amount of repayment shall be withheld from future payments to the Agency for the Project area. In the event the County Auditor-Controller makes an overpayment to the County, the Auditor-Controller shall provide the Agency with written notice of said overpayment, or, if such overpayment is discovered by Agency, Agency shall provide written notice of such overpayment to County. County Auditor-Controller shall repay said overpayment by a reduction in future payments due to the County pursuant to this Agreement from the Project area. If no additional payments are required, County shall repay Agency within 45 days of receipt of written notice.

(c) Upon the written request of the Agency, the Auditor-Controller shall provide within a reasonable time not to exceed 60 days from final year-end payment to the Agency in writing the basis for distribution of the Tax Increment Revenues.

SECTION 10. Covenant Not To Sue. The County consents to and approves the Amendment which has been reviewed by the County and provides for the continued use of tax

increment financing with respect to the Project. The County agrees to refrain from initiating any lawsuit or proceedings attacking or otherwise questioning the validity or implementation of the Amendment, or any other findings or determinations to be made by the Agency or the City in connection with the Amendment or its implementation.

SECTION 11. Miscellaneous. (a) Nothing in this **AGREEMENT** shall relieve the Agency from the obligation of filing a Statement of Indebtedness pursuant to California Health and Safety Code Section 33675.

(b) If this **AGREEMENT** is held invalid, in whole or in part, in order to carry out the purposes identified herein, the parties agree that each will take all necessary steps, including formal action and execution of documents, to accomplish the provisions of this **AGREEMENT** (including the distribution of Tax Increment Revenues in the manner and according to the allocation contemplated herein) by legal means.

(c) For audit purposes, the Agency shall have the right to review the County Auditor-Controller's calculations required in SECTION 9 herein.

SECTION 12. Term. The effective date of this **AGREEMENT** shall be the date of execution by the County Board of Supervisors and, unless previously terminated by mutual agreement of the parties, all rights and obligations in this **AGREEMENT** shall terminate when the Agency's legal right to claim and receive Tax Increment Revenues from the Project ceases.

SECTION 13. Severability. If any portion of this **AGREEMENT** is held invalid, the remaining provisions shall maintain their full force and effect.

IN WITNESS THEREOF, the City of Torrance, the Community Redevelopment Agency of the City of Torrance, and the County of Los Angeles have caused this **AGREEMENT** to be executed on their behalf by their duly authorized representatives.

COUNTY OF LOS ANGELES

By: _____
Chairman,
Board of Supervisors

ATTEST TO:

LARRY J. MONTEILH,
Executive Officer -
Clerk of the
Board of Supervisors

By: _____
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

9 MAY 21 1991

LARRY J. MONTEILH
EXECUTIVE OFFICER

Approved as to Form:

DE WITT W. CLINTON
County Counsel

By: _____
Deputy

CITY OF TORRANCE

By: _____

COMMUNITY REDEVELOPMENT AGENCY

THE CITY OF TORRANCE

Approved as to Form:

Agency Counsel

By: _____

By: _____

Attest:

12mv:torrancl.agr

10

By _____
John A. Bramball,
City Clerk

Council Meeting of
June 15, 2010

PUBLIC HEARING

(Companion Item to Redevelopment Agency Item 5A)

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

Subject: Finance – 2nd public hearing/budget workshop on proposed budget revisions for second year of the City's two-year 2009-2011 operating budget.

RECOMMENDATION

Recommendation of the City Manager and the Finance Director that Council conduct the 2nd public hearing/budget workshop on the proposed budget revisions for the second year of the City's two-year 2009-11 operating budget. (Companion item to Redevelopment Agency Item 5A.)

BACKGROUND/ANALYSIS

This public hearing was advertised and scheduled for the Council meeting this evening. This is the second public hearing/budget workshop for the 2nd year of the 2009-11 operating budget. At the public hearing/budget workshop held on May 25, 2010 and continued on June 7, 2010, your Honorable Body had the opportunity to review the City Manager's proposed budget, and hear from the public regarding their concerns related to the proposed budget. Staff was directed to return with follow up items raised during the budget discussion on both evenings. The City Manager has gathered information related to the specific questions raised at the first workshop and contacted all employee organizations to solicit any alternative budget reductions. The materials this evening includes input received from members of the public, additional employee suggestions, research related to public pension benefits, as well as responses to inquiries specific to the proposed budget.

Throughout the June 7th workshop many questions were raised and responses are included in this item as Attachment D. Public Comments received since Monday, June 7th are contained in attachment F. The TME-AFSCME President's script from the June 7th meeting is included as Attachment G. Additional comments from TPOA President is also included as Attachment H.

Again, the City Manager is appreciative of the rapid follow up by our department heads and for the willingness of our employee organizations to explore alternatives.

Last week the City Council was provided an approach to balancing the budget through individual budget decision packages. The decisions made within each of these packages would arrive at a dollar modification to the recommended budget. This will set the dollar adjustment required to the overall budget from the alternatives identified to remain balance.

General Services Department – Position reductions due to projected vacancy and efficiencies in printing operations.

- Senior Custodian $83,500
- Central Services Coordinator 99,000

Human Resources Department – Position reductions due to vacancies and operational efficiencies.

- Senior Administrative Assistant $95,000
- Personnel Technician 82,000

$806,500	
<$1,357,500>	

IV. Operational Efficiencies ($806,500)

City Manager's Office – $29,000

- Postage savings from phasing Season's magazine to online only

Communication and Information Technology - $411,500

- Savings and efficiencies yielded from server consolidation (virtualization) project. $ 55,000
- Extend the PC replacement cycle from 5 to 7 years 92,500
- Extend the telephone replacement cycle from 10 to 15 years and the network cable replacement cycle from 15 to 20 years. 147,000
- Reduction in the Data Communications budget - 3 years of lower support and maintenance costs for the new telephone system 7,000
- Reduction in telephone system maintenance 110,000

Community Development Department - $230,000

The Community Development Department provides land use permitting, construction plan checking and inspection services related to developments in the City. The demand for these services is related to the economic cycles experienced locally as well as nationally. The current economic cycle has decreased the demand for development related services as construction activity has slowed considerably. The slowdown softens the impact of deleting development related positions. As building activity returns, the three deleted positions will be re-evaluated.

- Traffic calming budget – reallocate budget to the general fund $150,000
- Housing Supervisor position – reallocate 20% of Housing Services Supervisor back to Housing 20,000
- Reduction of department overtime 10,000
- Reallocation of positions to the Redevelopment Program 50,000

28

Oversight Board Meeting of
April 27, 2012

Honorable Chair and Members
of the City of Torrance Oversight Board
City Hall
Torrance, California

SUBJECT: Inventory of former Redevelopment Agency owned property

RECOMMENDATION

A recommendation that the Torrance Oversight Board accept and review properties previously owned by the Redevelopment Agency of the City of Torrance and transferred to the City of Torrance acting as Successor Agency.

