



**MAYOR ROBERT GARCIA**  
CITY OF LONG BEACH

May 21, 2015

The Honorable Richard Roth, Chair  
Senate Budget & Fiscal Review Subcommittee #4  
State Capitol Building, Room 5019  
Sacramento, CA 95814

The Honorable Adrin Nazarian, Chair  
Assembly Budget Subcommittee on State Administration #4  
State Capitol Building, Room 5019  
Sacramento, CA 95814

**RE: Opposition to Current Budget Trailer Language re: Oversight Boards  
Support for AB 204 (O'Donnell) – Los Angeles County Oversight Boards**

Dear Chairmen Roth and Nazarian:

On behalf of the City of Long Beach, I write in opposition to the proposed budget trailer language regarding Oversight Boards and the specific language which affects Los Angeles County. The language in the budget trailer bill published on May 19, 2015 supersedes AB 204 (O'Donnell), legislation sponsored by the City of Long Beach to address concerns associated with the scheduled consolidation of 71 individual Oversight Boards in Los Angeles County. The City of Long Beach continues to strongly support the solution proposed in AB 204, and opposes the alternative proposal.

Existing law requires all 71 Oversight Boards in the County to dissolve and transfer all fiduciary oversight duties to a single County Oversight Board by July 1, 2016. The budget trailer bill proposes instead, to create five new oversight boards in Los Angeles County to oversee financial transactions related to the redevelopment dissolution effort in each of the five supervisorial districts.

The City appreciates the Department of Finance staff's recognition that a single oversight board in Los Angeles County cannot absorb the workload of the County's 71 existing individual Oversight Boards. However, the creation of five oversight boards in the County does not solve this problem. While oversight board responsibilities do not change, similar to a single county oversight board, the five new oversight boards will have to climb a steep learning curve with respect to the number of complex individual financial transactions that existing boards have already learned. In addition, the process to create five new boards and dissolve 71 existing boards all at once will slow the dissolution of former redevelopment agencies.

Long Beach continues to strongly support the solution proposed in AB 204. AB 204 seeks to give existing individual Oversight Boards in Los Angeles County, the ability to choose whether to continue existing past July 1, 2016, or transfer all fiduciary oversight responsibilities to a single County Oversight Board, as directed by existing State law.

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The current proposal only applies to counties where there are 40 or more oversight boards; Los Angeles County is the only county in the State that meets this threshold. It is important to note that the provisions in AB 204 are also limited to Los Angeles County. This bill is supported by the County of Los Angeles, City of Los Angeles and 10 other individual cities across the County. AB 204 has no registered opposition and passed the Assembly Committee on Local Government, and the Assembly Floor with unanimous votes of approval.

Given these reasons, the City of Long Beach reaffirms our commitment to the Oversight Board solution proposed in AB 204. We urge the State Senate and Assembly Budget Subcommittee to also support this solution.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert Garcia', with a stylized flourish at the end.

Mayor Robert Garcia  
City of Long Beach

cc: The Honorable Patrick O'Donnell, State Assembly, 70<sup>th</sup> District  
The Honorable Ricardo Lara, State Senate, 33rd District  
The Honorable Janet Nguyen, State Senate, 34<sup>h</sup> District  
The Honorable Isadore Hall III, State Senate 35<sup>th</sup> District  
The Honorable Anthony Rendon, State Assembly, 63rd District  
The Honorable Mike Gipson, State Assembly, 64th District