1. Meeting Items For June 15, 2012

   Meeting items for June 15, 2012

   Documents: 06152012 AGENDA.PDF, MONTEREY_PARK_MAY25_ROPS_APPROVAL_LETTER.PDF, RECOGNIZED OBLIGATION.PDF, RESOLUTION.PDF, STAFF REPORT.PDF

OVERSIGHT BOARD AGENDA

City of Monterey Park, California

Oversight Board to the City of Monterey Park SA
Acting on behalf of the Former Redevelopment Agency

Special Meeting

Friday
June 15, 2012
9:00 a.m.

Monterey Park City Hall, Room 266, Second Floor
320 West Newmark Avenue, Monterey Park, CA 91754

Staff reports, writings, or other materials related to an item on this Agenda, which are distributed to the Monterey Park Oversight Board less than 72 hours before this scheduled meeting shall be available for public inspection in the City Clerk's Office located at 320 West Newmark Avenue, Monterey Park, CA 91754, during normal business hours. Such staff reports, writings, or other materials are also on the City's website subject to staff's ability to post the materials before the meeting. The City's website is located at http://ci.monterey-prk.ca.us/home/index.asp.

PUBLIC COMMENTS ON AGENDA ITEMS
Any member of the public wishing to address the Oversight Board regarding any item on this Agenda will need to fill out a speaker card and then please return it to the City Clerk prior to the announcement of the Agenda Item.
Speakers are afforded five (5) minutes per individual on each published agenda item. The Public will be allowed consolidation with another speaker's time not to exceed two (2) minutes for each speaker wishing to forego his or her opportunity. However in the interest of ensuring that all members of the Public have an equal opportunity to participate, a single speaker cannot speak for more than ten (10) minutes on the individual Agenda item. In the event that there are a large number of speakers on a particular agenda item, the Oversight Board may in the interest of being able to timely conduct business reduce the amount of time allotted to each speaker and/or limit the total amount time allowed for speakers to address the agenda item. At the conclusion of that period of time, the speaker will be asked to please conclude their remarks so that the next speaker may begin their comments.

In accordance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please call City Hall, (626) 307-1359. Please notify the City Clerk's Office twenty-four hours prior to the meeting so that reasonable arrangements can be made to ensure availability of audio equipment for the hearing impaired. Conference room 266 is wheelchair accessible.

Copies of staff reports and/or written documents pertaining to any item on the Agenda are on file in the Office of the City Clerk and are available for public inspection during regular business hours.

PLEASE NOTE that this Agenda includes items considered by the Oversight Board acting on behalf of the Successor Agency of the former Monterey Park Redevelopment Agency which dissolved February 1, 2012.

CALL TO ORDER

FLAG SALUTE

ROLL CALL: Jim Basham, Robert Lee Gin, Michael D. Hamner, Cheryl Plotkin, Joseph C. Reichenberger, Clara M. Solis, Paul L. Talbot

CONSENT CALENDAR
Consent Calendar Consists of Item No. 1

Consent Calendar – Approval By Minute Motion

1. **AGENDA ADDITIONS, DELETIONS, CHANGES AND ADOPTION**

2. OVERSIGHT BOARD MINUTES

Approval of Minutes from the May 4, 2012 Monterey Park Oversight Board Meetings.

RECOMMENDATION

It is recommended that the Oversight Board:

(1) Approve the minutes from the Monterey Park Oversight Board special Meeting of May 4, 2012; and

(2) Take such additional, related, action that may be desirable.

3. ORAL AND WRITTEN COMMUNICATIONS

Communication by the Public is an important part of the Local Government Process. Per Monterey Park Municipal Code Section 2.04.030, Oral and Written Communications from the public is to take place immediately following Consent Calendar Business. Any individual wishing to address the Council under Oral and Written Communications needs to complete a Speaker Card provided by the City Clerk and then please return it the City Clerk prior to the City Council taking up this item.

The City Clerk will call members of the public that have submitted speaker cards. The City Clerk will call the public in the same order that the speaker cards are received except that the Clerk may group and present the speaker cards by first calling all persons in favor of an issue and all persons opposed, and finally those with neutral comments.

UNFINISHED BUSINESS: None

NEW BUSINESS

4. RATIFICATION OF THE REVISED ROPS: Donna Ramirez

The Department of Finance requested one item be removed from the ROPS approved by the Oversight Board on May 4, 2012. This action requires ratification by the Oversight Board.

RECOMMENDATION

It is recommended that the Oversight Board ratify the two amended ROPS.

5. PLAN FOR DISPOSITION OF AGENCY REAL PROPERTY ASSETS: Chet Yoshizaki

On June 6, 2012 the City Council acting on behalf of the Successor Agency to the former redevelopment agency, approved a draft plan for the disposition of the redevelopment agency's real property assets and is presenting it to the Oversight Board for their approval.

