

RESOLUTION NO. 14-07

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JANUARY 1, 2015, THROUGH JUNE 30, 2015, PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34179, DIVISION 24, PART 1.85 AND AUTHORIZING POSTING AND TRANSMITTAL THEREOF

WHEREAS, the City of Montclair Redevelopment Agency ("Agency") was established as a redevelopment agency that was previously organized and existing under 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 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, pursuant to Section 34179, the Successor Agency's Oversight Board has been formed and the initial meeting has occurred on April 25, 2012; and

WHEREAS, the State Legislature approved and the Governor signed AB 1484 on June 29, 2012; and

WHEREAS, AB 1484 changed the date for submittal of the ROPS to no fewer than 90 days before the date of property tax distribution and included a \$10,000 per day fine for each day the ROPS is delinquent; and

WHEREAS, the ROPS for January 1, 2015, through June 30, 2015, must be submitted to the County and State by October 1, 2014; and

WHEREAS, the Oversight Board is requested to adopt the ROPS for January 1, 2015, through June 30, 2015, on September 10, 2014, and to authorize the Successor Agency to post the ROPS on the City/Successor Agency website and transmitted the ROPS to the County Auditor-Controller, the State Department of Finance ("DOF"), and the State Controller's Office; 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 DOF; and if DOF requests review

hereof, DOF will have 45 days from the date of its request to approve this Oversight Board action.

NOW, THEREFORE, BE IT RESOLVED that the 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 Oversight Board finds and determines that the foregoing recitals incorporated into this Resolution by this reference are true and correct and constitute a material part of this Resolution.

Section 2. The Oversight Board approves the ROPS for the period of January 1, 2015, through June 30, 2015.

Section 3. The Oversight Board authorizes the Successor Agency to transmit the ROPS to the County Auditor–Controller, DOF, and the State Controller's Office.

Section 4. The Secretary of the Successor Agency or her authorized designee is directed to post the ROPS on the City/Successor Agency website pursuant to the Dissolution Act.

Section 5. This Resolution shall become effective after transmittal of this Resolution with the ROPS attached to DOF and the expiration of five (5) business days pending a request for the review of DOF within the time periods set forth in the Dissolution Act; in this regard, if DOF requests review hereof, it will have ten 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, would not be effective until approved by DOF.

Section 6. The Secretary of the Oversight Board shall certify to the adoption of this Resolution and shall maintain this Resolution on file as a public record and the ROPS as approved hereby.

APPROVED AND ADOPTED this 10th day of September, 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. 14-07 was duly adopted by the Oversight Board of Directors at a regular meeting thereof held on the 10th day of September, 2014, and that it was adopted by the following vote, to-wit:

AYES: Piotrowski, Hillman, Catlin, Johnson, Ruh

NOES: None

ABSTAIN: None

ABSENT: Richardson, Erickson



Yvonne L. Smith
Secretary

Recognized Obligation Payment Schedule (ROPS 14-15B) - Summary

Filed for the January 1, 2015 through June 30, 2015 Period


Name of Successor Agency: Montclair
Name of County: San Bernardino

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding	
A Sources (B+C+D):	\$ 14,237,607
B Bond Proceeds Funding (ROPS Detail)	14,221,593
C Reserve Balance Funding (ROPS Detail)	16,014
D Other Funding (ROPS Detail)	-
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 4,359,290
F Non-Administrative Costs (ROPS Detail)	4,234,290
G Administrative Costs (ROPS Detail)	125,000
H Current Period Enforceable Obligations (A+E):	\$ 18,596,897

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	4,359,290
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	-
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 4,359,290

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	4,359,290
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	4,359,290

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (m) 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 agency.

