

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
NORWALK REDEVELOPMENT AGENCY**

**SPECIAL MEETING
AGENDA**

**JANUARY 29, 2018
3:00 p.m.**

**U.S. CONSTITUTION ROOM #4
12700 NORWALK BOULEVARD, NORWALK, CA**

**BING HYUN, BOARD MEMBER
HAL MALKIN, BOARD MEMBER
JAMES C. PARKER, BOARD MEMBER
ESTUARDO SANTILLAN, BOARD MEMBER**

This Oversight Board has been created pursuant to §34161 through §34190 of the Health and Safety Code for the sole purpose of overseeing the actions of the Successor Agency to the Norwalk Redevelopment Agency. In accordance with Health and Safety Code §34179(h), all Oversight Board actions shall not be effective for three business days, pending a request for review by the State Department of Finance (Department). In the event that the Department requests a review of a given Oversight Board action, it shall have 10 days from the date of its request to approve the Oversight Board action or return it to the Oversight Board for reconsideration, and such Oversight Board action shall not be effective until approved by the Department. In the event that the Department returns the Oversight Board action to the Oversight Board for reconsideration, the Oversight Board shall resubmit the modified action for Department approval, and the modified Oversight Board action shall not become effective until approved by the Department.

**The public may speak at this meeting only on those
matters specified on this agenda**

CALL TO ORDER Board Secretary

ROLL CALL Board Secretary

1. SELECTION OF CHAIR AND VICE CHAIR

**2. RESOLUTION NO. OB 18-01 - APPROVAL OF MINUTES – A RESOLUTION OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK
REDEVELOPMENT AGENCY APPROVING MINUTES FOR OVERSIGHT BOARD MEETING
OF JANUARY 24, 2017.**

**3. RESOLUTION NO. OB 18-02 – APPROVAL OF RECOGNIZED OBLIGATION PAYMENT
SCHEDULE FOR 2018-19 – JULY 1, 2018 THROUGH JUNE 30, 2019 - Staff recommends that
the Oversight Board of the Successor Agency to the Norwalk Redevelopment Agency adopt
Resolution No. OB 18-02, A RESOLUTION OF THE OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING A
RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD
COMMENCING FROM JULY 1, 2018 THROUGH JUNE 30, 2019 AND TAKING RELATED
ACTIONS.**

4. RESOLUTION NO. OB 18-03 – APPROVAL OF ADMINISTRATIVE BUDGET 2018-19 – JULY 1, 2018 THROUGH DECEMBER 31, 2018 AND FROM JANUARY 1, 2019 THROUGH JUNE 30, 2019 - Staff recommends that the Oversight Board of the Successor Agency to the Norwalk Redevelopment Agency adopt **Resolution No. OB 18-03, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING PROPOSED ADMINISTRATIVE BUDGETS FOR THE SIX-MONTH FISCAL PERIODS FROM JULY 1, 2018 THROUGH DECEMBER 31, 2018, AND FROM JANUARY 1, 2019 THROUGH JUNE 30, 2019, AND TAKING RELATED ACTIONS.**

EXECUTIVE DIRECTOR TO THE SUCCESSOR AGENCY OF THE NORWALK REDEVELOPMENT AGENCY REPORT

BOARD MEMBER COMMENTS

Dated this 25th day of January 2018.

Theresa Devoy, CMC
Board Secretary

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing notice of special meeting was posted at City Hall not less than 24-hours before the start of the meeting, delivered to each member of the Norwalk Oversight Board and provided to the following newspapers: Herald American, Los Cerritos Community News, Norwalk Patriot, and Whittier Daily News, all on the 25th day of January 2018.

Theresa Devoy, CMC
Board Secretary

RESOLUTION NO. OB 18-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING MINUTES FOR OVERSIGHT BOARD MEETING OF JANUARY 24, 2017

WHEREAS, pursuant to Health and Safety Code Section 34179(e), all actions taken by the Oversight Board of the Successor Agency to the Norwalk Redevelopment Agency (the "Oversight Board") shall be adopted by resolution.