BACKGROUND AND ANALYSIS

On February 1, 2012, all assets, properties, contracts, leases and records of the former Redevelopment Agency of the City of Torrance were transferred by operation of law to the Successor Agency. The Successor Agency in the case of the former Torrance Agency is the City of Torrance. An Oversight Board has been established pursuant to Health and Safety Code Section 34179 to assist in the close out and wind down of the dissolved Redevelopment Agency.

The information being transmitted to the Board is an inventory of property assets owned by the former Redevelopment Agency and transferred to the City of Torrance as Successor Agency. No action is required by the Oversight Board at this time; the purpose of this transmittal is to assist the Members by familiarizing them with the property assets in case future action is required.

Respectfully submitted,

By: _____
Brian K. Sunshine
Assistant to the City Manager
City of Torrance

Noted:

Mary Giordano
for LeRoy J. Jackson
City Manager
City of Torrance

Attachment:
Property inventory

6D

Inventory of former Agency owned properties
Assessor's Parcel Number (APN)

223rd Street and Abalone (APN7357-029-903)
Residual parcel from street improvements in the Industrial Redevelopment Area. Parcel size is approximately 20,470 square feet and houses a water well and street entry sign. **(Attachment A)**

Torrance Boulevard and Bow (APN 7355-032-900)
Former railroad right-of-way. Parcel size is approximately 21,380 square feet. **(Attachment B)**

1956 Torrance Boulevard (APN 7355-027-914, 915)
Former candy shop site. Purchased to enhance parking in the Downtown Redevelopment project area. Combined site size is approximately 6,180 square feet. Currently the site is encumbered with parking lot license agreements to the following businesses:
Dr. Campbell
Yuzu Restaurant
Niwatori Restaurant
Tortilla Cantina Restaurant
(Attachment C)

1312 Cabrillo (APN 7355-209-900)
Former Torrance Tire site, purchased to enhance parking in the Downtown Torrance Redevelopment Project area. Site size is approximately 4,080 square feet. Site is a public parking lot. **(Attachment D)**

1339 Post (APN 7355-026-903)
Currently under Lease to the Retired Senior Volunteer program. Lot is approximately 2,400 square feet with building on site. **(Attachment E)**

23750 and 23755 Madison Street (APN 7377-010-900 and 7352-022-900)
Both parcels serve as parking lots that were created as part of the Meadow Park Redevelopment area. 7377-010-900 is approximately 43,124 square feet and 7352-022-900 is approximately 42,100 square feet. Both lots serve the businesses adjacent to the respective lots. The City owns the lots and assesses a maintenance cost back to the property owners who have rights to parking through individual deeds. **(Attachments F and G)**

1919 Torrance Boulevard (APN 7352-022-900)
This parcel is part of the areas assembled in the Industrial Redevelopment area that created the Honda Headquarters. The approximately 42,100 square foot parcel is landlocked on the Honda campus and remains publicly owned due to soils issues that date back to the inception of the project. The site makes up a landscaping area on the Honda campus. **(Attachment H)**

Inventory of properties purchased with 20% Housing Set Aside

1316 Cabrillo Avenue (APN 7355-029-901, 902)
Parcel improved with office/warehouse space. Property was purchased with Low-Mod 20% set-aside funds for a future project. Interim use by Torrance Theater Company. **(Attachment I)**

1640 Cabrillo Avenue (APN 7355-030-901)
Former Class Pest site, now vacant. Property was purchased with Low-Mod 20% set-aside funds for a future project. City currently reviewing proposals to create a mixed use rental project. **(Attachment J)**

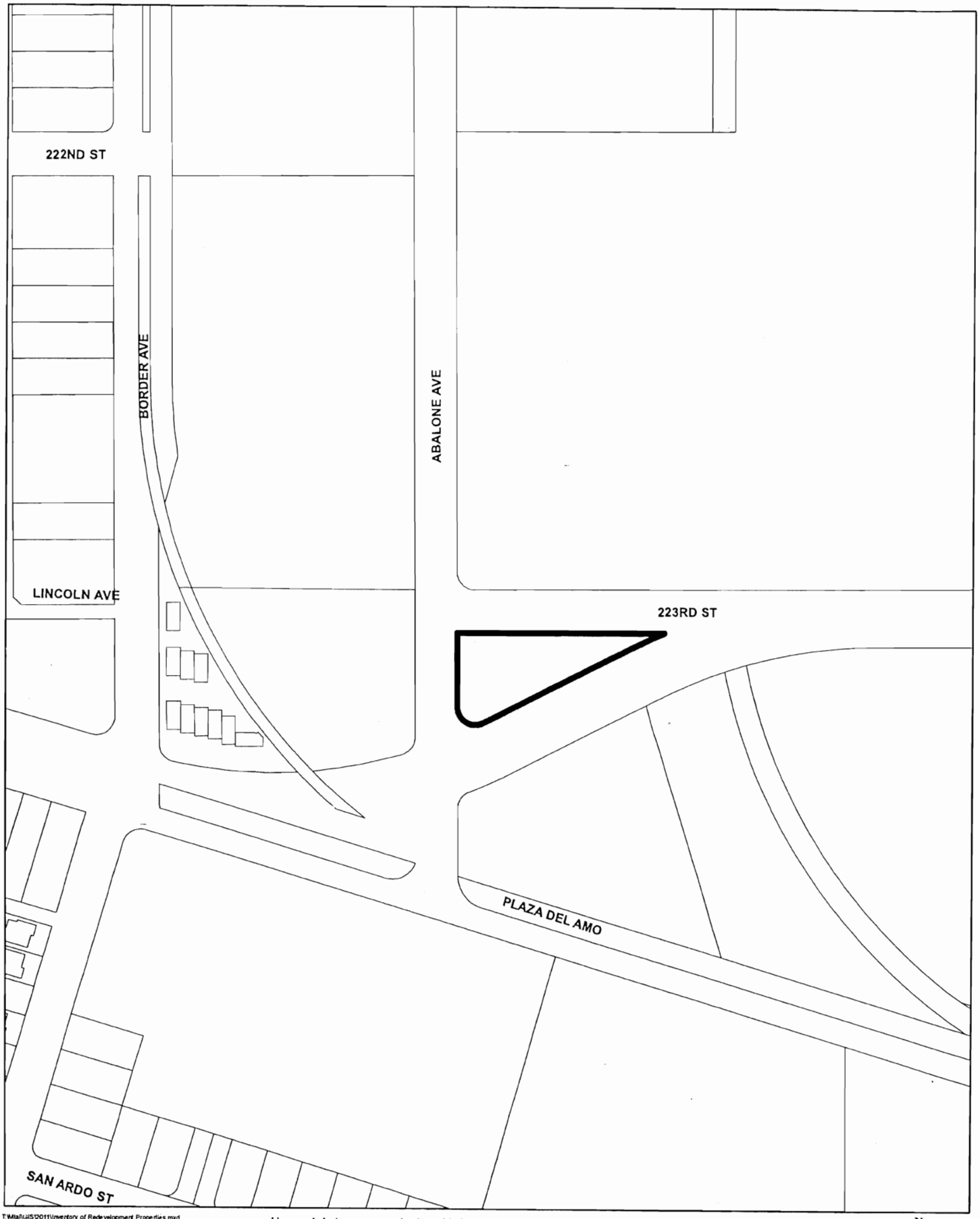
1421 Cravens Avenue (APN 7355-022-033)
Coleman Court senior housing facility, property is ground leased to third party. Purchased with Housing Set Aside. Lease originated 1987 and the term is through July, 1 2041. **(Attachment K)**