RECOMMENDATION

1. Approve the disposition plan for the real property assets of the former Redevelopment Agency, and

2. Take such additional, related, action that may be desirable.

6. DISCUSSION OF NEXT MEETING AGENDA

7. CLOSED SESSION
None

8. ADJOURN

May 25, 2012

Donna Ramirez, Acting Economic Development Specialist
City of Monterey Park
320 West Newmark Ave
Monterey Park, CA 91754

Dear Ms. Ramirez:

Subject: Recognized Obligation Payment Schedule Approval Letter

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of Monterey Park Successor Agency submitted revised Recognized Obligation Payment Schedules (ROPS) to the California Department of Finance (Finance) on May 17, 2012 for the periods of January to June 2012 and July to December 2012. Finance is assuming oversight board approval. Finance has completed its review of your ROPS which may have included obtaining clarification for various items. Based on our review, we are approving all of the items listed on your ROPS at this time.

This is our determination with respect to any items funded from the Redevelopment Property Tax Trust Fund (RPTTF) for the June 1, 2012 property tax allocations. In addition, items not questioned during this review are subject to subsequent review if they are included on a future ROPS. If an item included on a future ROPS is not an enforceable obligation, Finance reserves the right to remove that item from the future ROPS, even if it was not removed from the preceding ROPS.

Please refer to Exhibit 12 at http://www.dof.ca.gov/assembly_bills_26-27/view.php for the amount of RPTTF that was approved by Finance.

As you are aware the amount of available RPTTF is the same as the property tax increment that was available prior to ABx1 26. This amount is not and never was an unlimited funding source. Therefore as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available in the RPTTF.

Please direct inquiries to Evelyn Suess, Supervisor or Mindy Patterson, Lead Analyst at (916) 322-2985.

Sincerely,

Mark Hill

MARK HILL
Program Budget Manager

cc: Ms. Kristina Burns, Program Specialist III, Los Angeles County Auditor-Controller

Name of Redevelopment Agency: Successor Agency to the Former City of Monterey Park Redevelopment Agency
Project Area(s): Atlantic Garvey and Merged Project Areas

RECOGNIZED OBLIGATION PAYMENT SCHEDULE(*) - January Through June 2012

Per AB 26 - Section 34169(h)