WHEREAS, further pursuant to Health and Safety Code Section 34179(h), written notification and information about all actions taken by the Oversight Board shall be provided to the California State Department of Finance ("DOF") by electronic means and in a manner of DOF's choosing.

WHEREAS, there has been presented to the Oversight Board for approval, minutes (the "Minutes") for the Oversight Board's meeting held on January 24, 2017.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves the Minutes of January 24, 2017.

APPROVED AND ADOPTED this 29th day of January 2018.

CHAIR

ATTEST:

**THERESA DEVOY, CMC
SECRETARY**

**MINUTES OF THE SPECIAL MEETING
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
NORWALK REDEVELOPMENT AGENCY
NORWALK, CALIFORNIA
JANUARY 24, 2017**

Chair Egan called the meeting to order at 3:03 p.m. in U.S. Constitution Room/#4, 12700 Norwalk Boulevard, Norwalk, California. Responding to roll call were: Board members Anderson, Malkin, Santillan and Chair Egan; Board member Glover was absent and has tendered his resignation as have Board members El Fattal and Helvey. Also present were Teresa Ho-Urano, Successor Agency Legal Counsel; Jana Stuard, Finance Officer for the Successor Agency to the Norwalk Redevelopment Agency; and Theresa Devoy, Secretary to the Board.

RESOLUTION NO. OB 17-01 - APPROVAL OF MINUTES – JANUARY 25, 2016

Board member Anderson moved and Board member Malkin seconded to adopt **Resolution No. OB 17-01, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING MINUTES FOR OVERSIGHT BOARD MEETING OF JANUARY 25, 2017. MOTION CARRIED BY THE FOLLOWING ROLL CALL VOTE:**

AYES: Board members Anderson, Malkin, and Santillan, and Chair Egan

NOES: None

ABSENT: Board member Glover

1315-03

RESOLUTION NO. OB 17-02 - RESOLUTION NO. OB 17-02 – RECOGNIZED OBLIGATION PAYMENT SCHEDULE 17-18

Following a report from Jana Stuard, Finance Officer for the Successor Agency to the Norwalk Redevelopment Agency, Board member Malkin moved and Board member Santillan seconded to adopt **Resolution No. OB 17-02, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD COMMENCING FROM JULY 1, 2017 THROUGH JUNE 30, 2018 AND TAKING RELATED ACTIONS. MOTION CARRIED BY THE FOLLOWING ROLL CALL VOTE:**

AYES: Board members Anderson, Malkin, and Santillan, and Chair Egan

NOES: None

ABSENT: Board member Glover

1310-04

**Minutes of the Special Meeting
Oversight Board of the Successor Agency
to the Norwalk Redevelopment Agency
January 24, 2017**

**RESOLUTION NO. OB 17-03– ADMINISTRATIVE BUDGET 2017-18 – JULY 1, 2017
THROUGH DECEMBER 31, 2017 AND FROM JANUARY 1, 2018 THROUGH
JUNE 30, 2018**

Ms. Stuard provided a brief report indicating that the budgets were consistent with previous budgets. Board member Malkin moved and Board member Anderson seconded to adopt **Resolution No. OB 17-03, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING PROPOSED ADMINISTRATIVE BUDGETS FOR THE SIX-MONTH FISCAL PERIODS FROM JULY 1, 2017 THROUGH DECEMBER 31, 2017, AND FROM JANUARY 1, 2018 THROUGH JUNE 30, 2018, AND TAKING RELATED ACTIONS. MOTION CARRIED BY THE FOLLOWING ROLL CALL VOTE:**

AYES: Board members Anderson, Malkin, and Santillan, and Chair Egan

NOES: None

ABSENT: Board member Glover

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**EXECUTIVE DIRECTOR TO THE SUCCESSOR AGENCY OF THE NORWALK
REDEVELOPMENT AGENCY REPORT**

None.

BOARD MEMBER COMMENTS

None.

