

**SUCCESSOR AGENCY
TO THE COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF HUNTINGTON PARK**

Special Meeting Agenda

Tuesday, January 17, 2017

4:00 p.m.

City Hall Council Chambers
6550 Miles Avenue
Huntington Park, CA 90255

Graciela Ortiz
Chair

Marilyn Sanabria
Vice Chair

Jhonny Pineda
Board Member



Karina Macias
Board Member

Valentin Palos Amezquita
Board Member

CALL TO ORDER

ROLL CALL

Chair Graciela Ortiz
Vice Chair Marilyn Sanabria
Board Member Karina Macias
Board Member Jhonny Pineda
Board Member Valentin Palos Amezquita

PUBLIC COMMENT

Pursuant to Government Code Section 54954.3(a) Members of the public will have an opportunity to address the Board Members on items listed on this agenda. For items on this agenda each speaker will be limited to three minutes per Huntington Park Municipal Code Section 2-1.207. Time limits may not be shared with other speakers and may not accumulate from one period of public comment to another or from one meeting to another.

REGULAR AGENDA

1. Approve Minute(s) of the following Successor Agency Meeting:

1-1 Successor Agency Regular Meeting held Tuesday, October 4, 2016.

2. Resolution Approving a Recognized Obligation Payment Schedule (ROPS) for the Successor Agency of the Community Development Commission of the City of Huntington Park

RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Adopt Resolution No. SA2017-01, of the Successor Agency to the Community Development Commission of the City of Huntington Park approving a Recognized Obligation Payment Schedule 17-18 for the period of July 1, 2017 through June 30, 2018.

3. Resolution Approving an Administrative Budget for the Successor Agency for Fiscal Year (FY) July 1, 2017 through June 30, 2018

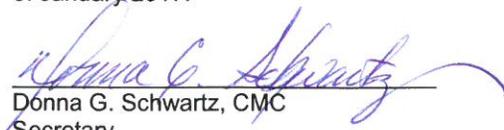
RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Adopt Resolution No. SA2017-02, approving an administrative budget for the Successor Agency for the Fiscal Year (FY) 2017-2018.

ADJOURNMENT

The Successor Agency to the Community Development Commission of the City of Huntington Park will adjourn to a Regular Meeting on Tuesday, February 7, 2017, at 6:00 p.m.

I Donna G. Schwartz, hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted at City of Huntington Park City Hall and made available at www.hpca.gov on the 12th of January 2017.



Donna G. Schwartz, CMC
Secretary

MINUTES
Regular Meeting of the
Successor Agency to the Community Development Commission
Of the City of Huntington Park
Tuesday, October 4, 2016, at 6:00 p.m.

Sergeant at Arms read the Rules of Decorum.

The regular meeting of the Successor Agency to the Community Development Commission of the City of Huntington Park, California was called to order at 6:04 p.m. on Tuesday, October 4, 2016, in the Council Chambers of City Hall at 6550 Miles Avenue, Huntington Park, California; Chair Graciela Ortiz presiding.

PRESENT: Board Members Valentin Palos Amezcuita, Karina Macias, Vice Chair Marilyn Sanabria and Chair Graciela Ortiz. ABSENT: Board Member Jhonny Pineda. CITY OFFICIALS/STAFF: Edgar Cisneros, Executive Director; Arnold Alvarez-Glasman, Counsel; Cosme Lozano, Chief of Police; Josette Espinosa, Director of Parks and Recreation; Jan Mazyck, Interim Finance Director; Manuel Acosta, Economic Development Manager; Fernanda Palacios, Project Manager and Donna Schwartz, City Clerk/Agency Secretary.

PUBLIC COMMENT - None

REGULAR AGENDA

Motion: Vice Chair Sanabria motioned to approve regular agenda item 1, seconded by Board Member Macias. Motion passed 4-0-1 by the following vote:

ROLL CALL:

AYES: Board Member(s): Amezcuita, Macias, Vice Chair Sanabria
and Chair Ortiz
NOES: Board Member(s): None
ABSENT: Board Member(s): Pineda

1. Approve Minute(s) of the following Successor Agency Meeting:

1-1 Successor Agency Special Meeting held Tuesday, June 14, 2016.