	Project Name / Debt Obligation	Redevelopment Project Area	Payee	Description	Fund Source for Payments	Total Outstanding Debt or Obligation	Projected Payment Dates	Obligation Expiration Date	Total Due During Fiscal Year	Jan	Feb	Mar	Apr	May	June	Total Payments January 1, 2012 through June 30, 2012
1)	Successor Agency Administration Costs	All	Successor Agency	Successor Agency Administration Costs - labor and overhead	Tax Increment	5,604,166.65	Monthly	7/12/2034	104,166.65		20,833.33	20,833.33	20,833.33	20,833.33	20,833.33	$ 104,166.65
2)	Contract For Successor Agency Consulting Services	All	Chester S Yoshizaki	Consultant services for Successor Agency	Tax Increment	50,000.00	Monthly	At completion of contract	50,000.00		10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	$ 50,000.00
3)	Contract For Successor Agency Attorney Services	All	Jenkins & Hogin, LLP	Successor Agency Attorney Services	Tax Increment	50,000.00	Monthly	At completion of contract	50,000.00		10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	$ 50,000.00
4)	Oversight Board Attorney Services	All	Unknown	Costs associated with Oversight Board Meetings	Tax Increment	210,000.00	Monthly	5/1/2016	60,000.00		5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	$ 25,000.00
5)	1998 Tax Allocation Bond	Merged Project Area	BNY Western Trust Company	Bonds issued to fund non-housing projects	Tax Increment	13,190,064.50	Semi-Annually	3/1/2028	551,176.25		551,176.25					$ 551,176.25
6)	2002 Tax Allocation Bond	Atlantic Garvey Project Area	Union Bank of California	Bonds issued to fund non-housing projects	Tax Increment	24,887,762.00	Semi-Annually	9/1/2026	407,831.25		407,831.25					$ 407,831.25
7)	Trustee Fees for 1998 Bonds	Merged Project Area	BNY Western Trust Company	Fees for Trustee of Bond Issuances	Tax Increment	38,250.00	Annually	3/1/2028	2,250.00			2,250.00				$ 2,250.00
8)	Trustee Fees for 2002 Bonds	Atlantic Garvey Project Area	Union Bank of California	Fees for Trustee of Bond Issuances	Tax Increment	41,100.00	Annually	9/1/2026	2,740.00			2,740.00				$ 2,740.00
9)	1998 Bond Arbitrage Rebate Report	Merged Project Area	BLX Group	Bond Arbitrage Rebate Report	Tax Increment	34,000.00	Annually	3/1/2028	2,000.00			2,000.00				$ 2,000.00
10)	2002 Bond Arbitrage Rebate Report	Atlantic Garvey Project Area	BLX Group	Bond Arbitrage Rebate Report	Tax Increment	30,000.00	Annually	9/1/2026	2,000.00			2,000.00				$ 2,000.00
11)	1998 Bond Continuing Disclosure - Fiscal Consultant	Merged Project Area	Fiscal Consultant	Fulfillment of Reporting Requirements outlined in Official Statements of Tax Allocation Bonds	Tax Increment	85,000.00	Annually	3/1/2028	5,000.00				2,500.00	2,500.00		$ 5,000.00
12)	2002 Bond Continuing Disclosure - Fiscal Consultant	Atlantic Garvey Project Area	Fiscal Consultant	Fulfillment of Reporting Requirements outlined in Official Statements of Tax Allocation Bonds	Tax Increment	85,000.00	Annually	9/1/2026	5,000.00				2,500.00	2,500.00		$ 5,000.00
13)	1998 Bond Continuing Disclosure - Disclosure Counsel	Merged Project Area	Bond Disclosure Counsel	Fulfillment of Reporting Requirements outlined in Official Statements of Tax Allocation Bonds	Tax Increment	85,000.00	Annually	3/1/2028	5,000.00				2,500.00	2,500.00		$ 5,000.00
14)	2002 Bond Continuing Disclosure - Disclosure Counsel	Atlantic Garvey Project Area	Bond Disclosure Counsel	Fulfillment of Reporting Requirements outlined in Official Statements of Tax Allocation Bonds	Tax Increment	85,000.00	Annually	9/1/2026	5,000.00				2,500.00	2,500.00		$ 5,000.00
15)	Pension Override to City's Retirement Fund	All	City of Monterey Park	Voter mandate for Pension Override Funds allocated as tax increment to be paid to City's pension costs	Tax Increment	31,574,606.65	Semi-Annually	As long as tax increment is collected	980,000.00		490,000.00					$ 490,000.00
16)	Los Angeles County Reimbursement Agreement [1]	All	County of Los Angeles	Repayment of deferral of prior year pass through payment deferrals	Tax Increment	34,610,799.00	See Attached Negotiated Agreements	7/12/2034	0.00							$ -
17)	Developer Disposition Agreement - Atlantic Times Square	Merged Project Area	Atlantic Times Square II, LLC	Assistance for the development of the Atlantic Times Square	Litigation Trust Fund	9,900,000.00	See Attached Agreement	See Attached Agreement	9,900,000.00						9,900,000.00 ***	$ 9,900,000.00
18)	Atlantic Times Square DIR Litigation Costs	Merged Project Area	Paul Plevins LLP	Costs for continuing litigation of Agency obligations for Atlantic Times Square prevailing wage	Tax Increment	75,000.00	Monthly	Active as long as Atlantic Times Square DIR is under litigation	75,000.00		25,000.00	20,000.00	10,000.00	10,000.00	10,000.00	$ 75,000.00
19)	China Town Service Center Contract	All	China Town Service Center	Contract to provide funding assistance for business support services	Existing Fund Balance	2,500.00	One Time Payment	6/30/2012	2,500.00						2,500.00	$ 2,500.00
	Totals - This Page					**$ 120,638,248.80**			**$ 12,209,664.15**	**$ -**	**$ 1,519,840.83**	**$ 74,823.33**	**$ 65,833.33**	**$ 65,833.33**	**$ 9,958,333.33**	**$ 11,684,664.15**
	Totals - Page 2					$ 6,231,091.00			$ 953,888.00	$ 482,888.00	$ 49,000.00	$ 38,750.00	$ 38,750.00	$ 38,750.00	$ 53,750.00	$ 701,888.00
	Grand total - All Pages					**$ 126,869,339.80**			**$ 13,163,552.15**	**$ 482,888.00**	**$ 1,568,840.83**	**$ 113,573.33**	**$ 104,583.33**	**$ 104,583.33**	**$ 10,012,083.33**	**$ 12,386,552.15**

* This Initial Recognized Obligation Payment Schedule (iROPS) is to be transmitted by the redevelopment agency to the successor agency no later than late 1/31/2012. Along with the adopted Enforceable Obligation Payment Schedule, it is the basis for the Recognized Obligation Payment Schedule (ROPS), which must be prepared by the the Successor Agency and transmitted to the State by 4/15/2012. The ROPS would become effective by 5/1/2012.

** To ensure the Auditor-Controller allocates revenue to the Successor Agency to make timely payment of principal and interest payments to the Bond Trustee and the City of Monterey Park. thus avoiding the possibility of default, payments that are scheduled for these obligations in August are called here in June.

*** The maximum exposure to the Agency from the Atlantic Times Square DDA and the resultant litigation over prevailing wage is approximately $9.9 million and could be called at any time within the next few months.

[1] The Agency currently owes the County of Los Angeles approximately $35 million in deferred tax increment revenue pass through payments, but the defined repayment schedule according to the agreements between the County and the Agency does not call for any repayments to begin until 2013-14.