1215 El Prado (APN 7355-027-142)
Parcel is improved with a mixed use structure that was rehabilitated with retail on the first floor and low to moderate income rental units above. Property is ground leased (expires 7/20/2029) to a third party for leasing of retail space and management of apartments. Purchased with Housing Set Aside. **(Attachment L)**

22520 Ocean Avenue (APN 7368-001-031)
Property is Leased through United Cerebral Palsy, Lease origination is 1984. Original term through April 22, 2007; Lease currently renews annually. Purchased through HUD Section 202 **(Attachment M)**

3851 W. 226th Street (APN 7368-001-031
Property has a senior housing facility on site, leased to Torrance Senior Housing. Purchased thought Housing Set Aside. Lease originated in 1988 and the term is through July 1, 2041. **(Attachment N)**

Attachment A



T:\Mtal\GIS\2011\Inventory of Redevelopment Properties.mxd

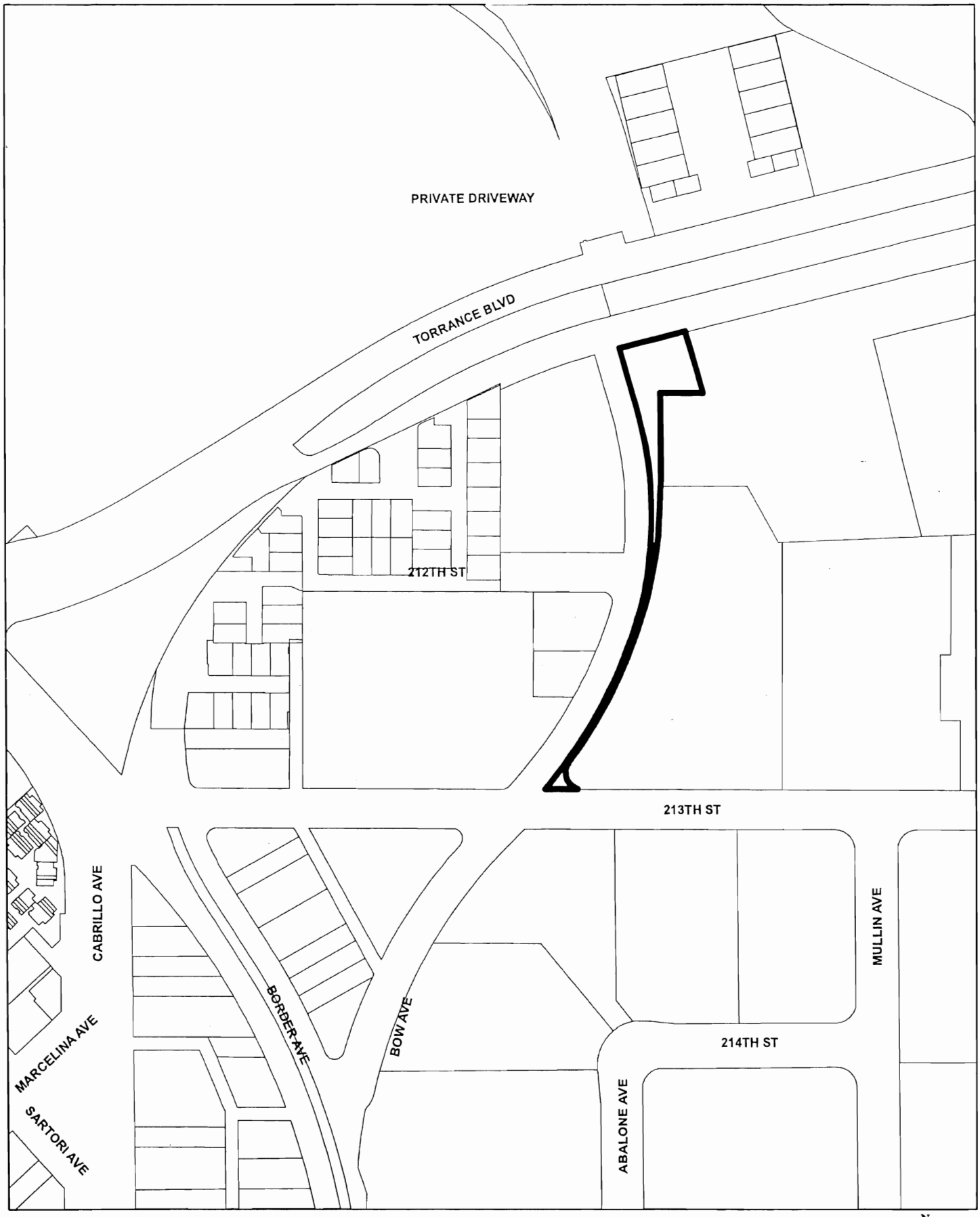
Lines and photos are approximate, not to be used for establishing absolute or relative positions

Jeffery W. Gibson
Community Development Department

7357-029-903

N
W E
S

Attachment B



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Lines and photos are approximate, not to be used for establishing absolute or relative positions