 **chairman**
Name _____ Title _____
William A. Rett _____ **09/10/14**
Signature _____ Date _____

Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail
January 1, 2015 through June 30, 2015
(Report Amounts in Whole Dollars)

A Item #	B Project Name / Debt Obligation	C Obligation Type	D Contract/Agreement Execution Date	E Contract/Agreement Termination Date	F Payee	G Description/Project Scope	H Project Area	I Total Outstanding Debt or Obligation	J Retired	K, L, M, N, O Funding Source					P Six-Month Total
										L Fund (Non-RPTTF)			M RPTTF		
										K Bond Proceeds	L Reserve Balance	M Other Funds	N Non-Admin	O Admin	
								\$ 95,261,359		\$ 14,221,593	\$ 16,014	\$ -	\$ 4,234,290	\$ 125,000	\$ 18,596,897
1	1997 Taxable Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	11/1/1997	10/1/2021	Bank of New York Mellon	Bond Issue to Fund Non-Housing Projects	Project Area 1	224,220	N				33,860		33,860
2	2007A Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	9/27/2007	9/1/2035	Bank of New York Mellon	Bond Issue to Fund Non-Housing Projects	Project Area 3	35,779,406	N				1,590,600		1,590,600
3	2007B Taxable Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	9/27/2007	9/1/2027	Bank of New York Mellon	Bond Issue to Fund Non-Housing Projects	Project Area 3	3,911,342	N				298,209		298,209
4	2004 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	2/23/2004	10/1/2031	Bank of New York Mellon	Bond Issue to Fund Non-Housing Projects	Project Area 4	6,280,750	N				368,250		368,250
5	2001 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	7/6/2001	10/1/2030	Bank of New York Mellon	Bond Issue to Fund Non-Housing Projects	Project Area 5	12,240,965	N				764,460		764,460
6	2006A Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	6/16/2006	10/1/2033	Bank of New York Mellon	Bond Issue to Fund Non-Housing Projects	Project Area 5	10,478,780	N				571,610		571,610
7	2006B Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	6/16/2006	10/1/2033	Bank of New York Mellon	Bond Issue to Fund Non-Housing Projects	Project Area 5	5,663,788	N				155,800		155,800
10	Contract for Legal Services	Legal	12/9/1981	6/30/2036	Stradling, Yocca, Carlson & Rauth	Bond Counsel Legal Services	All Areas	2,000	N				2,000		2,000
12	Contract for Bond Trustee Service	Fees	12/9/1981	6/30/2036	Bank of New York Mellon	Annual Bond Trustee Fees/Costs	All Areas	4,000	N				4,000		4,000
14	Contract for Bond Services	Fees	12/9/1981	6/30/2036	Bondlogistix LLC	Bond Continuing Disclosure Services	All Areas	12,000	N				4,000		4,000
15	Contract for Bond Services	Fees	12/9/1981	6/30/2036	Bondlogistix LLC	Bond Arbitrage Rebate Calculation Services	All Areas	12,000	N				12,000		12,000
42	Public facility, infrastructure and economic development obligations	Infrastructure Improvements	8/13/2014	6/30/2036	City of Montclair Agreement with Successor Agency	Utilization of pre 2011 unspent bond proceeds	All Areas	14,221,593	N	14,221,593					14,221,593
43	Administrative Cost Reimbursement Agreement	Admin Costs	6/3/2012	6/30/2036	City of Montclair	Administrative Reimbursement Agreement No. 12-49	All Areas	5,375,000	N					125,000	125,000
45	Long Range Property Management Plan Administration	Property Dispositions	6/3/2012	6/30/2036	City of Montclair	Administrative Reimbursement Agreement No. 12-49	All Areas	10,000	N				10,000		10,000
46	Bond Indenture Reporting Requirements	Professional & Agency Fees	6/3/2012	6/30/2036	City of Montclair	Administrative Reimbursement Agreement No. 12-49	All Areas	5,000	N				5,000		5,000
49	City of Montclair as Successor Agency for City of Montclair Redevelopment Agency vs. Department of Finance, et al	Litigation	6/3/2012	6/30/2036	Best Best & Krieger LLP	Legal services related to litigation	All Areas	90,000	N		16,014		63,986		80,000
51	Montclair Housing Authority - Housing Entity Administrative Cost Allowance	Housing Entity Admin Cost	2/18/2014	7/1/2018	Montclair Housing Authority Successor Housing Entity	Administrative costs in connection with low and moderate income properties	All Areas	750,000	N				150,000		150,000
52	Long Range Property Management Plan Preparation	Professional Services	6/3/2012	6/30/2014	City of Montclair	Prior unpaid LRPMP Costs - Unpaid Administrative Reimbursement Agreement No. 12-49	All Areas	71,319	N				71,319		71,319
53	Successor Agency reserves improperly applied on ROPS 13-14B and utilized not for administrative costs but other obligations	Admin Costs	6/30/2014	6/30/2014	City of Montclair	Prior Reserves claimed on ROPS 13-14B to be used to fund administrative costs but incorrectly redirected by DOF against other obligations.	All Areas	129,196	N						129,196