2. Update on the Southland Steel Project

- DISCUSSION ONLY -

Fernanda Palacios, Project Manager, gave an update on the Southland Steel Project and introduced Nicholas Alexander, interested buyer, who also provided an update.

ADJOURNMENT

At 6:17 p.m. Chair Ortiz adjourned the Successor Agency to the Community Development Commission of the City of Huntington Park to a Regular Meeting on Tuesday, October 18, 2016, at 6:00 p.m.

Respectfully submitted,

Donna G. Schwartz, CMC
Agency Secretary

DRAFT



CITY OF HUNTINGTON PARK

Community Development Department
Successor Agency Agenda Report

January 17, 2017

Honorable Chair and Members of the Successor Agency Board
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Members of the Successor Agency to the Community Development Commission of the City of Huntington Park:

RESOLUTION APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR THE SUCCESSOR AGENCY OF THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF HUNTINGTON PARK

IT IS RECOMMENDED THAT THE SUCCESSOR AGENCY BOARD:

1. Adopt Resolution No. SA2017-01, of the Successor Agency to the Community Development Commission of the City of Huntington Park approving a Recognized Obligation Payment Schedule 17-18 for the period of July 1, 2017 through June 30, 2018.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The ROPS serves to identify allowable costs or “enforceable obligations” of the former Community Development Commission, such as bond payments, loans, contracts, projects, etc. Legislation requires the Successor Agency to prepare a ROPS every six months. Each ROPS must be approved by the Successor Agency Board and subsequently be approved by the Oversight Board. ROPS is then forwarded to the State of California Department of Finance (“DOF”) for final review and approval. ROPS 17-18 is due no later than February 1, 2017.

The preparation and submittal of ROPS 17-18 is required for the Successor Agency to pay its expenditures or “enforceable obligations” for the fiscal year July 1, 2017, through June 30, 2018. These enforceable obligations are paid from Redevelopment Property Tax Trust Fund (RTTPF) monies received from the DOF (via the County).

FISCAL IMPACT/FINANCING

The obligation items listed on ROPS 17-18 represent approximately \$9,805,975 million in enforceable obligations due for the Fiscal Year 17-18, payable from RTTPF monies, and \$3,306,000 million payable from sale proceeds of property owned by the Successor Agency and rental revenues generated from the Southland Steel property.

RESOLUTION APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE SUCCESSOR AGENCY OF THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF HUNTINGTON PARK

January 17, 2017

Page 2 of 3

To comply with the February 1, 2017 deadline, the ROPS must be approved by the Successor Agency and Oversight Board.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Successor Agency is required to submit an Oversight Board approved-ROPS to the County Auditor-Controller (CAC) and Department of Finance (DOF) within 90 days prior to the semiannual Redevelopment Property Tax Trust Fund property fund distribution. Additionally, all ROPS must be adopted at a public meeting of the Successor Agency and be posted on the City's website.

If the Successor Agency does not submit an Oversight Board-approved ROPS by February 1, 2017 could expose the Successor Agency to the following penalties:

1. \$10,000 per day civil penalty for each day the ROPS is delinquent.
2. Failure to submit the ROPS within 10 days of the deadline may result in a 25% reduction of a Successor Agency's maximum administrative cost allowance for the period covered by the delinquent ROPS
3. If Successor Agency fails to submit an Oversight Board-approved ROPS within five business days after the April 1st and October 1st dates on which the CAC releases the estimated property tax allocation, the DOF may determine if any amount should be withheld to pay enforceable obligations, pending DOF approval of a ROPS.

CONCLUSION

Upon approval by the Successor Agency and Oversight Board ROPS 17-18 will be forwarded to the County Auditor Controller and DOF and posted on the City's website.

Respectfully submitted,



EDGAR P. CISNEROS
City Manager/Executive Director



JAN MAZYCK
Interim Finance Director

**RESOLUTION APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE
FOR THE SUCCESSOR AGENCY OF THE COMMUNITY DEVELOPMENT
COMMISSION OF THE CITY OF HUNTINGTON PARK**

January 17, 2017

Page 3 of 3

ATTACHMENT(S)

- A. Resolution No. SA2017-01, of the Successor Agency to the Community Development Commission of the City of Huntington Park approving a Recognized Obligation Payment Schedule 17-18 for the period of July 1, 2017 through June 30, 2018.