Jeffery W. Gibson
Community Development Department

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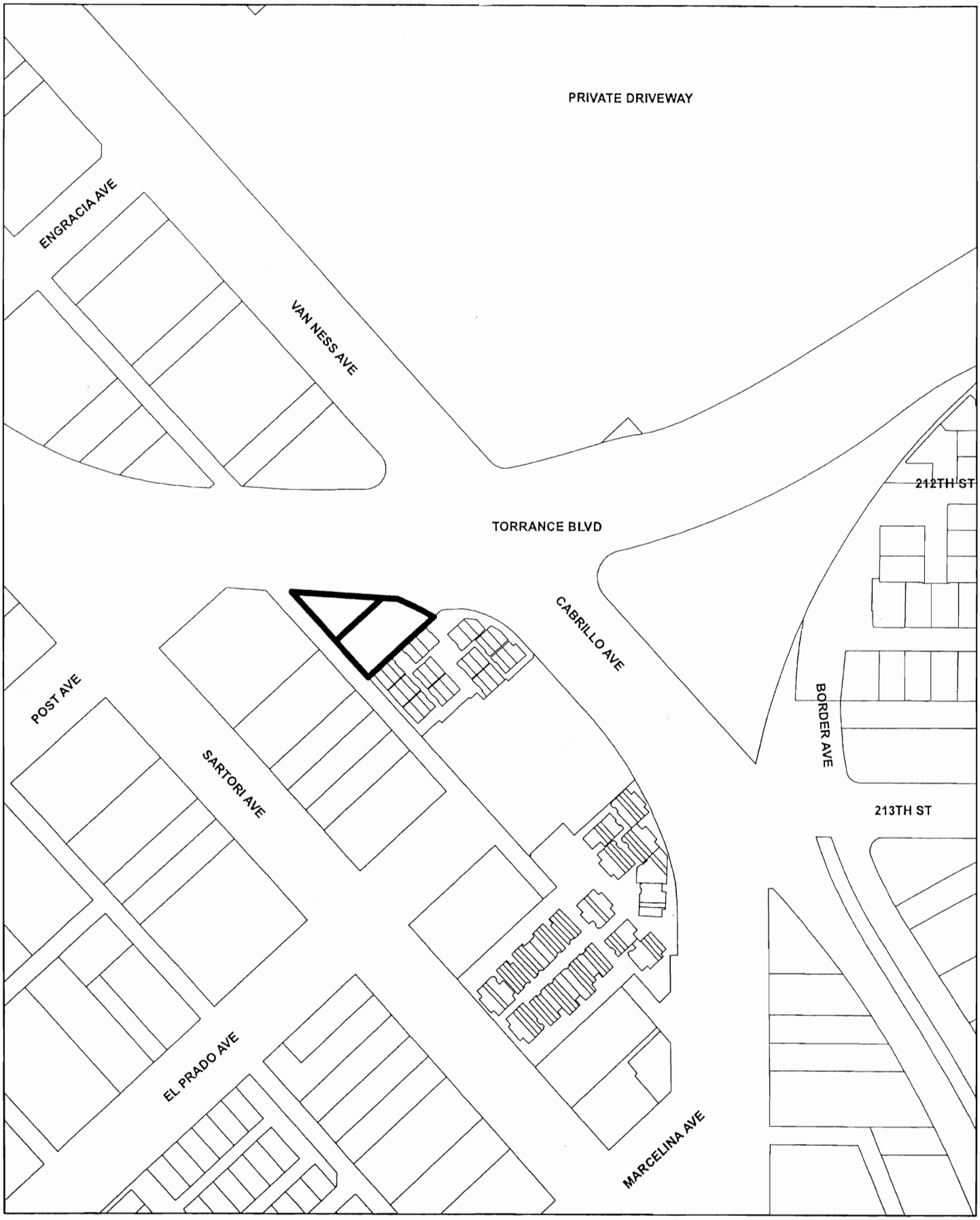
Attachment C



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Jeffery W. Gibson
Community Development Department

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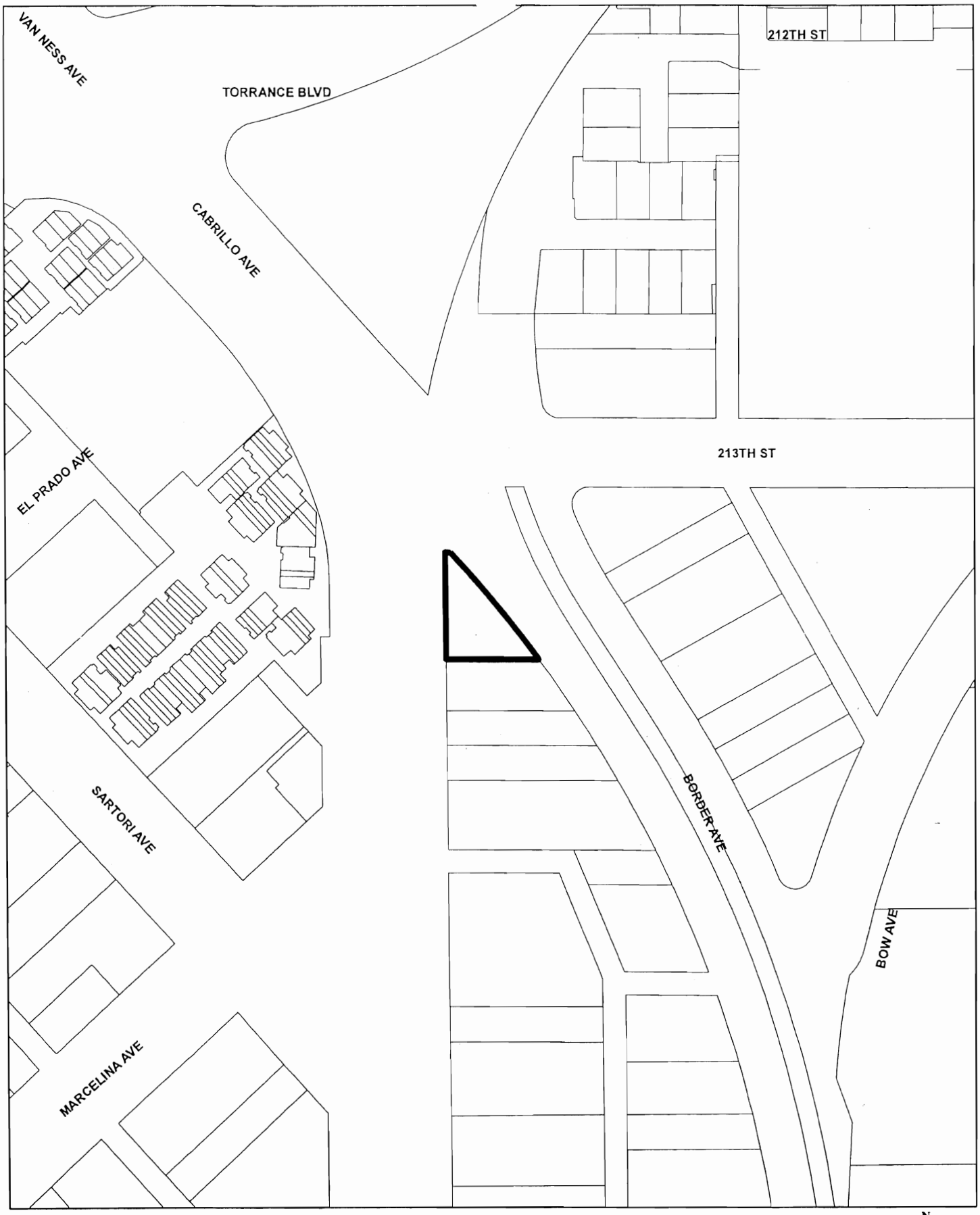