ADJOURNMENT

There being no further business to come before the Oversight Board, the meeting was adjourned at 3:11 p.m.

**THERESA DEVOY, CMC
SECRETARY**

ATTEST:

**MICHAEL J. EGAN
CHAIR**

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE NORWALK REDEVELOPMENT AGENCY**

AGENDA REPORT

DATE: January 29, 2018

TO: Oversight Board

FROM: Jana Stuard, Finance Officer
Successor Agency to the Norwalk Redevelopment Agency

SUBJECT: RESOLUTION NO. OB 18-02 – APPROVING THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY’S RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD COMMENCING FROM JULY 1, 2018 THROUGH JUNE 30, 2019 (“ROPS 18-19”), PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177

Background:

Pursuant to Section 34177 of the Health and Safety Code (“HSC”), in order to make payments on enforceable obligations, the Successor Agency must prepare a Recognized Obligation Payment Schedule (“ROPS”) for specified fiscal periods.

All ROPS must be approved by the Oversight Board. Furthermore, each Oversight Board-approved ROPS must be submitted to the DOF for review. HSC Section 34177 also requires the Successor Agency to submit an Oversight Board-approved ROPS to the DOF and to the County Auditor-Controller no later than February 1, 2018. A copy of the Oversight Board-approved ROPS must be posted on the Successor Agency’s website.

The DOF may eliminate or modify any item on the ROPS before approving it. The DOF must make its determination regarding the enforceable obligations and the amount and funding source for each enforceable obligation listed on ROPS 18-19 no later than April 16, 2018. Within five business days of the DOF’s determination, the Successor Agency may request to “meet and confer” with the DOF on disputed items. The meet and confer period may vary, but an untimely submission of ROPS 18-19 may result in a meet and confer period of less than 30 days.

The County Auditor-Controller may object to the inclusion of any item on the ROPS that is not demonstrated to be an enforceable obligation and may object to the funding source proposed for any item. The County Auditor-Controller must provide notice of its objections to the DOF, the Successor Agency and the Oversight Board at least 60 days before disbursements from the Redevelopment Property Tax Trust Fund (“RPTTF”) are required to be made.

The County Auditor-Controller is required to make RPTTF disbursements to the Successor Agency pursuant to the DOF-approved ROPS 18-19 on June 1, 2018 (to cover enforceable obligation payments from July 1, 2018 through December 31, 2018) and January 2, 2019 (to cover enforceable obligation payments from January 1, 2019 through June 30, 2019)

Penalties for Failure to Make Timely Submission

If the Successor Agency does not submit an Oversight Board-approved ROPS 18-19 by February 1, 2018, the City of Norwalk will be subject to a civil penalty of \$10,000 per day for every day that ROPS 18-19 is not submitted to the DOF. The penalty will be paid to the County Auditor-Controller for distribution to the taxing entities. If the Successor Agency does not timely submit ROPS 18-19, creditors of the Successor Agency, the DOF, and affected taxing entities may request a writ of mandate to require the Successor Agency to immediately perform this duty. Additionally, if the Successor Agency does not submit ROPS 18-19 within 10 days of the February 1, 2018 deadline, the Successor Agency's maximum administrative cost for that period will be reduced by 25 percent.

If the Successor Agency fails to submit an Oversight Board-approved ROPS to the DOF within five business days of "the date upon which the ROPS is to be used to determine the amount of property tax allocations," the DOF may order the County Auditor-Controller to withhold a scheduled RPTTF disbursement to the Successor Agency pending the DOF's review of the related ROPS. It is not clear what is "the date upon which the ROPS is to be used to determine the amount of property tax allocations." Possibly, it is referring to October 1 and April 1, the dates by which the County Auditor-Controller must prepare estimates for the upcoming RPTTF disbursements on January 2 and June 1, respectively, and provide the estimates to the DOF, the Successor Agency and the taxing entities. In conjunction with such a withholding, the DOF may order the County Auditor-Controller to disburse to the taxing entities money from the RPTTF that the DOF determines to be in excess of the amount needed for enforceable obligations.