Name of Redevelopment Agency: Successor Agency to the Former City of Monterey Park Redevelopment Agency
Project Area(s): Atlantic Garvey and Merged Project Areas

RECOGNIZED OBLIGATION PAYMENT SCHEDULE(*) - January Through June 2012

Per AB 26 - Section 34169(h)

	Project Name / Debt Obligation	Redevelopment Project Area	Payee	Description	Fund Source for Payments	Total Outstanding Debt or Obligation	Projected Payment Dates	Obligation Expiration Date	Total Due During Fiscal Year	Jan	Feb	Mar	Apr	May	June	Total Payments January 1, 2012 through June 30, 2012
20)	Chamber of Commerce Contract [2]	All	Monterey Park Chamber of Commerce	Contract to provide funding assistance for business support services and outreach	Existing Fund Balance	9,000.00	One Time Payment	12/31/2011	9,000.00		9,000.00					$ 9,000.00
21)	City Staff for Administration of Existing Projects [4]	All	City Employees	City Staff overseeing existing projects	Tax Increment	360,000.00	Monthly	6/30/2015	120,000.00		10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	$ 50,000.00
22)	Attorney Legal Services to Existing Projects [4]	All	Various Law Firms	Attorney overseeing existing projects	Tax Increment	360,000.00	Monthly	6/30/2015	120,000.00		10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	$ 50,000.00
23)	Property Disposition Services	All	Various	Costs associated with the disposition of Agency Property	Tax Increment	205,000.00	Monthly	6/30/2015	60,000.00		5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	$ 25,000.00
24)	Common Area CC&R Fees For Corporate Center Property	Merged Project Area	Various	Maintenance fees for Agency Property until it is sold	Tax Increment	591,000.00	Monthly	Until sale of property	36,000.00		3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	$ 15,000.00
25)	Contract For Fiscal Consulting Services for Successor Agency	All	Rosenow Spevacek Group, Inc.	Professional fiscal consultant services for the Successor Agency	Tax Increment	15,000.00	Monthly	At completion of contract	15,000.00		4,000.00	2,750.00	2,750.00	2,750.00	2,750.00	$ 15,000.00
26)	Audit of Former Redevelopment Agency	All	Caporicci & Larson, Inc	An audit of the former redevelopment agency	Tax Increment	15,000.00	One Time Payment	When audit completed	15,000.00						15,000.00	$ 15,000.00
27)	Affordable Housing Compliance Monitoring	All	Housing Successor Agency	Compliance monitoring of existing affordable housing units	Tax Increment	591,000.00	Monthly	7/12/2034	36,000.00		3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	$ 15,000.00
28)	Affordable Housing Legal Fees	All	Jenkins & Hogin, LLP	Legal Fees to support action against non-compliant affordable housing covenant holders	Tax Increment	591,000.00	Monthly	7/12/2034	36,000.00		3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	$ 15,000.00
29)	Affordable Housing Adminsitration	All	Housing Successor Agency	Operation / Reserves of affordable housing units	Tax Increment	394,000.00	Monthly	7/12/2034	24,000.00		2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	$ 10,000.00
30)	Housing Fund Repayment of SERAF Loan	All	Housing Successor Agency	Housing Fund Repayment of SERAF Loan	Tax Increment	2,617,203.00	Annually	6/30/2016	0.00							$ -
31)	RDA Operating Cost [5]	All	RDA staff and various third party vendors	Staff, overhead, and expenses of RDA	Existing Fund Balance	298,514.09	January 2012	1/31/2012	298,514.09	298,514.09						$ 298,514.09
32)	Atlantic/Garvey CAP Projects [5]	Atlantic Garvey Project Area	Various contractors and other third parties	Various blight remediation projects and programs	Existing Fund Balance	51,140.73	January 2012	1/31/2012	51,140.73	51,140.73						$ 51,140.73
33)	Housing Costs [5]	All	Various contractors and other third parties	Housing related costs and expenditures of the RDA	Existing Fund Balance	48,983.15	January 2012	1/31/2012	48,983.15	48,983.15						$ 48,983.15
34)	Merged Project CAP Project [5]	Merged Project Area	Various contractors and other third parties	Various blight remediation projects and programs	Existing Fund Balance	84,250.03	January 2012	1/31/2012	84,250.03	84,250.03						$ 84,250.03
	Totals - This Page					**$ 6,231,091.00**			**$ 953,888.00**	**$ 482,888.00**	**$ 49,000.00**	**$ 38,750.00**	**$ 38,750.00**	**$ 38,750.00**	**$ 53,750.00**	**$ 701,888.00**

* This Initial Recognized Obligation Payment Schedule (iROPS) is to be transmitted by the redevelopment agency to the successor agency no later than late 1/31/2012. Along with the adopted Enforceable Obligation Payment Schedule, it is the basis for the Recognized Obligation Payment Schedule (ROPS), which must be prepared by the the Successor Agency and transmitted to the State by 4/15/2012. The ROPS would become effective by 5/1/2012.

[†] It is unclear if the Successor Agency will still need to complete annual financial reports required under the Health & Safety Code Section 33080. The June payment outlined here is for the eventuality that these reports will need to be prepared.

[††] To ensure the Auditor-Controller allocates revenue to the Successor Agency to make timely payment of principal and interest payments to the Housing Successor Agency for the outstanding SERAF, the payment normally made after the close of the fiscal year is called here.