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Jeffery W. Gibson
Community Development Department

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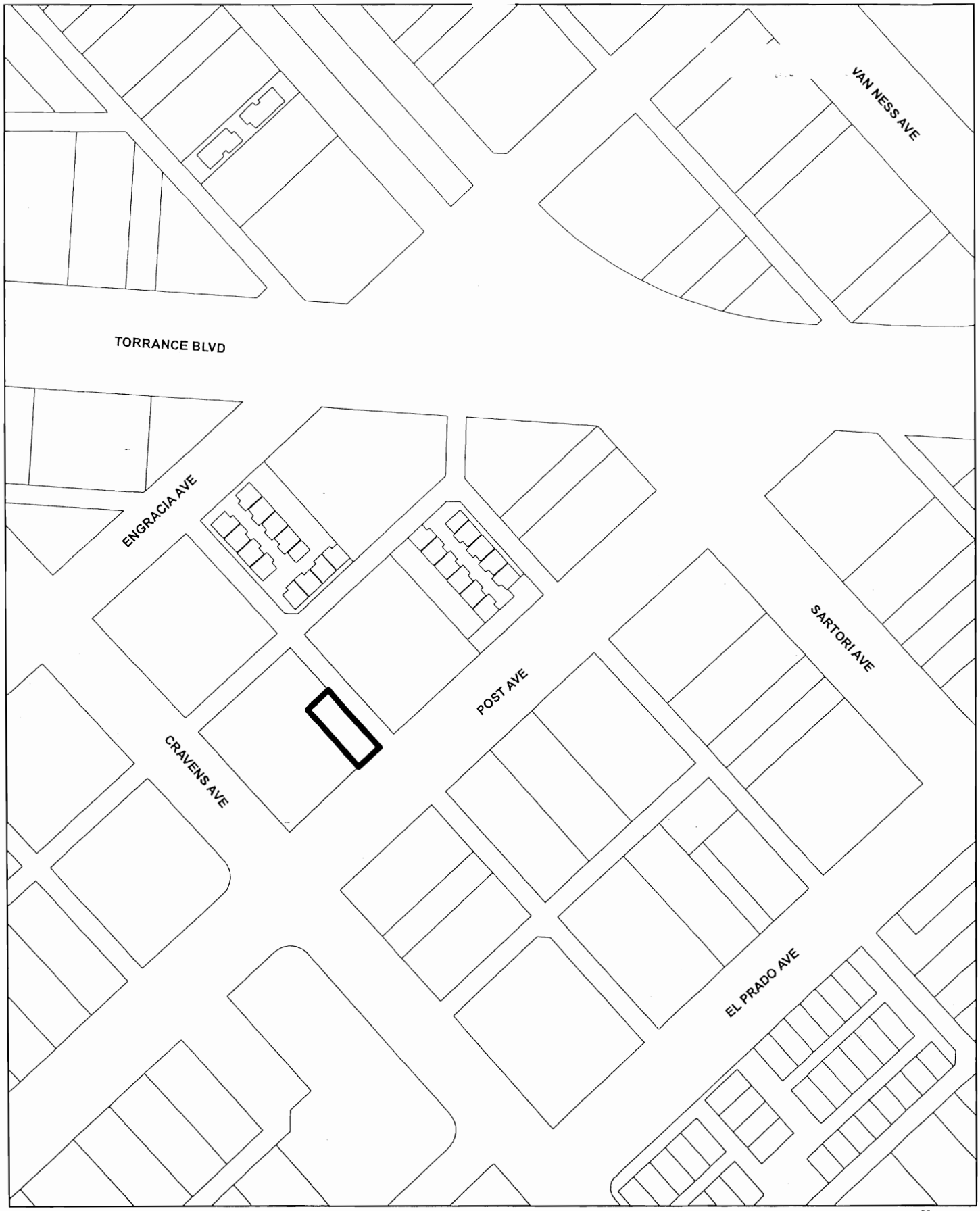

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Jeffery W. Gibson
Community Development Department

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Jeffery W. Gibson
Community Development Department

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Jeffery W. Gibson
Community Development Department

