

RESOLUTION NO. 22 (SAS) Oversight Board

A RESOLUTION OF THE SANTA MONICA SUCCESSOR AGENCY OVERSIGHT BOARD RATIFYING THE FORMER REDEVELOPMENT AGENCY'S TRANSFER OF CERTAIN REAL PROPERTY ASSETS THAT WERE CONSTRUCTED AND USED FOR A GOVERNMENTAL PURPOSE TO THE CITY PURSUANT TO EXISTING AGREEMENTS RELATING TO THE CONSTRUCTION OR USE OF SUCH ASSETS.

RECITALS:

WHEREAS, pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) (the "Redevelopment Law"), the City Council of the City of Santa Monica (the "Council") adopted the Earthquake Recovery Redevelopment Project by Ordinance No. 1747 (CCS) on June 21, 1994, the Downtown Redevelopment Project by Ordinance No. 1021 (CCS) on January 13, 1976, the Ocean Park 1A Project by Ordinance No. 497 (CCS) on June 30, 1960, and the Ocean Park 1B Project by Ordinance No. 516 (CCS) on January 24, 1961 (collectively the "Redevelopment Plans"); and

WHEREAS, the California Legislature adopted, and the Governor signed, Assembly Bill Nos. 26 and 27 (2011-2012 1st Ex. Sess.) enacted as Stats. 2011, 1st Ex. Sess. 2011-2012, chs. 5-6 (hereinafter AB1x 26 and AB1x 27) into law; and

WHEREAS, in July 2011, *California Redevelopment Agency v. Matosantos* was filed in the California Supreme Court, challenging the constitutionality of AB1x 26 and AB1x 27, and on December 29, 2011, the Supreme Court issued its opinion in *Matosantos*, upholding AB1x 26 and exercising its power of reformation to revise and extend each effective date or deadline for performance of an obligation in part 1.85 of division 24 of the Redevelopment Law, and

invalidating AB1x 27; and

WHEREAS, effective on February 1, 2012, the City of Santa Monica ("City") became the designated Successor Agency of the Redevelopment Agency of the City of Santa Monica, within the meaning of AB1x 26; and

WHEREAS, after January 1, 2011, but prior to the enactment of AB1x 26, the former Redevelopment Agency of the City of Santa Monica ("RDA") transferred certain real property assets ("Real Property Assets") to the City in accordance with authorizing provisions of the Redevelopment Law; and

WHEREAS, a description of these Real Property Assets along with a description of the construction and use of these assets for a governmental purpose in accordance with existing agreements relating to the construction or use of such assets is included in the staff report attached hereto as Exhibit "A" (hereinafter referenced as "Staff Report") and incorporated herein by this reference; and

WHEREAS, the existing agreements referenced in the Staff Report have been made available to the Oversight Board for review; and

WHEREAS, the Oversight Board has reviewed the information presented in the Staff Report and considered any oral presentations made, if any, at the public meeting of the Oversight Board on September 15, 2014; and

WHEREAS, based upon the record before it, including the Staff Report, the existing agreements referenced in the Staff Report, and the oral presentations, if any, made at the public meeting of the Oversight Board on September 15, 2014, the Oversight Board finds and determines that the RDA's transfer of the Real Property Assets to the City was proper under applicable law and that those Real Property Assets were constructed and used for a governmental purpose pursuant to existing agreements relating to the construction or use of such assets, in accordance with Health and Safety Code Section 34181(a); and

WHEREAS, in accordance with Health and Safety Code section 34181(f), at least 10 days' notice to the public of the specific proposed actions to be considered by the Oversight

Board at the September 15, 2014 meeting was made by publication in the Santa Monica Daily Press on September 5, 2014, attached as Exhibit "B";

NOW, THEREFORE, THE OVERSIGHT BOARD DOES RESOLVE AS FOLLOWS:

SECTION 1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.

SECTION 2. The Oversight Board hereby ratifies the transfer of 1677 Ocean Avenue, 1683 Ocean Avenue and 1700 Main Street (100' strip) designated as public right of way for Olympic Drive, to the City as proper under applicable law and as assets constructed and used for a governmental purpose pursuant to existing agreements relating to the construction or use of such assets pursuant to Health and Safety Code Section 34181(a).