ROPS 18-19

ROPS 18-19 is generally consistent with the ROPS filed in previous periods. Pursuant to HSC 34171(b), the Successor Agency is entitled to receive no less than \$250,000 from RPTTF for fiscal year 2018-19 administrative costs allowance. Per request of the Los Angeles County, the Successor Agency placed on the ROPS 18-19 two deferred loans, which were per DOF determination letter, dated May 11, 2012, not recognized as enforceable obligations. No repayment of City or County loans is requested on ROPS 18-19, as the Successor Agency did not receive any residual distributions during the ROPS 17-18 period.

Fiscal Impact:

The preparation and submittal of ROPS 18-19 is for the purpose of allowing the Successor Agency to pay its enforceable obligations for the period from July 1, 2018 to June 30, 2019.

Environmental Impact:

There will be no new environmental impact associated with adoption of the attached Resolution.

Recommended Action:

Staff recommends that the Oversight Board for the Successor Agency to the Norwalk Redevelopment Agency adopt Resolution No. OB 18-02, approving the ROPS 18-19, and taking related actions.

Attachments:

Resolution No. OB 18-02

RESOLUTION NO. OB 18-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD COMMENCING FROM JULY 1, 2018 THROUGH JUNE 30, 2019 AND TAKING RELATED ACTIONS

WHEREAS, pursuant to Health and Safety Code Section 34177(o), the Successor Agency to the Norwalk Redevelopment Agency (the "Successor Agency") must prepare a Recognized Obligation Payment Schedule listing the anticipated payments for enforceable obligations to be made by the Successor Agency during the fiscal period from July 1, 2018 through June 30, 2019 ("ROPS 18-19") and submit ROPS 18-19 to the oversight board for the Successor Agency (the "Oversight Board") for approval; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(2)(C) and Section 34177(o)(1), the Successor Agency must: (i) submit the Oversight Board-approved ROPS 18-19 to the DOF, the Office of the State Controller, and the County Auditor-Controller no later than February 1, 2018, and (ii) post a copy of the Oversight Board-approved ROPS 18-19 on the Successor Agency's website;

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves the proposed ROPS 18-19, substantially in the form attached hereto as Exhibit A. Staff of the Successor Agency is hereby authorized and directed to: (i) submit a copy of Oversight Board-approved ROPS 18-19 to the DOF, the Office of the State Controller, and the County Auditor-Controller and (ii) post a copy of the Oversight Board-approved ROPS 18-19 on the Successor Agency's Internet website (being a page on the Internet website of the City of Norwalk).

Section 3. The Oversight Board hereby designates the Executive Director of the Successor Agency, Jesus M. Gomez, as the official designated to whom DOF may make a request for review in connection with actions taken by the Oversight Board.

Section 4. The members of the Oversight Board and the Staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including requesting additional review by the DOF and an opportunity to meet and confer on any disputed items, and any such actions previously taken by such Oversight Board members or Staff members are hereby ratified and confirmed.

APPROVED AND ADOPTED on this 29th day of January, 2018.

CHAIR

ATTEST:

**THERESA DEVOY
SECRETARY**

Recognized Obligation Payment Schedule (ROPS 18-19) - Summary

Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency: Norwalk
County: Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	18-19A Total (July - December)	18-19B Total (January - June)	ROPS 18-19 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ 339,625	\$ 329,625	\$ 669,250
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	339,625	329,625	669,250
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 2,257,246	\$ 2,242,660	\$ 4,499,906
F RPTTF	2,126,996	2,122,910	4,249,906
G Administrative RPTTF	130,250	119,750	250,000
H Current Period Enforceable Obligations (A+E):	\$ 2,596,871	\$ 2,572,285	\$ 5,169,156

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title
/s/ _____
Signature Date