[2] The contract with the Chamber of Commerce is now complete but there is one payment remaining due in February

[3] The Agency currently owes the Low and Moderate Income Housing Fund approximately $1.2 million resulting from deferral of prior year housing set-aside revenue. The adopted schedule to repay the LMIHF does not begin during the period shown here.

[4] Town Center and Marketplace projects

[5] These obligations were all paid from exisitng fund balances by the former Monterey Park Redevelopment Agency in the month of Janaury 2012. The amounts indicated are all actuals. These obligations do not carry forward as the Redevelopment Agency was terminated February 1, 2012.

Name of Redevelopment Agency: Successor Agency to the Former City of Monterey Park Redevelopment Agency
Project Area(s): Atlantic Garvey and Merged Project Areas

RECOGNIZED OBLIGATION PAYMENT SCHEDULE(*) - July Through December 2012

Per AB 26 - Section 34169(h)

	Project Name / Debt Obligation	Redevelopment Project Area	Payee	Description	Fund Source for Payments	Total Outstanding Debt or Obligation	Projected Payment Dates	Obligation Expiration Date	Total Due During Fiscal Year	July	August	September	October	November	December	Total Payments July 1, 2012 through December 31, 2012
1)	Successor Agency Administration Costs	All	Successor Agency	Successor Agency Administration Costs - labor and overhead	Tax Increment	5,500,000.00	Monthly	7/12/2034	250,000.00	20,833.33	20,833.33	20,833.33	20,833.33	20,833.33	20,833.33	$ 125,000.00
2)	Contract For Successor Agency Consulting Services	All	Chester S Yoshizaki	Consultant services for Successor Agency	Tax Increment	60,000.00	Monthly	At completion of contract	60,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	$ 30,000.00
3)	Contract For Successor Agency Attorney Services	All	Jenkins & Hogin, LLP	Successor Agency Attorney Services	Tax Increment	60,000.00	Monthly	At completion of contract	60,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	$ 30,000.00
4)	Oversight Board Attorney Services	All	Unknown	Costs associated with Oversight Board Meetings	Tax Increment	185,000.00	Monthly	7/12/2034	60,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	$ 30,000.00
5)	1998 Tax Allocation Bond	Merged Project Area	BNY Western Trust Company	Bonds issued to fund non-housing projects	Tax Increment	12,638,888.25	Semi-Annually	3/1/2028	783,821.25		226,176.25					$ 226,176.25
6)	2002 Tax Allocation Bond	Atlantic Garvey Project Area	Union Bank of California	Bonds issued to fund non-housing projects	Tax Increment	24,479,930.75	Semi-Annually	9/1/2026	1,669,893.75		1,277,831.25					$ 1,277,831.25
7)	Trustee Fees for 1998 Bonds	Merged Project Area	BNY Western Trust Company	Fees for Trustee of Bond Issuances	Tax Increment	36,000.00	Annually	3/1/2028	0.00							$ -
8)	Trustee Fees for 2002 Bonds	Atlantic Garvey Project Area	Union Bank of California	Fees for Trustee of Bond Issuances	Tax Increment	38,360.00	Annually	9/1/2026	0.00							$ -
9)	1998 Bond Arbitrage Rebate Report	Merged Project Area	BLX Group	Bond Arbitrage Rebate Report	Tax Increment	32,000.00	Annually	3/1/2028	0.00							$ -
10)	2002 Bond Arbitrage Rebate Report	Atlantic Garvey Project Area	BLX Group	Bond Arbitrage Rebate Report	Tax Increment	28,000.00	Annually	9/1/2026	0.00							$ -
11)	1998 Bond Continuing Disclosure - Fiscal Consultant	Merged Project Area	Fiscal Consultant	Fulfillment of Reporting Requirements outlined in Official Statements of Tax Allocation Bonds	Tax Increment	80,000.00	Annually	3/1/2028	0.00							$ -
12)	2002 Bond Continuing Disclosure - Fiscal Consultant	Atlantic Garvey Project Area	Fiscal Consultant	Fulfillment of Reporting Requirements outlined in Official Statements of Tax Allocation Bonds	Tax Increment	80,000.00	Annually	9/1/2026	0.00							$ -
13)	1998 Bond Continuing Disclosure - Disclosure Counsel	Merged Project Area	Bond Disclosure Counsel	Fulfillment of Reporting Requirements outlined in Official Statements of Tax Allocation Bonds	Tax Increment	80,000.00	Annually	3/1/2028	0.00							$ -
14)	2002 Bond Continuing Disclosure - Disclosure Counsel	Atlantic Garvey Project Area	Bond Disclosure Counsel	Fulfillment of Reporting Requirements outlined in Official Statements of Tax Allocation Bonds	Tax Increment	80,000.00	Annually	9/1/2026	0.00							$ -
15)	Pension Override to City's Retirement Fund [1]	All	City of Monterey Park	Voter mandate for Pension Override Funds allocated as tax increment to be paid to City's pension costs	Tax Increment	31,084,606.65	Semi-Annually	As long as tax increment is collected	1,004,500.00		490,000.00					$ 490,000.00
16)	Los Angeles County Reimbursement Agreement [2]	All	County of Los Angeles	Repayment of deferral of prior year pass through payment deferrals	Tax Increment	39,707,367.94	See Attached Negotiated Agreements	7/12/2034	0.00							$ -
17)	Developer Disposition Agreement - Atlantic Times Square [3]	Merged Project Area	Atlantic Times Square II, LLC	Assistance for the development of the Atlantic Times Square	Litigation Trust Fund	0.00	See Attached Agreement	See Attached Agreement	0.00							$ -
18)	Atlantic Times Square DIR Litigation Costs	Merged Project Area	Paul Plevins LLP	Costs for continuing litigation of Agency obligations for Atlantic Times Square prevailing wage	Tax Increment	0.00	Monthly	Active as long as Atlantic Times Square DIR is under ltitgation	0.00							$ -
	Totals - This Page					**$ 114,170,153.59**			**$ 3,888,215.00**	**$ 35,833.33**	**$ 2,029,840.83**	**$ 35,833.33**	**$ 35,833.33**	**$ 35,833.33**	**$ 35,833.33**	**$ 2,209,007.48**
	Totals - Page 2					$ 5,559,203.00			$ 1,090,000.00	$ 38,500.00	$ 666,500.00	$ 38,500.00	$ 38,500.00	$ 38,500.00	$ 53,500.00	$ 874,000.00
	Grand total - All Pages					**$ 119,729,356.59**			**$ 4,978,215.00**	**$ 74,333.33**	**$ 2,696,340.83**	**$ 74,333.33**	**$ 74,333.33**	**$ 74,333.33**	**$ 89,333.33**	**$ 3,083,007.48**