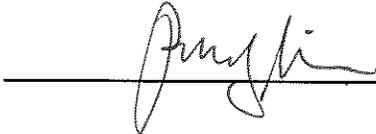
SECTION 3. The staff of the Successor Agency is hereby directed to transmit this Resolution to the Department of Finance on behalf of the Oversight Board, in accordance with Health and Safety Code section 34179(h).

SECTION 4. The Oversight Board authorizes the Successor Agency's Chief Administrative Officer or his designee to take such actions and execute such documents as are necessary or appropriate to effectuate the intent of this Resolution on behalf of the Oversight Board and any such actions previously taken are hereby ratified.

SECTION 5. The Secretary of the Oversight Board shall certify the adoption of this Resolution and thenceforth and thereafter the same shall be in full force and effect in accordance with applicable law.

SECTION 6. Nothing herein is intended to waive any constitutional, statutory, legal, or equitable rights of the Oversight Board, Successor Agency, City of Santa Monica, or any third parties with interests in and to any of the Real Property Assets referenced in the Staff Report.

APPROVED BY A MAJORITY OF THE TOTAL MEMBERSHIP OF THE OVERSIGHT BOARD:



CHAIR OF THE OVERSIGHT BOARD

3 of 3

Exhibit A

Santa Monica Redevelopment Successor Agency Oversight Board

Memorandum

Date: September 15, 2014
To: Oversight Board
From: Successor Agency Staff
Subject: Item 4-A Government-Purpose Assets Transferred to the Successor Agency

Government-Purpose Properties:

At its May 8, 2013 meeting, the Oversight Board ratified the former Redevelopment Agency's transfer to the City of Santa Monica ("City") of certain real property assets that were constructed and used for a governmental purpose [Oversight Board Resolution No. 13]. Successor Agency staff transmitted Resolution No. 13 to the Department of Finance ("DOF") on behalf of the Oversight Board, in accordance with Health and Safety Code section 34179(h) along with supporting documentation included in the April 22, 2013 staff report to the Oversight Board.

On August 21, 2013, the DOF rejected the Oversight Board's designation of certain properties as government-purpose assets. However, after meeting with City representatives in Sacramento and considering the Successor Agency's request for reconsideration on December 16, 2013, the DOF accepted the government-purpose designation as to all properties except the following:

Address	Government Purpose
1700 Main Street, 1673 Ocean Avenue, 1665 Ocean Avenue	Public Park (Tongva Park)
1677 and 1683 Ocean Avenue, 1700 Main Street (100' strip)	Public Street (Olympic Drive)

According to the DOF, the public improvements on these properties were not completed and used by the public at the time of the Oversight Board's designation. The Successor Agency does not agree with the DOF's determination that the improvements must be completed and used at the time of the Oversight Board's determination since Health and Safety Code section 34181(a) does not expressly require this. Nevertheless, the Successor Agency desires to work cooperatively with the DOF since the public improvements on these assets have been completed.

At its June 16, 2014 meeting, the Oversight Board ratified the former Redevelopment Agency's transfer to the City of Santa Monica of certain real property assets that were constructed and used for a governmental purpose [Oversight Board Resolution No. 20]. This included the properties at 1700 Main Street, 1673 Ocean Avenue, and 1665 Ocean Avenue that were constructed as a public park (named "Tongva Park").

The Olympic Drive ("Olympic Drive Extension") properties at 1677 and 1683 Ocean Avenue and 1700 Main Street (100' strip) had not been completed and accepted by the City in time for the June 16, 2014 Oversight Board meeting. Therefore the Oversight Board was not able to consider the adoption of a resolution ratifying the transfer of the Olympic Drive Extension properties at its June 16, 2014 meeting. However, the Olympic Drive Extension, which serves as a public street and entrance to the I-10 freeway, has been completed and accepted by the City [Acceptance Letter]. The City's engineering department accepted the public improvement as complete on June 26, 2014.