Norwalk Recognized Obligation Payment Schedule (ROPS 18-19) - ROPS Detail

July 1, 2018 through June 30, 2019

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	18-19A (July - December)					18-19B (January - June)					W		
											Fund Sources					Fund Sources							
											L	M	N	O	P	Q	R	S	T	U		V	18-19B Total
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 18-19 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	18-19A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	18-19B Total	
								\$ 127,969,449		\$ 5,169,156			\$ 339,625	\$ 2,126,996	\$ 130,250	\$ 2,596,871			\$ 329,625	\$ 2,122,910	\$ 119,750	\$ 2,572,285	
1	NRA Tax Allocation Refunding	Bonds Issued On or Before 06/28/11	11/30/2005	10/1/2035	The Bank of New York Mellon	Bond issue to fund redevelopment projects	Merged	38,868,349	N	\$ 2,194,030				1,095,858		\$ 1,095,858				1,098,172		\$ 1,098,172	
2	NRA Tax Allocation Refunding Bonds, 2005 Series B	Bonds Issued On or Before 12/31/10	11/30/2005	10/1/2035	The Bank of New York Mellon	Bond issue to fund redevelopment projects	Merged	36,268,806	N	\$ 2,050,376				1,025,638		\$ 1,025,638				1,024,738		\$ 1,024,738	
3	Fiscal Agent Fees	Fees	11/30/2005	10/1/2035	The Bank of New York Mellon	Fees Related to 2005 TARB and TAB, Series A & B	Merged	5,500	N	\$ 5,500				5,500		\$ 5,500				-		\$ -	
5	Borrowed from the City: Metro Loan	City/County Loan (Prior 06/28/11), Cash exchange	10/8/1991	10/8/2035	City of Norwalk	Borrowed by the Agency: Loan for the Metro Center Project	Merged	8,462,953	N	\$ -				-		\$ -				-		\$ -	
6	Hoxie Property Rent	Miscellaneous	11/27/1985	6/30/2021	Norwalk La Mirada Unified School District	Rent Payment	Merged	629,250	N	\$ 659,250			329,625			\$ 329,625			329,625			\$ 329,625	
9	Appraisal of properties	Property Dispositions	10/28/2003	6/30/2018	R.P. Laurain & Associates (or other appraiser firm)	Fees for appraiser services - as needed	Merged	8,000	N	\$ 8,000			8,000			\$ 8,000						\$ -	
11	Annual Audit	Admin Costs	6/3/2008	3/31/2020	White Nelson Diehl Evans LLP per RFP selection	Annual financial statement and report	Merged	8,500	N	\$ 8,500					8,500	\$ 8,500						\$ -	
12	Property Tax Consulting Services	Admin Costs	5/21/1996	10/1/2035	HdL Companies	Financial Consulting	Merged	9,200	N	\$ 9,200					4,600	\$ 4,600					4,600	\$ 4,600	
13	Legal Services	Admin Costs	8/1/1989	10/1/2035	Richards Watson Gershon	Legal Counsel	Merged	13,000	N	\$ 13,000					7,500	\$ 7,500					5,500	\$ 5,500	
14	Administration of Agency Dissolution - Personnel Cost	Admin Costs	4/3/2012	10/1/2035	City of Norwalk	Salaries & Benefits of NRA Officers & Staff	Merged	218,500	N	\$ 218,500					109,250	\$ 109,250					109,250	\$ 109,250	
15	Other Administrative Cost	Admin Costs	4/3/2012	10/1/2035	City of Norwalk	Postage, Office Supplies, Duplication, Telephone & Fax, Banking charges	Merged	600	N	\$ 600					300	\$ 300					300	\$ 300	
16	Training, Meetings, Seminars & Membership	Admin Costs	4/3/2012	10/1/2035	California Redevelopment Association & Other professional organizations	Cost of attending training, conferences, meetings & membership	Merged	200	N	\$ 200					100	\$ 100					100	\$ 100	
21	Disposal of Properties - various cost	Property Dispositions	1/1/2015	6/30/2018	Various Vendors: Escrow Companies, Environmental Review, other professional services as needed	Various costs, other than appraisal, related to the disposal of redevelopment properties: environmental reviews, escrow fees, etc.	Merged	2,000	N	\$ 2,000			2,000			\$ 2,000							\$ -
22	Los Angeles County - Deferred Loan PA 1	City/County Loan (Prior 06/28/11), Other	7/24/1984	10/1/2060	Los Angeles County	Agreement for Reimbursement of Tax Increment Funds	Merged (1)	30,691,666	N	\$ -						\$ -							\$ -
23	Los Angeles County - Deferred Loan PA 2	City/County Loan (Prior 06/28/11), Other	8/17/1987	10/1/2060	Los Angeles County	Agreement for Reimbursement of Tax Increment Funds	Merged (2)	12,782,925	N	\$ -						\$ -							\$ -
24									N	\$ -						\$ -							\$ -