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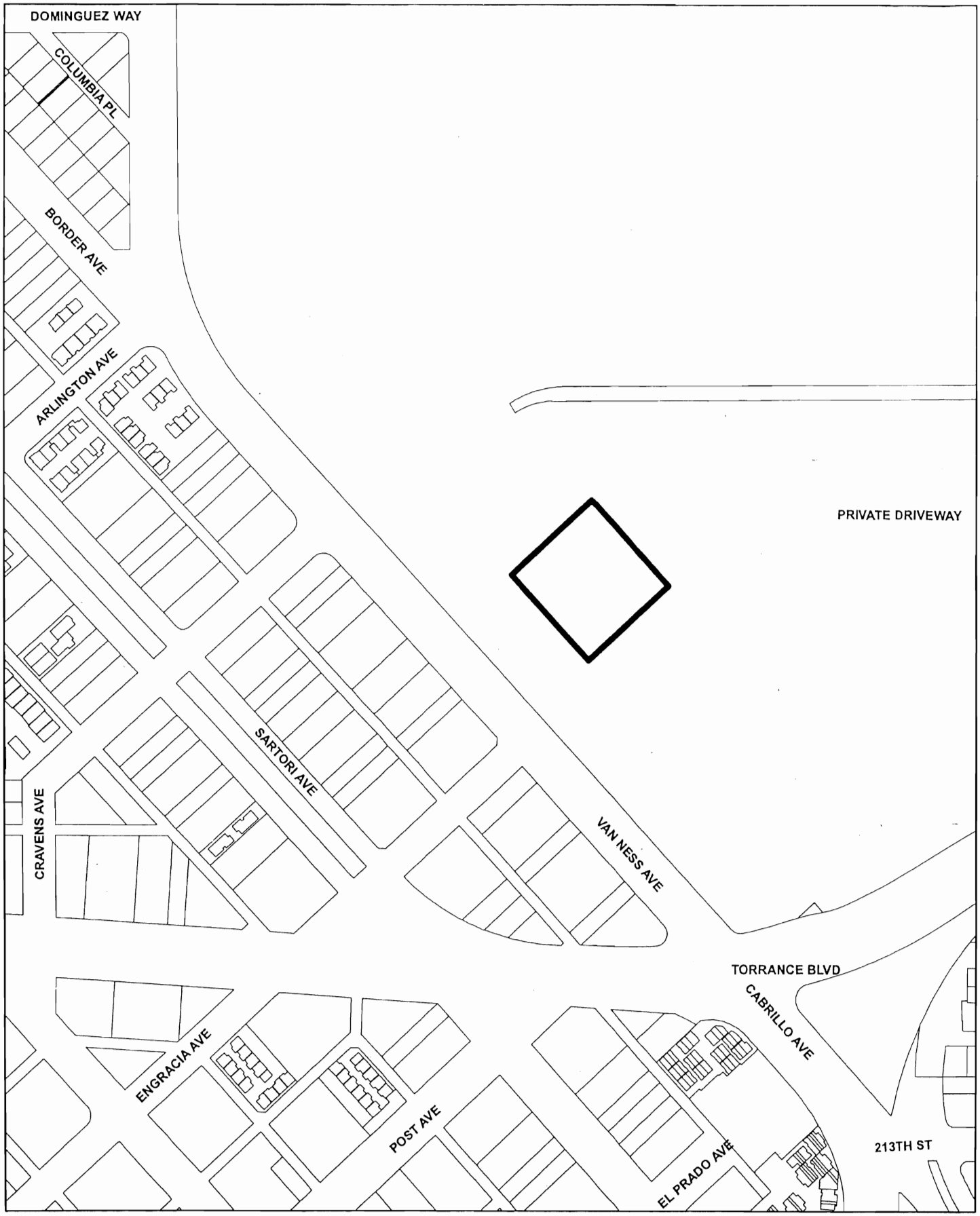
Attachment H



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Jeffery W. Gibson
Community Development Department

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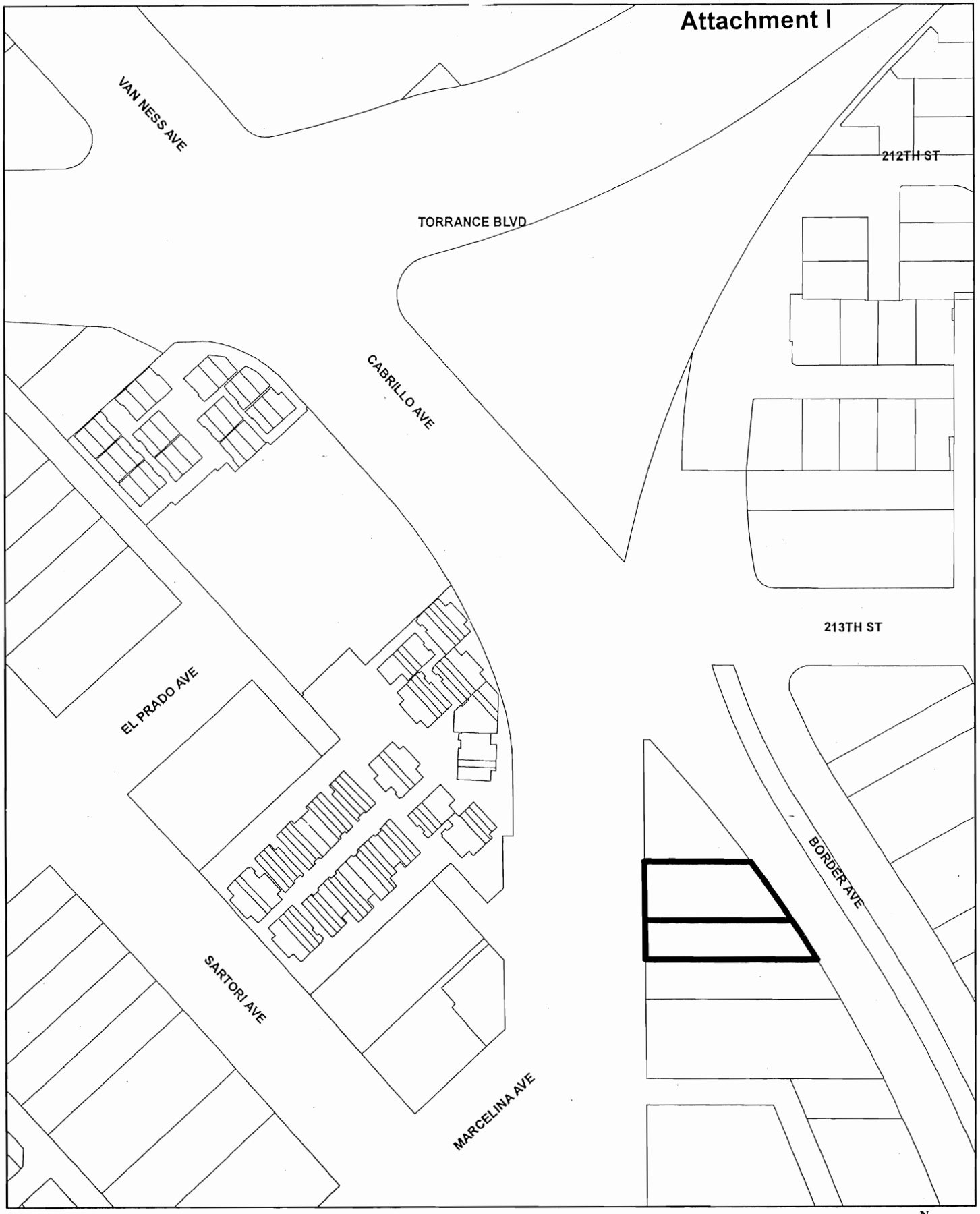

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Jeffery W. Gibson
Community Development Department