Recommendation

Because the properties comprising the Olympic Drive Extension were constructed and used for a government purpose in accordance with Health and Safety Code section 34180(a), staff recommends that the Oversight Board adopt a resolution ratifying the transfer of ownership of the Olympic Drive properties to the City in accordance with Health and Safety Code section 34181(a).

State Medical Daily Press
 Website: www.smdpress.com

National

FRIDAY, SEPTEMBER 5, 2014 11

POT
 FROM PAGE 10

Securities and Exchange Commission suspended trading in the stock in March over questions about the accuracy of the information about the company's operations.

INVESTORS

Investing in the pot business seems like it should be as easy as printing money. The product's millions of users are so dedicated that they've been willing to risk arrest to get it. To reach them, all businesses have to do is grow a weed and sell the flowers.

Pot investing is treacherous, though, even for professionals.

"There are a lot of huge egos and puffery in this industry," says Brendan Kennedy, a former Silicon Valley banker who helped found Privateer Holdings, a marijuana-focused private equity firm. "It takes a lot of time and energy to sort through the hype and find the right, legitimate opportunities."

Every new pot company thinks it has the best growing technique or marijuana strain, Kennedy says, but few have worked out a long-term business plan that coldly assesses the market and the risks. Growing plants for profit isn't quite so simple.

"Ultimately it's a crop, it's a commodity, not very different from a lot of agricultural products that are out there," Kennedy says. "Would you invest in a winery? Or a strawberry grower?"

Investing in pot stocks is even scarier, because nearly all of them are so-called penny stocks, like PetroTech, that trade outside of major exchanges. There are now a couple dozen of these companies, often with names that play on marijuana's scientific name, cannabis sativa, such as Advanced Cannabis Solutions or Cannabusiness Group. But many have tenuous ties to the marijuana industry, regulators say.

Canadian regulators issued a warning about marijuana-related stocks in June, following similar alerts from the U.S. Financial Industry Regulatory Authority last year and one from the SEC in May. Five times this year the SEC has suspended trading in shares of companies claiming to be in the marijuana business.

Kennedy says the penny stock companies "are full of charlatans and hucksters," who are "purely playing on the desire of Main Street investors to get into the industry."

One of the companies targeted by the SEC, called GrowLife, makes urban gardening equipment and trades under the ticker symbol PHOT. An October report designed to look like it was issued by a Wall Street firm suggested the company's stock was poised to rise nearly 300 percent. But that "research" was actually paid for by GrowLife - a detail found only in the report's fine print.

GrowLife's shares soared 900 percent, to 60 cents from 6 cents, between October and early April, when trading was halted by the SEC. In June the company revealed that the \$37 million loss it reported for the first quarter was actually double that, \$74 million. GrowLife shares have since fallen back to 7 cents.

GrowLife CEO Marco Hegyi says the

report "was never intended to boost the stock" and that legalization efforts boosted shares of GrowLife and other marijuana companies. Hegyi, who became CEO in March, says the company is working to improve its financial reporting. "We're more on top of our business," he says.

CONSUMERS

A decade ago, pot consumers risked jail time by buying pot of uncertain origin and quality in back-alley deals. Now, in many states, they can shop openly for a wide variety of strains with different levels of potency. Pot can be bought in bottles, foods and drinks with precise doses.

But buyers still need to beware. Companies are using pot's new legitimacy to try to equate getting high with taking care of your body or cutting any number of ailments, making extraordinary health claims about pot to push their products.

"Because it's a drug that makes people feel good, marketers want to put medical claims on it," says Bill London, a professor of public health at California State University in Los Angeles and a health claim watchdog. London has no problem with legalization, but says many medical claims for marijuana "are false or exaggerated" and "should not be tolerated."

The website Cannabiz.org, started by GrowLife and carries the tagline "Cannabis is Medicine," lists 17 major diseases that cannabis can treat, including Alzheimer's, cancer, and diabetes.

Some of the chemicals in marijuana have been tested thoroughly and found to effectively treat some conditions, such as reducing nausea and stimulating appetite in patients undergoing chemotherapy. These or other chemicals in pot may someday be found to be effective in treating other diseases - or they could be found to be dangerous in ways not yet understood. Scientists simply don't know yet.