Norwalk Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances
July 1, 2015 through June 30, 2016
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#)

A	B	C	D	E	F	G	H	I	
		Fund Sources							
		Bond Proceeds		Reserve Balance		Other	RPTTF		
	Cash Balance Information for ROPS 15-16 Actuals (07/01/15 - 06/30/16)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	Comments	
1	Beginning Available Cash Balance (Actual 07/01/15)	4,274,046	-	1,176,311	-	4,586,400	337,114		
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16 total distribution from the County Auditor-Controller during June 2015 and January 2016.	225				717,580	2,828,069		
3	Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)					2,023,016	3,233,947		
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	4,274,271		1,176,311					
5	ROPS 15-16 RPTTF Balances Remaining	No entry required							
6	Ending Actual Available Cash Balance (06/30/16) C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 + 5)	\$ -	\$ -	\$ -	\$ -	\$ 3,280,964	\$ (68,764)	Cell G13 amount was used to pay for enforceable obligations during the following fiscal years.	

Norwalk Recognized Obligation Payment Schedule (ROPS 18-19) - Notes July 1, 2018 through June 30, 2019

Item #	Notes/Comments
1	Per DOF's directions from prior meet and confer, SA is requesting additional RPTTF as a reserve to cover 1/2 of principal payment coming due during the ROPS 19-20A period. The requested amount of \$,1,098,172 includes interest amount of \$600,672 and half of the principal amount due on 10/1/19, \$497,500.
2	Per DOF's directions from prior meet and confer, SA is requesting additional RPTTF as a reserve to cover 1/2 of principal payment coming due during the ROPS 19-20A period. The requested amount of \$1,024,738 includes interest amount of \$624,738 and half of the principal amount due on 10/1/19, \$400,000.
5	Per SB107 amount due has been recalculated at 3% simple annual interest; re-established pursuant to Resolution No. OB 14-02, approved by DOF on 4/9/14
6	Rent payment received from Costco and the same amount is passed on to the landlord, Norwalk-La Mirada Unified School District
9	Termination date is estimated. Cost is estimated.
12	Termination date is estimated.
13	Termination date is estimated.
14	All or a portion of item 14 are to be repaid to the City pursuant to the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses. Termination date is estimated.
15	All or a portion of item 15 are to be repaid to the City pursuant to the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses. Termination date is estimated.
16	All or a portion of item 16 are to be repaid to the City pursuant to the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses. Termination date is estimated.
18	Termination date is estimated.
21	Termination date is estimated.
22	Obligation originally listed on ROPS I., was not authorized per DOF letter dated 5/11/2012. Obligation and obligation balance are listed per request of the Los Angeles County (Deferred Loan PA 1 with 0% interest). Termination date is estimated.
23	Obligation originally listed on ROPS I., was not authorized per DOF letter dated 5/11/2012. Obligation and obligation balance are listed per request of the Los Angeles County (Deferred Loan PA 2 with 7% annual interest). Termination date is estimated.