- B. ROPS 17-18 Summary.

ATTACHMENT "A"

1 **NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR**
2 **AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY**
3 **OF HUNTINGTON PARK HEREBY FINDS, DETERMINES, RESOLVES AND**
4 **ORDERS AS FOLLOWS:**

5
6 Section 1. The above recitals are true and correct and are a substantive part of this
7 Resolution.

8
9 Section 2. This Resolution is adopted pursuant to Health and Safety Code Section
10 34177.

11 Section 3. The Board of the Successor Agency hereby approves ROPS No. 17-18
12 substantially in the form attached as Exhibit A to this Resolution and incorporated herein by
13 reference (“ROPS No. 17-18”). The Executive Director of the Successor Agency, in
14 consultation with the Successor Agency’s legal counsel, may modify ROPS No. 17-18 as the
15 Executive Director or the Successor Agency’s legal counsel deems necessary or advisable.

16
17 Section 4. Staff is hereby authorized and directed to submit a copy of ROPS No.
18 17-18 to the Oversight Board for approval and, at the same time, transmit a copy of ROPS
19 No. 17-18 to the DOF, the County Auditor-Controller and the County administrative officer
20 as designated by the County.

21 Section 5. Staff is hereby authorized and directed to submit a copy of Oversight
22 Board-approved ROPS No. 17-18 to the DOF, the Office of the State Controller, and the
23 County Auditor-Controller. If the Oversight Board has not approved ROPS No. 17-18 by
24 February 1, 2016, Staff is hereby authorized and directed to transmit ROPS No. 17-18 to the
25 DOF, the Office of the State Controller, and the County Auditor-Controller, with a written

1 notification regarding the status of the Oversight Board's review. Written notice and
2 information regarding the action of the Oversight Board shall be provided to the DOF by
3 electronic means and in a manner of DOF's choosing.

4 Section 6. Staff is hereby authorized and directed to post a copy of the Oversight
5 Board-approved ROPS No. 17-18 on the Successor Agency's Internet website (being a page
6 on the Internet website of the City of Huntington Park).

7
8 Section 7. The officers and staff of the Successor Agency are hereby authorized and
9 directed, jointly and severally, to do any and all things which they may deem necessary or
10 advisable to effectuate this Resolution, including requesting additional review by the DOF
11 and an opportunity to meet and confer on any disputed items, and any such actions
12 previously taken by such officers are hereby ratified and confirmed.

13 **PASSED AND ADOPTED** this 17th day of January 2017.

14
15 _____
16 Chair

17
18 ATTEST:

19 _____
20
21 Successor Agency Secretary

ATTACHMENT "B"