A Colorado company called Dixie Elixirs sells pot in pill form called "scrips" - short for "prescriptions." "These pills allow users to manage both their ups and downs, despite the same amount of pot in each pill, with additives like ashwagandha root. "Awakening Scrips" are said to provide a "stimulating sensation," while "Relaxing Scrips" are said to "reduce mental and physical stress and promote relaxation."

Joe Hodas, chief marketing officer at Dixie Elixirs, says the company is careful to not make specific medical claims about its products. "It's the regulatory framework that forces businesses to sell (marijuana) as medicine because that's the only way it's legal (in most states)," he says.

In a marketing pitch for one pot-based product, called Foria, a woman identified as "Anna, 29" says: "Foria is potent medicine and the most healing way I have ever used cannabis." It's not clear that Anna had a medical problem, though. The product is a pot-based lubricant for women, designed to increase sexual pleasure by delivering a high through their private parts.

AP Writers Kristen Wyatt in Denver and Gene Johnson in Seattle contributed to this story. Jonathan Fahey can be reached at http://twitter.com/JonathanFahey.

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Public Notice

NOTICE OF PROPOSED ACTION BY THE SANTA MONICA REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD TO AUTHORIZE THE TRANSFER OF OWNERSHIP OF CERTAIN REAL PROPERTY ASSETS CONSTRUCTED AND USED FOR A GOVERNMENTAL PURPOSE TO THE CITY OF SANTA MONICA PURSUANT TO SUBDIVISION (A) OF HEALTH AND SAFETY CODE SECTION 34181

On September 15, 2014, the Santa Monica Redevelopment Successor Agency Oversight Board ("Oversight Board") will consider a proposed action to authorize the transfer of ownership of real property assets constructed and used for a governmental purpose to the City pursuant to any existing agreements relating to the construction or use of that asset ("Proposed Action").

Address*	Government Purpose
1677 and 1683 Ocean Avenue	Public Street
and 1700 Main Street (100' strip)	

*All addresses are located within the City of Santa Monica, California

WHAT: Santa Monica Redevelopment Successor Agency Oversight Board Public Meeting to consider the Proposed Action

WHERE: Ken Edwards Center
 1527 4th Street, Room 100B
 Santa Monica, 90401

WHEN: Monday, September 15, 2014
 5:30 p.m.

FILM SCREENING & PANEL DISCUSSION

JUST GENDER

SEPTEMBER 7th, 2014
 5:00PM - 7:00PM

CONGREGATION KOL AM
 1200 N LA BREA AVENUE
 WEST HOLLYWOOD, CA

FOR TICKETS
www.marriageequality.org/justgender

Join us in screening the documentary, JUST GENDER, narrated by Ed Bradley and featuring women justice warriors Bobo Nauwith, as they explore the challenges women are exploring the fight for equality and discuss the path to marriage equality.

EVENT HOST:
BUCK ANGEL

DISCUSSION PANEL:
DRIAN JUAREZ
 Director, National Center for Transgender Equality

DR. E. JAYE JOHNSON
 Director, National Center for Transgender Equality

BABBY SALCEDO
 Director, National Center for Transgender Equality

marriage equality USA

MEMBERS: [unreadable]

PARTNERS: [unreadable]

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Adopted and approved this 15th day of September 2014.



Paul Silvern, Chair
Successor Agency Oversight Board

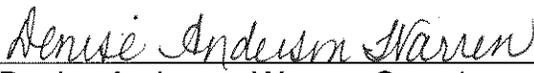
I, Denise Anderson-Warren, Secretary to the Successor Agency Oversight Board, do hereby certify that the foregoing Resolution No. 22 (SAS-Oversight Board) was duly adopted at a meeting of the Oversight Board meeting held on the 15th day of September 2014, by the following vote:

AYES: Board Members Dijkstra, Girard, Kanschat, Maez, Varon,
Vice-Chair Moran, Chair Silvern

NOES: None

ABSENT: None

ATTEST:



Denise Anderson-Warren, Secretary
Successor Agency Oversight Board