* This Recognized Obligation Payment Schedule (ROPS) is to be transmitted to the State by 4/15/2012. The ROPS would become effective by 5/1/2012.

[1] The pension override obligation payment in August is the second semi-annual payment for the 2011-12 fiscal year. This payment assumes the same remittance schedule as had been follwed by the Auditor-Controller for redevelopment agencies. The "Total Due During Fiscal Year" represents the projected amount due for the 2012-13 fiscal year.

[2] The Agency currently owes the County of Los Angeles approximately $37 million in deferred tax increment revenue pass through payments, but the defined repayment schedule according to the agreements between the County and the Agency does not call for any repayments to begin until 2013-14.

[3] The maximum exposure to the Agency from the Atlantic Times Square DDA and the resultant litigation over prevailing wage is approximately $9.9 million and could be called at any time and was listed on the prior ROPS. However, with the timing of the litigation, the obligation may not have been called during the prior ROPS period and could be due during the current ROPS period.

RECOGNIZED OBLIGATION PAYMENT SCHEDULE(*) - July Through December 2012

Per AB 26 - Section 34169(h)

	Project Name / Debt Obligation	Redevelopment Project Area	Payee	Description	Fund Source for Payments	Total Outstanding Debt or Obligation	Projected Payment Dates	Obligation Expiration Date	Total Due During Fiscal Year	July	August	September	October	November	December	Total Payments July 1, 2012 through December 31, 2012
19)	City Staff for Administration of Existing Projects [5]	All	City Employees	City Staff overseeing existing projects	Tax Increment	310,000.00	Monthly	6/30/2015	120,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	$ 60,000.00
20)	Attorney Legal Services to Existing Projects [5]	All	Various Law Firms	Attorney overseeing existing projects	Tax Increment	310,000.00	Monthly	6/30/2015	120,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	$ 60,000.00
21)	Property Disposition Services	All	Various	Costs associated with the disposition of Agency Property	Tax Increment	180,000.00	Monthly	6/30/2015	60,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	$ 30,000.00
22)	Common Area CC&R Fees For Corporate Center Property	Merged Project Area	Various	Maintenance fees for Agency Property until it is sold	Tax Increment	576,000.00	Monthly	Until sale of property	36,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	$ 18,000.00
23)	Contract For Fiscal Consulting Services for Successor Agency	All	Rosenow Spevacek Group, Inc.	Professional fiscal consultant services in preparation for the dissolution of the Agency	Tax Increment	15,000.00	Monthly	At completion of contract	15,000.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	$ 15,000.00
24)	Contract For Successor Agency Audit Services	All	Marcum Stonefield	Successor Agency Audit Services	Tax Increment	15,000.00	Monthly	At completion of contract	15,000.00						15,000.00 [†]	$ 15,000.00
25)	Affordable Housing Compliance Monitoring	All	Housing Successor Agency	Compliance monitoring of existing affordable housing units	Tax Increment	576,000.00	Monthly	7/12/2034	36,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	$ 18,000.00
26)	Affordable Housing Legal Fees	All	Jenkins & Hogin, LLP	Legal Fees to support action against non-compliant affordable housing covenant holders	Tax Increment	576,000.00	Monthly	7/12/2034	36,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	$ 18,000.00
27)	Affordable Housing Adminsitration	All	Housing Successor Agency	Operation / Reserves of affordable housing units	Tax Increment	384,000.00	Monthly	7/12/2034	24,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	$ 12,000.00
28)	Housing Fund Repayment of SERAF Loan	All	Housing Successor Agency	Housing Fund Repayment of SERAF Loan	Tax Increment	2,617,203.00	Annually	6/30/2016	628,000.00		628,000.00					$ 628,000.00
																$ -
	Totals - This Page					**$ 5,559,203.00**			**$ 1,090,000.00**	**$ 38,500.00**	**$ 666,500.00**	**$ 38,500.00**	**$ 38,500.00**	**$ 38,500.00**	**$ 53,500.00**	**$ 874,000.00**

* This Recognized Obligation Payment Schedule (ROPS) is to be transmitted to the State by 4/15/2012. The ROPS would become effective by 5/1/2012.