Huntington Park Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail

July 1, 2017 through June 30, 2018

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	17-18A (July - December)					Q	17-18B (January - June)					W
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
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 17-18 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	17-18A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	17-18B Total
								\$ 43,907,796		\$ 13,111,975	\$ -	\$ -	\$ 3,306,000	\$ 4,974,239	\$ 200,000	\$ 8,480,239	\$ -	\$ -	\$ -	\$ 4,431,736	\$ 200,000	\$ 4,631,736
1	Huntington Park RDA, Tax Allocation	Bonds Issued On or Before	5/1/1994	9/1/2022	US Bank, as Trustee	Bond Payment	Merged	27,593,633	N	\$ 3,799,995				3,799,995		\$ 3,799,995						\$ -
3	HPPFA All Points Public Funding 2007 (RDA Refunding related to payoff Santa Fe debt obligations)	Bonds Issued On or Before	10/10/1997	12/1/2025	First Security Finance	Lease Payment	Merged	4,890,778	N	\$ 4,350,902				456,021		\$ 456,021				3,894,881		\$ 3,894,881
4	Promissory Note Merged Redevelopment (Santa Fe Project)	Third-Party Loans	2/1/2007	10/1/2027	Union Bank of California	Loan Payment and Swap Payments	Merged	2,516,894	N	\$ 273,150				188,751		\$ 188,751				84,399		\$ 84,399
5	Promissory Note (Neighborhood Preservation Project)	Third-Party Loans	2/1/2007	2/1/2027	Union Bank Of California	Loan Payment and Swap Payments	Neighborhood Preservation	4,896,563	N	\$ 119,279				77,822		\$ 77,822				41,457		\$ 41,457
13	Southland Steel California Land Reuse and Revitalization Act (CLRRA) Agreement	Remediation	9/23/2005	7/30/2018	California Department of Toxic Substance Control (DTSC)	Property #4 Southland Steel - oversight for Environmental Clean-up for Southland Steel Property	Merged	25,000	N	\$ 435,999			25,000			\$ 25,000				410,999		\$ 410,999
16	Salaries-Project Delivery	Project Management Costs	1/1/2014	7/30/2018	City of Huntington Park Staff Salaries	Direct Project Costs in connection to Southland Steel property	Merged	24,000	N	\$ 24,000			24,000			\$ 24,000						\$ -
17	Legal fees	Legal	9/20/2005	7/30/2018	Richards Watson & Gershon	legal services related to clean-up in connection to Southland Steel project	Merged	5,000	N	\$ 5,000			5,000			\$ 5,000						\$ -
23	LAUSD vs. County of L.A. et al	Litigation	9/20/2005	7/30/2018	Richards Watson & Gershon	Legal services related to a litigation case (2007) from LAUSD against the L.A. County and various RDAs regarding dispute on ERAF payments	Merged	2,500	N	\$ 2,500			2,500			\$ 2,500						\$ -
30	Appraisal Fees	Property Dispositions	1/1/2013	7/30/2018	RP Laurain & Associates	Appraisal reports for Successor Agency properties	Merged	2,500	N	\$ 2,500			2,500			\$ 2,500						\$ -
31	Land Sale Costs	Property Dispositions	1/1/2014	6/30/2014	Various	Costs Associated with disposition of properties	Merged		N	\$ -						\$ -						\$ -
33	Jones Lang LaSalle	Property Dispositions	6/6/2013	7/30/2018	Jones Lang LaSalle	costs Associated with disposition of properties	Merged	141,000	N	\$ 141,000			141,000			\$ 141,000						\$ -
38	Geosyntec Consultants	Professional Services	6/1/2014	7/30/2018	Geosyntec Consultants	Southland Steel Property - Environmental Engineering/Construction Management, Monitoring Well Installation	Merged	15,000	N	\$ 15,000			15,000			\$ 15,000						\$ -
39	Housing Successor Admin Allowance 14-15A	RPTTF Shortfall	1/1/2015	6/30/2015	Housing Authority of Los Angeles County	Housing Successor Allowance	Merged	75,000	N	\$ 75,000				75,000		\$ 75,000						\$ -
40	Housing Successor Admin Allowance 14-15B	RPTTF Shortfall	1/1/2015	6/30/2015	Housing Authority of Los Angeles County	Housing Successor Allowance	Merged	75,000	N	\$ 75,000				75,000		\$ 75,000						\$ -
41	Southland Steel Soil Remediation	Remediation	1/13/2015	1/13/2016	various parties involved in clean up (i.e. City of Huntington Park, construction manager, contractor, DTSC, legal, etc)	Costs associated with soil cleanup of contaminated property	Merged		N	\$ -						\$ -						\$ -
42	Southland Steel Groundwater cleanup	Remediation	1/13/2015	7/30/2018	DTSC	Additional soil cleanup expenses and contribution payment in-lieu of water contamination cleanup	Merged	1,357,000	N	\$ 1,357,000			1,357,000			\$ 1,357,000						\$ -
43	Escrow account contingency	Remediation	1/13/2015	7/30/2018	DTSC	Establish escrow contingency fund for groundwater clean-up cost overruns	Merged	500,000	N	\$ 500,000			500,000			\$ 500,000						\$ -
45	Housing Successor Admin Allowance 15-16A	RPTTF Shortfall	7/1/2015	12/31/2015	Housing Authority of Los Angeles	Housing Successor Allowance	Merged	75,000	N	\$ 75,000				75,000		\$ 75,000						\$ -
48	Southland Steel Cleanup Loan	Remediation	9/1/2015	7/30/2018	City of Huntington Park	Environmental Cleanup Expenses in connection to property #4 Southland Steel	Merged	1,234,000	N	\$ 1,234,000			1,234,000			\$ 1,234,000						\$ -
49	Southland Steel Disposition -Legal Expenses	Legal	10/1/2014	7/30/2018	Olivarez, Madruga P.C.	Costs associated with environmental legal issues, negotiations and disposition of Southland Steel property #4	Merged		N	\$ -						\$ -						\$ -
50	Trustee Fee for the 1994 Tax Allocation Refunding Bond	Fees	5/1/1994	9/1/2022	U.S. Bank	Annual Trustee Fee	Merged	1,650	N	\$ 1,650				1,650		\$ 1,650						\$ -
51	Housing Successor Admin Allowance 15-16B	RPTTF Shortfall	1/1/2016	6/30/2016	Housing Authority of Los Angeles	Housing Successor Allowance	Merged	75,000	N	\$ 75,000				75,000		\$ 75,000						\$ -
52	Huntington Park RDA, Tax Allocation Refunding Bonds, 1994 Series A, B, C.	RPTTF Shortfall	5/1/1994	9/1/2022	US Bank, as Trustee	Bond Payment- Shortage in RPTTF a portion of principal payment due on Sept. 1, 2016. Total payment is \$6,446,930 (\$5,450,000 principal + \$996,000 interest)	Merged		N	\$ -						\$ -						\$ -
53	ROPS 16-17A Admin	Admin Costs	7/1/2016	12/31/2016	City Staff personnel	Admin Allowance	Merged		N	\$ -						\$ -						\$ -
54	ROPS 16-17B Admin	Admin Costs	1/1/2017	6/30/2017	City Staff Personnel	Admin Allowance	Merged		N	\$ -						\$ -						\$ -
56	Housing Successor Admin Allowance 16-17A	RPTTF Shortfall	7/1/2016	12/30/2016	Housing Authority of Los Angeles	Housing Admin Allowance	Merged	75,000	N	\$ 75,000				75,000		\$ 75,000						\$ -
57	Housing Successor Admin Allowance 16-17B	RPTTF Shortfall	1/1/2017	6/30/2017	Housing Authority of Los Angeles	Housing Admin Allowance	Merged	75,000	N	\$ 75,000				75,000		\$ 75,000						\$ -
58	ROPS 17-18 Admin	Admin Costs	7/1/2017	6/30/2018	City, and Legal Counsel	Admin Allowance	Merged	102,278	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
59	Housing Successor Admin 17-18	Housing Entity Admin Cost	7/1/2017	6/30/2018	Housing Authority of Los Angeles	Admin Allowance	Merged	150,000	N	\$ 150,000					75,000	\$ 75,000					75,000	\$ 75,000
60									N	\$ -						\$ -						\$ -
61									N	\$ -						\$ -						\$ -
62									N	\$ -						\$ -						\$ -
63									N	\$ -						\$ -						\$ -
64									N	\$ -						\$ -						\$ -
65									N	\$ -						\$ -						\$ -
66									N	\$ -						\$ -						\$ -
67									N	\$ -						\$ -						\$ -
68									N	\$ -						\$ -						\$ -
69									N	\$ -						\$ -						\$ -