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Cash Balances

(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 https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf.

A	B	C	D	E	F	G	H	I
Cash Balance Information by ROPS Period		Fund Sources						Comments
		Bond Proceeds		Reserve Balance		Other	RPTTF	
		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	
ROPS 13-14B Actuals (01/01/14 - 06/30/14)								
1	Beginning Available Cash Balance (Actual 01/01/14)	20,317,082		129,171	2,573,062		3,778,151	Column C - In ROPS 14-15A bond expenditures of \$2,550,283 were incorrectly shown as occurring prior to 12/31/13; however, these occurred in March and April 2014 so the opening balance has been adjusted as they were on hand.
2	Revenue/Income (Actual 06/30/14) RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014	3,651,473				1	192,668	Column C - ROPS 13-14B receipts for bonds - \$3,689,928 and bond proceeds investment value adjustment - (\$38,455). Column H - ROPS 13-14B is in beginning balance as received December 30, 2013. Amount present is ROPS 14-15A RPTTF received June 2014
3	Expenditures for ROPS 13-14B Enforceable Obligations (Actual 06/30/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q	3,758,344		21,961	2,573,062		3,689,928	Column C - Trustee interest and principal expenses. Column H - ROPS 13-14B payment transferred to trustee. ROPS 14-15A RPTTF did not have a bond debt service amount as surplus in Column G present to cover remaining debt service for year
4	Retention of Available Cash Balance (Actual 06/30/14) RPTTF amount retained should only include the amounts distributed for debt service reserve(s) approved in ROPS 13-14B							
5	ROPS 13-14B RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 13-14B PPA in the Report of PPA, Column S			No entry required				
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	20,210,211	-	107,210	-	1	280,891	Column C - Balance of bond proceeds represents \$13,764,566 of pre 2011 proceeds for projects and \$6,445,645 of trustee held restricted amounts.
ROPS 14-15A Estimate (07/01/14 - 12/31/14)								
7	Beginning Available Cash Balance (Actual 07/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	20,210,211	-	107,210	-	1	280,891	Column C - Balance of bond proceeds represents \$13,764,566 of pre 2011 proceeds for projects and \$6,445,645 of trustee held restricted amounts.
8	Revenue/Income (Estimate 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014 (Note - Payment received in June cannot be reported in period July - December and reconcile above with June balance - Form is in Error)							Column H - By law ROPS payment must be made in June therefore it cannot be reported here and balance with cash above. Form is in Error. ROPS 14-15A RPTTF received June 2014 so it is reported above.
9	Expenditures for ROPS 14-15A Enforceable Obligations (Estimate 12/31/14)	14,221,593		107,210		1	280,891	Column C - Estimated expenditure of pre 2011 bond proceed to City of Montclair for administration. Column E - Reserve utilization. 2006A bond debt service of \$91,196 sent to trustee August 2014 remainder to be used in this period.
10	Retention of Available Cash Balance (Estimate 12/31/14) RPTTF amount retained should only include the amount distributed for debt service reserve(s) approved in ROPS 14-15A	2,481,866						Column C - Debt service on bonds due in September and October 2014.
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	3,506,752	-	-	-	-	-	Column C - Balance of bond proceeds represents - trustee held restricted amounts.