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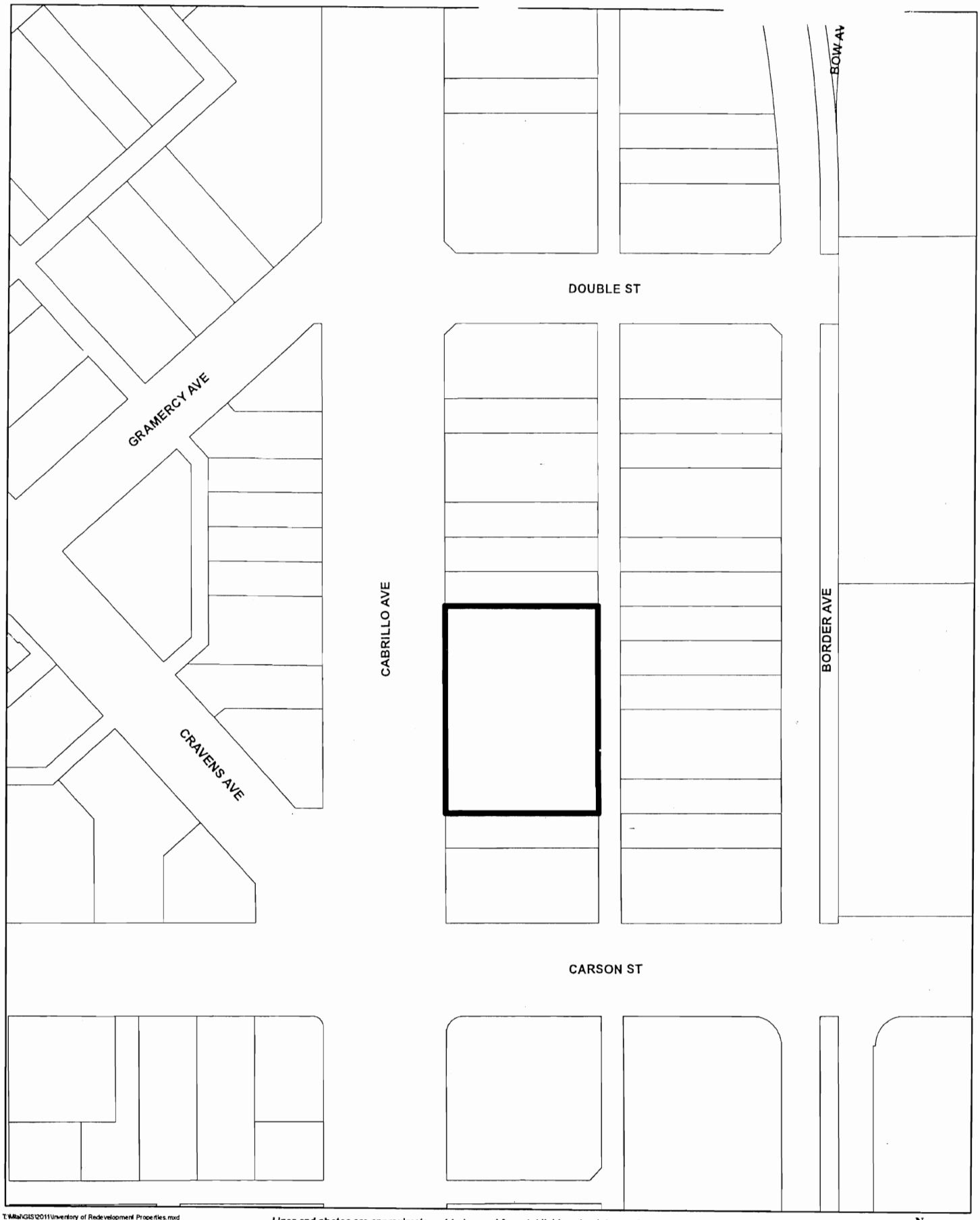

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Jeffery W. Gibson
Community Development Department

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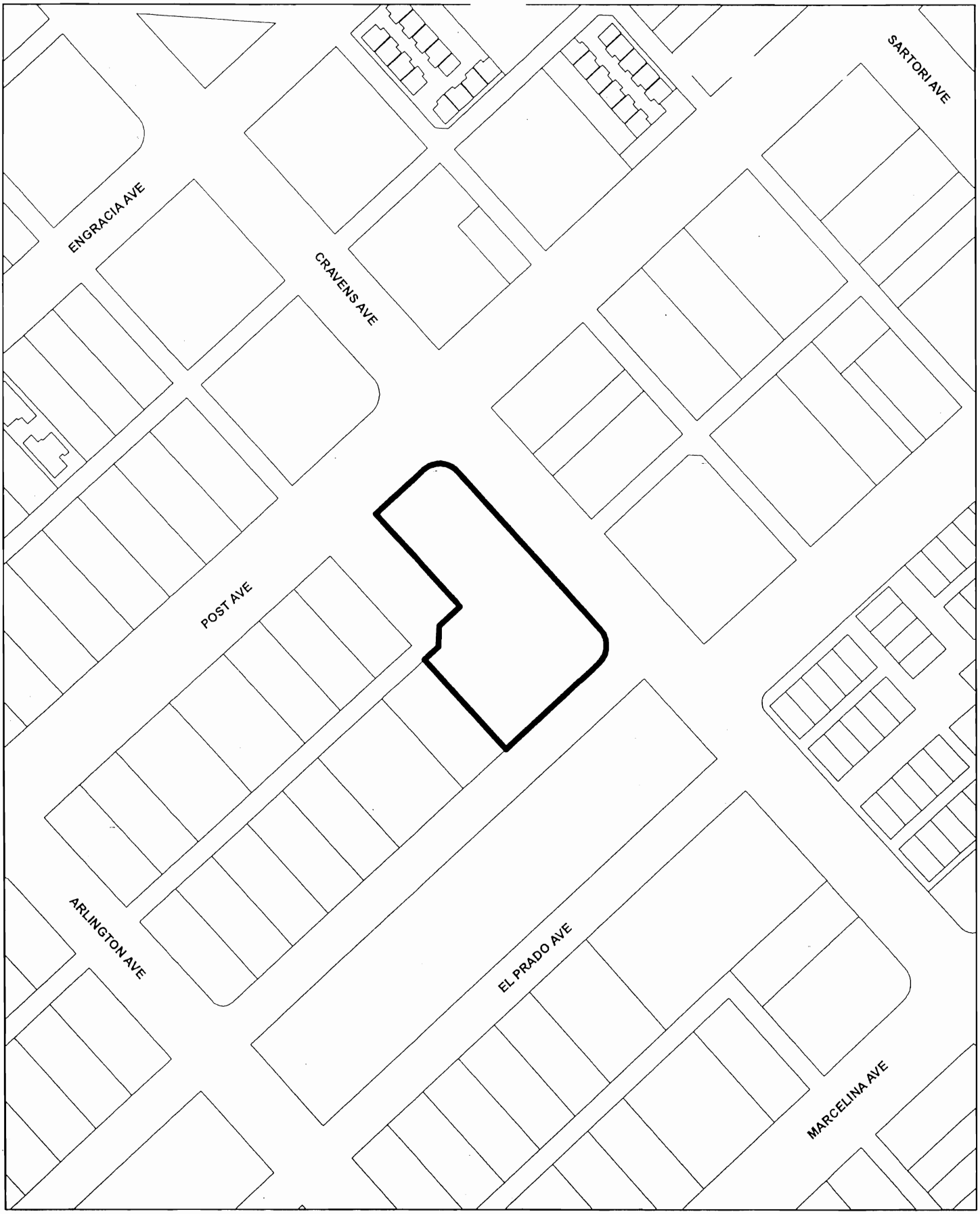