Huntington Park Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail

July 1, 2017 through June 30, 2018

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	17-18A (July - December)					Q	17-18B (January - June)					W	
											Fund Sources						Fund Sources						
											L	M	N	O	P		R	S	T	U	V		
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 17-18 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	17-18A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	17-18B Total	
70									N	\$ -						\$ -							\$ -
71									N	\$ -						\$ -							\$ -
72									N	\$ -						\$ -							\$ -
73									N	\$ -						\$ -							\$ -
74									N	\$ -						\$ -							\$ -
75									N	\$ -						\$ -							\$ -
76									N	\$ -						\$ -							\$ -
77									N	\$ -						\$ -							\$ -
78									N	\$ -						\$ -							\$ -
79									N	\$ -						\$ -							\$ -
80									N	\$ -						\$ -							\$ -
81									N	\$ -						\$ -							\$ -
82									N	\$ -						\$ -							\$ -
83									N	\$ -						\$ -							\$ -
84									N	\$ -						\$ -							\$ -
85									N	\$ -						\$ -							\$ -
86									N	\$ -						\$ -							\$ -
87									N	\$ -						\$ -							\$ -
88									N	\$ -						\$ -							\$ -
89									N	\$ -						\$ -							\$ -
90									N	\$ -						\$ -							\$ -
91									N	\$ -						\$ -							\$ -
92									N	\$ -						\$ -							\$ -
93									N	\$ -						\$ -							\$ -
94									N	\$ -						\$ -							\$ -
95									N	\$ -						\$ -							\$ -
96									N	\$ -						\$ -							\$ -
97									N	\$ -						\$ -							\$ -
98									N	\$ -						\$ -							\$ -
99									N	\$ -						\$ -							\$ -
100									N	\$ -						\$ -							\$ -
101									N	\$ -						\$ -							\$ -
102									N	\$ -						\$ -							\$ -
103									N	\$ -						\$ -							\$ -
104									N	\$ -						\$ -							\$ -
105									N	\$ -						\$ -							\$ -
106									N	\$ -						\$ -							\$ -
107									N	\$ -						\$ -							\$ -
108									N	\$ -						\$ -							\$ -
109									N	\$ -						\$ -							\$ -
110									N	\$ -						\$ -							\$ -
111									N	\$ -						\$ -							\$ -