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Prior Period Adjustments
 Reported for the ROPS 13-14B (January 1, 2014 through June 30, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
 (Report Amounts in Whole Dollars)

ROPS 13-14B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 13-14B (January through June 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15B (January through June 2015) period will be offset by the SA's self-reported ROPS 13-14B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T		
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures												Admin and Admin PPA (Amount Used to Offset ROPS 14-15B Requested)	SA Comments
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin						Admin							
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)			
		\$ -	\$ -	\$ 129,196	\$ 21,961	\$ -	\$ -	\$ 3,689,928	\$ 3,689,928	\$ 3,689,928	\$ 3,689,928	\$ -	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ -	\$ -			
1	1997 Taxable Tax Allocation Bonds	-	-	-	-	-	-	30,120	30,120	30,120	30,120	-									
2	2007A Tax Allocation Refunding Bonds	-	-	-	-	-	-	1,590,125	1,590,125	1,590,125	1,590,125	-									
3	2007B Taxable Tax Allocation Bonds	-	-	-	-	-	-	300,796	300,796	300,796	300,796	-									
4	2004 Tax Allocation Bonds	-	-	-	-	-	-	371,000	371,000	371,000	371,000	-									
5	2001 Tax Allocation Bonds	-	-	-	-	-	-	765,710	765,710	765,710	765,710	-									
6	2006A Tax Allocation Bonds	-	-	91,196	-	-	-	476,377	476,377	476,377	476,377	-									
7	2006B Tax Allocation Bonds	-	-	-	-	-	-	155,800	155,800	155,800	155,800	-									
10	Contract for Legal Services	-	-	15,000	1,631	-	-	-	-	-	-	-									
12	Contract for Bond Trustee Service	-	-	5,000	2,830	-	-	-	-	-	-	-									
13	Contract for Legal Services	-	-	-	-	-	-	-	-	-	-	-									
14	Contract for Bond Services	-	-	3,000	500	-	-	-	-	-	-	-									
15	Contract for Bond Services	-	-	12,000	17,000	-	-	-	-	-	-	-									
23	Contract for Professional Service	-	-	3,000	-	-	-	-	-	-	-	-									

Recognized Obligation Payment Schedule (ROPS 14-15B) - Notes

January 1, 2015 through June 30, 2015

Item #	Notes/Comments
42	Agreement with City of Montclair to administer bond proceeds for project approved by bond counsel and Oversight Board submitted to Finance for approval. In accordance with agreement all bond proceeds on hand to be disbursed to City of Montclair for administration. This item is the disbursement of those proceeds in accordance with that agreement.
51	In accordance with Section 34171 (p) (1) as specified in AB 471, signed by the Governor 2/18/14 and effective as urgency legislation, the Montclair Housing Authority (Successor Housing Entity) is eligible to receive a "housing administrative cost allowance". This allowance is to be up to 1% of the property taxes allocated to the RORF (Redevelopment Obligation Retirement Fund) but not less than \$150,000 per fiscal year. In fiscal year 2012-13, \$4,369,300 was allocated to the Montclair Successor Agency RORF and 1% of that amount would be \$43,693. Since that amount is less than the prescribed minimum threshold of \$150,000 and since the administrative cost budget applicable to maintaining properties held by the Montclair Housing Authority is \$326,702 for fiscal year 2013-14, the minimum threshold amount would be applicable. Therefore, the minimum allocation amount of \$150,000 would be due to Montclair Housing Authority. Since this amount was improperly rejected in ROPS 14-15A and is the subject of litigation against Finance it is again being claimed.
52	Prior administrative costs incurred to prepare the LRPMP have never been paid to the Successor Agency. Therefore, the Successor Agency has been unable to reimburse the City of Montclair for these costs. The Successor Agency was never notified that specific time records were required by Finance nor have any other Successor Agencies. Therefore, this enforceable obligation was improperly rejected in ROPS 14-15A and since it is the subject of litigation against Finance it is again being claimed.
53	Reserves of Successor Agency claimed for ROPS 13-14B to be used by Successor for administrative costs since Health and Safety Code indicated administration limitation did not apply. Finance in their determination applied these reserves to other enforceable obligations. This application is improper and since it is the subject of litigation against Finance it is again being claimed.