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Jeffery W. Gibson
Community Development Department

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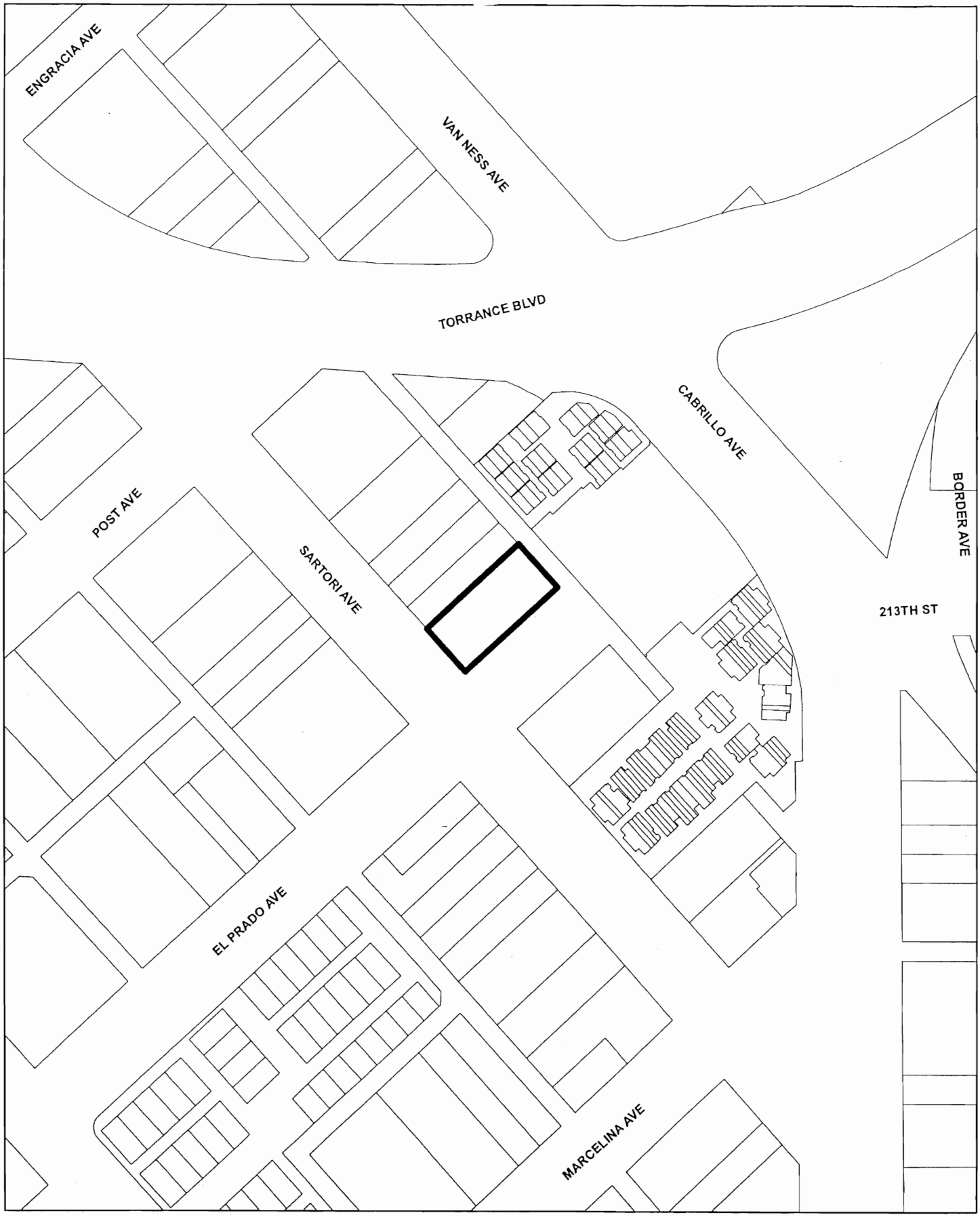

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Jeffery W. Gibson
Community Development Department

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Attachment M

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Jeffery W. Gibson
Community Development Department

Attachment N

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Jeffrey W. Gibson
Redevelopment Department

Board Meeting of
April 27, 2012

Honorable Chair and Members
of the City of Torrance Oversight Board
City Hall
Torrance, California

SUBJECT: Review of Successor Agency Cash Flow Analysis and Budget.

RECOMMENDATION

Recommendation that the Oversight Board review the Torrance Successor Agency Cash Flow Analysis and Budget for January through June of 2012.

BACKGROUND AND ANALYSIS

The Torrance Successor Agency Cash Flow for January through June of 2012 reflects a projected negative balance of $796,677 (see attachment A). The Successor Agency started with a cash balance as of January 31, 2012 of $318,299. Projected expenditures covering bond payments and qualified developer's payments through June of 2012 totals $1,114,976. The primary cause of the deficit balance is due to the interpretation by the County of Los Angeles on the distribution of Property Tax Funds as a result of implementing ABX1-26. The Torrance Redevelopment Agency received one less property tax allocation this year resulting in the deficit cash balance.

As mentioned above, the Successor Agency is operating with a negative cash balance which means that insufficient revenues exist to fund any expenses that are not on the July through June 2012 ROPS. A budget for the Oversight Board to pay expenses such as legal counsel, minute recording secretaries, postage and other materials and supplies will have to be addressed at a time when funding becomes available.

Respectfully submitted,

Eric E. Tsao
Finance Director

CONCUR:

Brian K. Sunshine
Assistant to the City Manager

NOTED:

LeRoy Jackson
City Manager

Attachment:
A) Cash flow analysis

6E

City of Torrance
Successor Agency

ATTACHMENT A

Cash, January 31, 2012	$	318,298.97
ROPS Expenditures:		
Salaries		(28,598.28)
Payment American Honda		(48,000.00)
Bond payments		(788,378.13)
Admin		(250,000.00)
Total Expenditures		(1,114,976.41)
Cash projected, June 30, 2012	$	(796,677.44)