[†] It is unclear if the Successor Agency will still need to complete annual financial reports required under the Health & Safety Code Section 33080. The June payment outlined here is for the eventuality that these reports will need to be prepared.

[4] The Agency currently owes the Low and Moderate Income Housing Fund approximately $1.2 million resulting from deferral of prior year housing set-aside revenue. The adopted schedule to repay the LMIHF does not begin during the period shown here.

[5] Town Center and Marketplace projects.

RESOLUTION NO. ____

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE MONTEREY PARK REDEVELOPMENT AGENCY RATIFYING AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULES PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180

The Oversight Board for the Successor Agency to the Monterey Park Redevelopment Agency ("Oversight Board") does resolve as follows:

Section 1. The Board finds and declares that:

A. On June 29, 2011, AB 1X 26 and AB 1X 27 became effective, requiring that each redevelopment agency within California be dissolved unless the community that created it enacts an ordinance committing it to making certain payments;

B. By its Resolution No. RA-692, adopted on August 23, 2011, the Monterey Park Redevelopment Agency (the "Redevelopment Agency") approved an Enforceable Obligation Payment Schedule ("EOPS");

C. By its Resolution No. RA-705, the Redevelopment Agency subsequently approved an amendment to the EOPS on January 30, 2012;

D. By its Resolution No. 11455, adopted on January 11, 2012, the City Council of the City of Monterey Park made an election to serve as the successor agency for the Redevelopment Agency under Part 1.85 (the "Successor Agency");

E. By its Resolution No. SA-4, adopted on February 15, 2012, the Successor Agency adopted the EOPS;

F. By its Resolution No. SA-5, adopted on February 15, 2012, the Successor Agency adopted an Initial Recognized Obligation Schedule covering February 1, 2012 through June 30, 2012 and a Recognized Obligation Schedule for the period from July 1, 2012 through December 31, 2012, which describe the dates and amounts of scheduled payments for each enforceable obligation of the Redevelopment Agency for the identified time period and identify the funding source to pay each obligation;

G. Pursuant to Health & Safety Code § 34180, on May 4, 2012, the Oversight Board approved an Initial Recognized Obligation Payment Schedule for the period from February 1, 2012 through June 30, 2012 and a Recognized Obligation Payment Schedule for the period from July 1, 2012 through December 31, 2012, and submitted the Recognized Obligation Payment Schedules to the Department of Finance ("DOF") and State Controller;

H. On May 16, 2012, DOF notified the Successor Agency that one line item on the Recognized Obligation Payment Schedules would not be approved: the deferred payments paid by the Redevelopment Agency to the low and moderate income housing set aside fund (“LMI Fund”), included as line 17 on the January – June ROPS 2012 and line 19 on the July – December ROPS 2012 approved by the Oversight Board. Upon deletion of the one line item, DOF indicated that no further clarification on the ROPS was necessary and approved the ROPS;

I. The Successor Agency disputes that the rejected item should not be included in the ROPS, claiming that pursuant to Health and Safety Code Section 34176, these repayments are considered “housing assets” payable to the City of Monterey Park, acting as the housing successor agency; and

J. Given that no repayment to the LMI Fund is required during 2012, the Oversight Board desires to adopt this Resolution ratifying an Initial Recognized Obligation Payment Schedule for the period from February 1, 2012 through June 30, 2012 and a Recognized Obligation Payment Schedule for the period from July 1, 2012 through December 31, 2012, as amended by DOF, with the express notation of that the rejected item is currently disputed and may be included on later ROPS if legally permissible to do so.

Section 2. *Recognized Obligation Payment Schedule*. The Oversight Board hereby adopts the Initial Recognized Obligation Payment Schedule for the period from February 1, 2012 through June 30, 2012, attached as Exhibit A to this Resolution, and a Recognized Obligation Payment Schedule for the period from July 1, 2012 through December 31, 2012, attached as Exhibit B to this Resolution (collectively, the “ROPS”).

Section 3. *Authorization*. The officers and staff of the Oversight Board 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.

Section 4. *Amendment*. The ROPS may be amended from time to time at any public meeting of the Oversight Board.