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE NORWALK REDEVELOPMENT AGENCY**

AGENDA REPORT

DATE: January 29, 2018

TO: Oversight Board

FROM: Jana Stuard, Finance Officer
Successor Agency to the Norwalk Redevelopment Agency

SUBJECT: RESOLUTION NO. OB 18-03 – APPROVING THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY’S PROPOSED ADMINISTRATIVE BUDGETS FOR THE SIX-MONTH FISCAL PERIODS FROM JULY 1, 2018 THROUGH DECEMBER 31, 2018 AND FROM JANUARY 1, 2019 THROUGH JUNE 30, 2019

Background:

Pursuant to 34177(j) of the California Health and Safety Code (“HSC”), the Successor Agency is required to prepare a proposed administrative budget for each six-month fiscal period, which must be submitted to the Oversight Board for approval. Each proposed administrative budget must include all of the following: (1) estimated amounts for Successor Agency administrative costs for the applicable six-month fiscal period; (2) proposed sources of payment for the administrative costs; and (3) proposals for arrangements for administrative and operations services provided by the City of Norwalk (the “City”) or other entity.

HSC Section 34177 is unclear regarding the required timing for the submission of the proposed administrative budgets to the Oversight Board. However, because the Successor Agency’s administrative expenditures also have to be reflected on the Successor Agency’s Recognized Obligation Payment Schedules (“ROPS”), the administrative budgets should be consistent.

Attached to Resolution No. OB 18-03 are the Successor Agency’s proposed administrative budgets for the fiscal period from July 1, 2018 through December 31, 2018 (“Administrative Budget 18-19A”) and the fiscal period from January 1, 2019 through June 30, 2019 (“Administrative Budget 18-19B”). Staff recommends that the Oversight Board approve Administrative Budget 18-19A and Administrative Budget 18-19B on the same date as the Oversight Board’s approval of ROPS 18-19.

Pursuant to HSC Section 34179(h)(1), which was added by SB 107, Oversight Board resolutions approving the Successor Agency’s administrative budgets are no longer required to be submitted to the DOF for approval. Therefore, Resolution No. 18-03 will become effective immediately upon adoption.

Fiscal Impact:

Under HSC Section 34171(b), the “Administrative Cost Allowance” is the maximum amount of administrative costs that may be paid by the Successor Agency from property tax revenues allocated by the County Auditor-Controller (i.e., disbursements from Redevelopment Property Tax Trust Fund (“RPTTF”). The Successor Agency’s annual administrative costs must not exceed 50 percent of the total RPTTF distributed to pay enforceable obligations in the preceding fiscal year (which will be reduced later by the Successor Agency’s Administrative Cost Allowance and loan repayments made to the City for loans re-established pursuant to HSC Section 34191.4 (the “City Loans”) during the preceding fiscal year. For fiscal year 2017-18, the amount that the Successor Agency received from the RPTTF for enforceable obligations, exclusive of moneys received for Administrative Cost Allowance and repayment for City Loans, is \$4,306,475.) Subject to the foregoing, commencing July 1, 2016, and for each fiscal year thereafter, the Administrative Cost Allowance is the greater of: (i) \$250,000 fiscal year, or (ii) 3 percent of the actual property tax distributed to the Successor Agency by the County auditor-controller in the preceding fiscal year for payment of approved enforceable obligations, reduced by the Successor Agency’s administrative cost allowance and repayments made to the City Loans during the preceding fiscal year.

Environmental Impact:

There will be no new environmental impact associated with adoption of the attached Resolution.

Recommendation:

Staff recommends that the Oversight Board for the Successor Agency to the Norwalk Redevelopment Agency adopt Resolution No. OB 18-03, approving the proposed Administrative Budget 18-19A and Administrative Budget 18-19B, and taking related actions.

