



October 4, 2012

Ms. Wendy L. Watanabe  
Auditor-Controller  
County of Los Angeles Auditor-Controller  
Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 525  
Los Angeles, CA 90012-3873

**SUBJECT: RESPONSE TO SEPTEMBER 28, 2012 HEALTH & SAFETY CODE SECTION 34182.5 –AUDITOR-CONTROLLER NOTICE OF OBJECTIONS TO ROPS III SUBMITTED AUGUST 31, 2012**

Dear Ms. Watanabe,

This letter is in response to your letter dated September 28 regarding objections to the San Gabriel Successor Agency's ROPS III for the six-month fiscal period from January 1 to June 30, 2013. Below is an explanation to support items 30 and 31 and back up documentation, if available. Specifically the County Auditor-Controller objective to (1) the inclusion of items that are not demonstrated to be enforceable obligations; and (2) the proposed funding sources listed.

**Items 25: San Gabriel Boulevard Streetscape Improvement Project**

**Item 29: San Gabriel Boulevard Gateway Corridor Improvement Project (Fairview to Grand)**

Please find attached a copy of our letter dated October 1, 2012 to the Department of Finance. This letter restates our case for support for both these items.

**Item 30: Workout related to New Century OPA/DDA**

The real estate services listed in the amount of \$10,000 are to cover projected escrow and related closing costs related to the disposition of Agency-owned property at 1266-88 E. Las Tunas Drive. These expenditures will be required by the Successor Agency to meet the long-range property management plan requirements outlined in AB 1484. The Department of Finance has not yet provided detailed information on the plan process but we want to have an allowance to cover required real estate services.

**Item 31: Independent Legal Services**

On June 25, 2012, the Oversight Board determined that it had a need for independent legal counsel and established a committee to oversee a process to select a law firm. On July 30, the Oversight Board approved Colantuono & Levin, PC as general counsel and took related actions to amend the Second ROPS to reprogram funds in the amount of \$15,000 for independent legal services, and directed the Successor Agency to negotiate a fee agreement. The fee agreement was executed on

August 13, 2012. Pursuant to the directive by the Oversight Board, the Successor Agency included a new obligation called independent legal services in ROPS III in the amount of \$15,000 so that these services could be continued for the next six-month fiscal period. A copy of Resolution OB No. 12-09 and the fee agreement are attached for your use.

Please let me know if you have any questions about this item. I can be reached at (626) 308-2806 x5123 or rscherr@sgch.org.

Sincerely yours,



Robin Scherr  
Economic Development Manager

Attachments:

- No. 1: October 1, 2012 Response Letter to Daisy Rose, Department of Finance
- No. 2: Resolution OB No. 12-09
- No. 3: Fee agreement with Colantuono & Levin, PC

cc: Kristina Burns, Arlene Barrera, Los Angeles County Auditor-Controller  
Supervisor Michael D. Antonovich, Fifth Supervisorial District  
William T. Fujioka, Chief Executive officer  
John F. Krattli, County Counsel  
Michael Barr, Kylie Le, Daisy Rose, Department of Finance  
Tom Marston, Peter Wallin, City of San Gabriel