CITY OF HUNTINGTON PARK

Community Development Department
Successor Agency Agenda Report

January 17, 2017

Honorable Chair and Members of the Successor Agency Board
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Members of the Successor Agency to the Community Development Commission of the City of Huntington Park:

RESOLUTION APPROVING AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR THE FISCAL YEAR (FY) PERIOD OF JULY 1, 2017 THROUGH JUNE 30, 2018

IT IS RECOMMENDED THAT THE SUCCESSOR AGENCY:

1. Adopt Resolution No. SA2017-02, approving an administrative budget for the Successor Agency for the Fiscal Year 2017-2018.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Redevelopment Dissolution Law requires the Successor Agency to prepare an administrative budget and a Recognized Obligation Payment Schedule ("ROPS") for each six-month fiscal period, both of which must be submitted to the Oversight Board for approval. Staff has prepared ROPS 17-18 for the Oversight Board's approval at this meeting as a separate agenda item. Staff recommends that the Board also approve Administrative Budget 17-18 on the same date as the Board's approval of ROPS 17-18.

The Redevelopment Dissolution Law is unclear regarding the required timing for the submission of the proposed administrative budget to the Oversight Board. However, given that the Successor's Agency's administrative expenditures must also be reflected on the ROPS, Administrative Budget 17-18 and the ROPS for the same period ("ROPS 17-18") should be consistent.

The Oversight Board must take action by resolution and must provide the State Department of Finance (DOF), by electronic means, written notice and information about the Oversight Board's action.

The attached administrative budget provides additional information regarding personnel costs, benefits, indirect expenses, legal fees totaling \$250,000 (17-18A \$125,000 + 17-18B \$125,000). It is important to note that of this amount, approximately \$147,000 will

RESOLUTION APPROVING AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR THE FISCAL YEAR PERIOD OF JULY 1, 2017 THROUGH JUNE 30, 2018

January 17, 2017

Page 2 of 3

pay for legal fees incurred by bond counsel to refinance the 1994 Tax Allocation Bond. General administrative personnel expenses are costs associated with the general administration and operations of the Successor Agency (i.e. preparation and payment of obligations listed in the ROPS, preparation of agendas, minutes, and staff reports for meetings with the Successor Agency and Oversight Board, disposition of real estate assets).

FISCAL IMPACT/FINANCING

The Redevelopment Dissolution Law provides for the Successor Agency to receive an Administrative Cost Allowance of not less than \$250,000 for any fiscal year unless the Oversight Board reduces this amount. The allowances are subject to reduction if there are insufficient funds to pay the Successor Agency's enforceable obligations. If funds are available after meeting all payments listed in the ROPS, the Successor Agency will reimburse the general fund for administrative expenses incurred by the City.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Under the Redevelopment Dissolution Law, an "Administrative Cost Allowance" is paid to the Successor Agency from property tax revenues allocated by the County Auditor-Controller. The Administrative Cost Allowance is defined as an amount, subject to the approval of the Oversight Board, which is up to 3% of the property tax allocated for enforceable obligations from the Redevelopment Property Tax Trust Fund by the County Auditor-Controller. The amount shall not be less than \$250,000 for any fiscal year unless the Oversight Board reduces this amount. The Administrative Cost Allowance is subject to reduction if there are insufficient funds to pay the enforceable obligations as listed on the ROPS. The Successor Agency is required to submit each proposed administrative budget to the Oversight Board for its approval and then to the County Auditor-Controller and DOF for final approval.