Attachment:

Resolution No. OB 18-03

RESOLUTION NO. OB 18-03

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING PROPOSED ADMINISTRATIVE BUDGETS FOR THE SIX-MONTH FISCAL PERIODS FROM JULY 1, 2018 THROUGH DECEMBER 31, 2018, AND FROM JANUARY 1, 2019 THROUGH JUNE 30, 2019, AND TAKING RELATED ACTIONS

WHEREAS, pursuant to Health and Safety Code Section 34177(j), the Successor Agency to the Norwalk Redevelopment Agency (the "Successor Agency") must prepare a proposed administrative budget for each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed administrative budget to the Oversight Board for the Successor Agency (the "Oversight Board") for approval; and

WHEREAS, the Successor Agency's proposed administrative budgets for the six-month fiscal periods from July 1, 2018 through December 31, 2018 ("Administrative Budget 18-19A") and from January 1, 2019 through June 30, 2019 ("Administrative Budget 18-19B," together with Administrative Budget 18-19A, the "Administrative Budgets") have been presented to this Oversight Board for approval;

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves Administrative Budget 18-19A, substantially in the form attached hereto as Exhibit A.

Section 3. The Oversight Board hereby approves Administrative Budget 18-19B, substantially in the form attached hereto as Exhibit A.

Section 4. The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution and the Administrative Budgets, including making any adjustment to the proposed Administrative Budgets to make them consistent with the Successor Agency's Recognized Obligation Payment Schedule for fiscal year 2018-19 (as such Recognized Obligation Payment Schedule is approved by the State Department of Finance).

Section 5. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end, the provisions of this Resolution are severable. The Oversight Board hereby declares that it would have adopted this Resolution regardless that one or more portion may be determined to be invalid.

APPROVED AND ADOPTED this 29th day of January 2018.

CHAIR

ATTEST:

**THERESA DEVOY
SECRETARY**

EXHIBIT A

SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY

MERGED PROJECT AREAS #1, #2, #3.

ADMINISTRATIVE BUDGET ROPS 18-19 FOR - PERIOD FROM JULY 1, 2018 THROUGH DECEMBER 31, 2018 AND PERIOD FROM JANUARY 1, 2019 THROUGH JUNE 30, 2019

Per HSC - Section 34177 (*)

	Project Name / Debt Obligation	Payee	Description	Project Area	Funding Source **	ROPS Period		ROPS 18-19 Total
						18-19A	18-19B	
1)	Employees' Costs	City of Norwalk	Salaries & Benefits of SA NRA Officers & Staff	Merged	Admin	\$ 109,250	\$ 109,250	\$ 218,500
2)	Administrative Cost	City of Norwalk	Duplicating cost, postage, office supplies, telephone & fax, banking fees	Merged	Admin	\$ 300	\$ 300	\$ 600
3)	Training, Meetings & Seminars, Membership, Legal Defense	California Redevelopment Association (CRA)	Cost of attending Training, Conferences & Meetings; CRA membership; legal defense	Merged	Admin	\$ 100	\$ 100	\$ 200
4)	Annual Audit	White Nelson Diehl Evans LLP	Auditing Services	Merged	Admin	\$ 8,500	\$ -	\$ 8,500
5)	Property Tax Consulting Services	HdL Companies	Financial Consulting	Merged	Admin	\$ 4,600	\$ 4,600	\$ 9,200
6)	Legal Services	Richards Watson Gershon	Legal Counsel	Merged	Admin	\$ 7,500	\$ 5,500	\$ 13,000
	FUNDING SOURCE		SUBTOTAL		ADMIN	\$ 130,250	\$ 119,750	\$ 250,000
	FUNDING SOURCE		SUBTOTAL		Other Funds	\$ -	\$ -	\$ -
	FUNDING SOURCE		SUBTOTAL		Bonds	\$ -	\$ -	\$ -
			TOTAL ADMINISTRATIVE BUDGET			\$ 130,250	\$ 119,750	\$ 250,000
RPTTF - Non-Admin Reserves - Retained per DDR			Bonds - Bond proceeds Admin - Successor Agency RPTTF Administrative Allowance					
<p>The above items include amounts to be reimbursed by the Successor Agency to the City of Norwalk, Pursuant to a Cooperative Agreement for Advance and Reimbursement of Administrative Overhead and other Expenses, by and between the City and the Successor Agency, in the form approved by the Governing Board of the Successor Agency pursuant to Resolution No. SA 12-08, on April 3, 2012.</p>								