

RESOLUTION NO. 14-03

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY'S PROPOSED ADMINISTRATIVE BUDGET FOR JULY 1, 2014, THROUGH DECEMBER 31, 2014, PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34177(j)

WHEREAS, the City of Montclair Redevelopment agency ("Agency") was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.* ("CRL"), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Montclair ("City"); and

WHEREAS, Assembly Bill X1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies ("Dissolution Act"); and

WHEREAS, on December 29, 2011, in the petition *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012, under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, the Agency is now a dissolved redevelopment agency pursuant to the Dissolution Act; and

WHEREAS, by Resolution considered and approved by the City Council at an open public meeting, the City chose to become and serve as the "Successor Agency" to the dissolved Agency under the Dissolution Act; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the Successor Agency and is performing its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the Agency and otherwise unwind the Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and

WHEREAS, Section 34179 of the Dissolution Act provides that the Successor Agency shall have an Oversight Board composed of seven members; and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

WHEREAS, the State Legislature passed and the Governor signed AB 1484 into State law on June 29, 2012; and

WHEREAS, AB 1484 establishes a schedule for adoption of the Recognized Obligation Payment Schedules; and

WHEREAS, pursuant to Section 34177(j), the Successor Agency's "Administrative Budget" is to include all of the following: (a) estimated amounts of the Successor Agency's administrative costs for the upcoming six-month fiscal period; (b) the proposed sources of payment for the costs identified in (a); and (c) proposals for arrangements for administrative and operations services provided by the city serving as Successor Agency; and

WHEREAS, the Successor Agency's proposed Administrative Budget has been submitted to the Oversight Board for its review and approval; and

WHEREAS, the Administrative Budget, as approved by the Oversight Board, will be provided to the County of San Bernardino Auditor-Controller pursuant to Section 34177(k) so that the Successor Agency's estimated administrative costs in the

approved Administrative Budget will be paid from property tax revenues deposited into the Redevelopment Property Tax Trust Fund for the six-month period from July 1, 2014, through December 31, 2014; and

WHEREAS, the Oversight Board desires to approve the Successor Agency's proposed Administrative Budget; and

WHEREAS, pursuant to the Dissolution Act, the actions of the Oversight Board, including those approved by this Resolution, do not become effective for five (5) business days pending any request for review by the DOF; and if the DOF requests review hereof, DOF will have 45 days from the date of its request to approve this Oversight Board action or return it to the Oversight Board for reconsideration and the action, if subject to review by DOF, will not be effective until approved by DOF.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency does hereby find and determine as follows:

Section 1. The foregoing recitals are incorporated into this Resolution by reference, and constitute a material part of this Resolution.

Section 2. Pursuant to the Dissolution Act, the Oversight Board approves the Successor Agency's proposed Administrative Budget, attached hereto as Attachment No. 1 and incorporated by this reference.

Section 3. The Oversight Board authorizes the Successor Agency to transmit the Administrative Budget and Cost Reimbursement Agreement when/if approved and entered into between the City and the Successor Agency, to the County Auditor-Controller, the State Department of Finance ("DOF"), and the State Controller's Office.

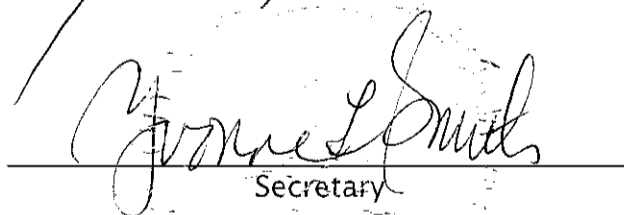
Section 4. This Resolution shall become effective after transmittal of this Resolution with the ROPS attached to the DOF and the expiration of five (5) business days pending a request for the review of the DOF within the time periods set forth in the Dissolution Act; in this regard, if the DOF requests review hereof it will have 45 days from the date of its request to approve this Oversight Board action or return it to the Oversight Board for reconsideration and the action, if subject to review by DOF, will not be effective until approved by the DOF.

Section 5. The Secretary of the Oversight Board shall certify to the adoption of this Resolution

APPROVED AND ADOPTED this 26th day of February, 2014.

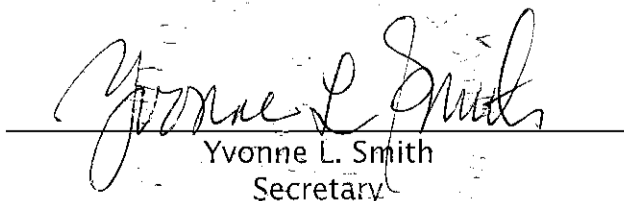

Chairman

ATTEST:


Secretary

I, Yvonne L. Smith, Secretary of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency, DO HEREBY CERTIFY that Resolution No. 14-03 was duly adopted by the Oversight Board of Directors at a regular meeting thereof held on the 26th day of February, 2014, and that it was adopted by the following vote, to-wit:

AYES: Richardson, Piotrowski, Hillman, Catlin, Johnson, Ruh
NOES: None
ABSTAIN: None
ABSENT: Erickson


Yvonne L. Smith
Secretary

Successor Agency for the Redevelopment Agency of the City of Montclair
 Administrative Budget
 July 1 to December 31, 2014

Approved by Oversight Board on

Administrative Allowance

Staff Costs	% of Staff Time	Six Month Amount
City Manager	5.0%	7,957
Deputy City Manager	40.0%	45,282
Finance Director	15.0%	13,644
Finance Supervisor	5.0%	2,307
Accountant	10.0%	3,889
Office Specialist	5.0%	1,696
Deputy City Clerk	20.0%	8,094
Sub-Total		82,869
Administrative Costs		
Utilities (Electric, Water, Gas, Telephone)		4,000
Retiree Pension Costs		17,241
Office Supplies/Postage		200
First Tennessee Bank Safekeeping		700
Sub-Total		22,141
Insurance Costs		
Share of City liability insurance, public employee bonds, etc.		5,000
Sub-Total		5,000
Legal Costs		
Robbins & Holdaway		2,000
Stradling, Yocca, Carlson, & Rauth		3,000
Edward Z. Kotkin		5,000
Sub-Total		10,000
Unallocated		
Unallocated administration to fund overages in other categories		4,990
Sub-Total		4,990
TOTAL SIX MONTH ROPS AMINISTRATIVE ALLOWANCE COSTS		125,000

Enforceable Obligations

Staff Costs	% of Staff Time	Six Month Amount
Long Range Property Management Costs		
Deputy City Manager	50.0%	56,603
Finance Director	25.0%	22,740
Sub-Total		79,343
Bond Indenture Financial Statement Preparation		
Finance Director	5.0%	4,548
Sub-Total		4,548
TOTAL SIX MONTH ROPS ENFORCABLE OBLIGATION COSTS		83,891