CONCLUSION

Upon approval, the Administrative Budget will be forwarded to the County-Auditor Controller and DOF.

Respectfully submitted,

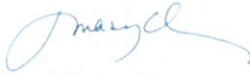


EDGAR P. CISNEROS
City Manager/Executive Director

RESOLUTION APPROVING AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR THE FISCAL YEAR PERIOD OF JULY 1, 2017 THROUGH JUNE 30, 2018

January 17, 2017

Page 3 of 3



Jan Mazyck

Interim Finance Director/Finance Officer of the Successor Agency

ATTACHMENT(S):

- A. Resolution No. SA2017-02, approving an administrative budget for the Successor Agency for the Fiscal Year (FY) 2017-2018.

ATTACHMENT "A"

1 Administrative, Overhead and other Expenses (the "Cooperative Agreement") by and
2 between the City and the Successor Agency, pursuant to which the City may loan funds to
3 the Successor Agency for administrative costs; and

4 F. Whereas, there has been presented to the Board for approval a proposed
5 administrative budget for the Successor Agency for the period from July 1, 2017 through
6 June 30, 2018 ("Administrative Budget No. 17-18"), reflecting the foregoing;

7
8 **NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR**
9 **AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF**
10 **HUNTINGTON PARK, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS**
11 **FOLLOWS:**

12
13 Section 1. The above recitals are true and correct.

14 Section 2. This Resolution is adopted pursuant to the provisions of Health and
15 Safety Code Section 34177(j).

16 Section 3. The Board hereby approves Administrative Budget No. 17-18 for the
17 fiscal period commencing July 1, 2017, and ending June 30, 2018, in the form attached
18 hereto as Exhibit A and incorporated herein by reference. The Executive Director of the
19 Successor Agency may modify Administrative Budget No. 17-18 as the Executive Director
20 or the Successor Agency's legal counsel deems necessary or advisable.

21 Section 4. Staff is hereby further authorized and directed to submit the proposed
22 Administrative Budget No. 17-18 to the Oversight Board for approval.

23 Section 5. The officers and staff of the Successor Agency are hereby authorized
24 and directed, jointly and severally, to do any and all things which they may deem necessary
25 or advisable to effectuate this Resolution, and any such actions previously taken by such
26 officers and staff are hereby ratified and confirmed.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

PASSED AND ADOPTED this 17th day of January 2017.

Chair

ATTEST:

Secretary

EXHIBIT A

Administrative Budget ROPS 17-18

17-18A
July 1, 2017 - December 31, 2017

Staff (Salaries & Benefits)	Hourly rate	Total Hours	Amount
Finance Director	\$ 74.80	45	3,366
Finance Manager	\$ 50.24	35	1,759
Economic Development Manager	\$ 50.24	20	1,005
Project Manager	\$ 45.02	25	1,126
Finance Assistant	\$ 23.12	15	347
Senior Accountant	\$ 35.47	10	355
Subtotal			7,957
Benefits @ 40%			3,183
Total Salaries			11,139
Successor Agency Legal Fees			15,000
Oversight Board Legal Fees			15,000
Legal Fees - Bond refinancing			73,861
Other consulting fees			10,000
Subtotal			113,861
17-18A Total			125,000

17-18B
January 1, 2018 - June 30, 2018

Staff (Salaries & Benefits)	Hourly rate	Total Hours	Amount
Finance Director	\$ 74.80	45	3,366
Finance Manager	\$ 50.24	35	1,759
Economic Development Manager	\$ 50.24	20	1,005
Project Manager	\$ 45.02	25	1,126
Finance Assistant	\$ 23.12	15	347
Senior Accountant	\$ 35.47	10	355
Subtotal			7,957
Benefits @ 40%			3,183
Total Salaries			11,139
Successor Agency Legal Fees			15,000
Oversight Board Legal Fees			15,000
Legal Fees - Bond refinancing			73,861
Other consulting fees			10,000
Subtotal			113,861
17-18B Total			125,000
ROPS 17-18 Admin Expenses			250,000