Section 5. *Environmental Determination*. This Resolution is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 2100, et seq., “CEQA”) and CEQA regulations (14 California Code of Regulations §§ 15000, et seq.) because it establishes rules and procedures to implement government funding mechanisms; does not involve any commitment to a specific project which could result in a potentially significant physical impact on the environment; and constitutes an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. Accordingly, this Resolution does not constitute a “project” that requires environmental review (see specifically 14 CCR § 15378(b)(4-5)).

Section 6. *Reliance on Record*. Each and every one of the findings and determinations in this Resolution are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the Oversight Board and applicable law. The findings and determinations constitute the independent findings and determinations of the Board in all respects and are fully and completely supported by substantial evidence in the record as a whole.

<u>Section 7.</u> *Summaries of Information*. All summaries of information in the findings, which precede this Section, are based on the substantial evidence in the record including, without limitation, verbal and documentary evidence submitted to the Board. The absence of any particular fact from any such summary is not an indication that a particular finding is not based in part on that fact.

<u>Section 8.</u> The Secretary is directed to certify the adoption of this Resolution; record this Resolution in the book of the Oversight Board’s original resolutions; and make a minute of the adoption of the Resolution in the Oversight Board’s records and the minutes of this meeting.

<u>Section 9.</u> This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

PASSED, APPROVED, AND ADOPTED this 15th day of June, 2012.

____
Paul Talbot, Chairperson

ATTEST:

____
David Barron
Oversight Board Secretary

I HEREBY CERTIFY that the above and foregoing ordinance was duly passed and adopted by the Oversight Board of the Successor Agency to the Monterey Park Redevelopment Agency at its regular meeting held on the 15th day of June, 2012, by the following vote, to wit:

AYES;
NOES;
ABSENT:

Staff Report Monterey Park Oversight Board

Item No. 4

DATE: June 15, 2012

TO: **MEMBERS OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY**

FROM: **DONNA RAMIREZ, ACTING ECONOMIC DEVELOPMENT SPECIALIST**

SUBJECT: **RATIFICATION OF THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS)**

SUMMARY
Staff requests that the Oversight Board to the Successor Agency to the former Monterey Park Redevelopment Agency ratify the amended Recognized Obligation Payment Schedule ("ROPS").

DISCUSSION
Staff prepared two ROPS for Oversight Board consideration. One was for the period of January 1, 2012 to June 30, 2012 and another for the period of July 1, 2012 to December 31, 2012.

The ROPS were submitted to the Oversight Board for its review on May 4, 2012. It was approved with staff noting the Board's request for further clarifications and/or mandates made as a result of pending clean-up legislation. Staff transmitted both ROPS to the County Auditor Controller, State Controller's Office, and the State Department of Finance as required by AB1x 26.

On or about May 16, 2012, the DOF notified staff that one line item on the ROPS was not being approved: Item 21 on the January-June ROPS and Item 19 on the July-December ROPS; the Housing Deferral Repayment Agreement to the Low/Mod Income Housing Fund (LMI fund). In 1997, the former Redevelopment Agency deferred payments to the LMI Fund and currently owes approximately $1.18 million in deferred payments. The Successor Agency believes that, pursuant to Health and Safety code Section 34176, these repayments are considered "housing assets" payable to the City of Monterey Park, acting as the housing successor agency. Upon deletion of the one line item, DOF indicated that no further clarification on the ROPS was necessary and approval of the ROPS was forthcoming. Given that no repayment is required during 2012, Successor Agency staff recommends approving the ROPS as amended by DOF, with the express notation of that the rejected item is currently disputed and may be included on later ROPS if legally permissible to do so.

Subsequently, the City's Finance Department was notified that the June tax increment payment would be made, indicating that ROPS has been approved by the DOF (**Attachment 1**). To ensure that the Successor Agency receives the June tax increment payment, staff recommends that the Successor Agency ratify the amended ROPS submitted and approved by the DOF. ROPS for January – June 2012 (**Attachment A)** and ROPS for July – December 2012 (**Attachment B**) are included for review and approval. Note that the only amendments are the deletion of line 21 on the January – June ROPS 2012 and line 19 on the July – December ROPS 2012.

FISCAL IMPACT

There is no immediate fiscal impact associated with this action. In future years, the payment of $1,186,222 which would have been repaid to the LMI Fund may no longer be made unless legally permitted to do so pursuant to AB1x 26 or any subsequent legislative amendments.

With the approval of both ROPS by the DOF, the entire amount requested, minus the one line item omitted, has been received.

RECOMMENDATION

It is recommended that the Oversight Board ratify the two amended ROPS with the express notation of that the rejected item is currently disputed and may be included on later ROPS if legally permissible to do so.

______________________________ Approved:___________________________

Donna Ramirez
Acting Economic Development Specialist

Paul Talbot
City Manager

Attachments:

1) Approval letter from the Department of Finance dated May 25, 2012
2) Resolution Ratifying the Recognized Obligation Payment Schedule – January 1, 2012 to June 30, 2012 and July 1, 2012 to December 31, 2012

A) Amended Recognized Obligation Payment Schedule – January 1, 2012 to June 30, 2012
B) Amended Recognized Obligation Payment Schedule – July 1, 2012 to December 31, 2012