

OVERSIGHT BOARD FOR SUCCESSOR AGENCY  
TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY

AGENDA

City Council Chambers  
Montclair Civic Center  
5111 Benito Street  
Montclair, CA

Initial Meeting  
Wednesday, April 25, 2012  
6:00 p.m.

*As a courtesy, please silence your cell phones, pagers, and other electronic devices while the meeting is in session. Thank you.*

Terry Catlin – Inland Empire Utilities Agency Appointee  
Kim Erickson – Chaffey Community College District Appointee  
Tenice Johnson – County of San Bernardino Citizen Appointee  
Janet Kulbeck – City of Montclair Employee Organization Appointee  
John Richardson – County of San Bernardino Appointee  
William Ruh – Montclair Mayor Paul Eaton Appointee  
Kim Stallings – Ontario-Montclair School District Appointee

Page No.

**I. PRELIMINARY MATTERS**

- A. Introductions of Board Members and Staff
- B. Overview of AB1X 26, Successor Agency and Oversight Board
- C. Overview of Former City of Montclair Redevelopment Agency
- D. Oath of Office of Oversight Board Members
- E. Election of Oversight Board Chair and Vice Chair
- F. Call to Order
- G. Roll Call

**II. PUBLIC COMMENT**

*Any person wishing to address the Oversight Board on any matter, whether or not it appears on this agenda, is requested to complete a "Speaker Request Card," available at the door. The card should be completed and submitted to the Secretary prior to the beginning of this meeting or prior to an individual agenda item being heard by the Oversight Board. Each speaker will be afforded five minutes to address the Oversight Board. No action will be taken on any item not listed on the agenda pursuant to the Ralph M. Brown Act.*

**III. BUSINESS ITEMS**

- A. Consider Adoption of Resolution No. 12-01, a Resolution of the Oversight Board of the Successor Agency to the City of Montclair Redevelopment Agency Affirming the Selection of Officers, Designating a Secretary, and Designating Points of Contact for the

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Department of Finance Review Requests Pursuant to California Health and Safety Code, Division 24, Part 1.85, Section 34179 3

B. Consider Adoption of Resolution No. 12-02, a Resolution of the Oversight Board of the Successor Agency to the City of Montclair Redevelopment Agency Adopting a Conflict of Interest Code for the Oversight Board 9

C. Consider Adoption of Resolution No. 12-03, a Resolution of the Oversight Board of the Successor Agency to the City of Montclair Redevelopment Agency Approving a Recognized Obligation Payment Schedule Pursuant to California Health and Safety Code Section 34179, Division 24, Part 1.85, Section 34179 and Authorizing Posting and Transmittal Thereof 13

D. Consider Adoption of Resolution No. 12-04, a Resolution of the Oversight Board of the Successor Agency to the City of Montclair Redevelopment Agency Approving the Successor Agency's Proposed Administrative Budget Pursuant to Health and Safety Code Section 34177(j)

Consider Authorization to Prepare a Cost Reimbursement Agreement Between the City and the Successor Agency 22

E. Consider Adoption of Resolution No. 12-05, a Resolution of the Oversight Board of the Successor Agency to the City of Montclair Redevelopment Agency Establishing the Date, Time, and Location of Oversight Board Meetings 29

IV. COMMUNICATIONS

- A. Staff
- B. Chairman and Members

V. ADJOURNMENT

*The above actions of the Oversight Board shall not become effective for three business days, pending any request for review by the DOF. If DOF requests review of the above Board actions, it will have ten days from the date of the request to approve the 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.*

*The next regularly scheduled Oversight Board meeting will be held on Wednesday, May 23, 2012, at 6:00 p.m. in the City Council Chambers.*

*Reports, backup materials, and additional materials related to any item on this Agenda distributed to the Successor Agency Board after distribution of the Agenda packet are available for public inspection in the Office of the Secretary located at 5111 Benito Street, Montclair, California, between 7:00 a.m. and 6:00 p.m., Monday through Thursday.*

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Secretary at (909) 625-9416. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title II)*

*I, Yvonne L. Smith, Secretary, hereby certify that I posted, or caused to be posted, a copy of this Agenda not less than 72 hours prior to this meeting on the bulletin board adjacent to the south door of Montclair City Hall on April 19, 2012.*

## AGENDA REPORT

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<b>SUBJECT:</b> CONSIDER ADOPTION OF RESOLUTION NO. 12-01, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY AFFIRMING THE SELECTION OF OFFICERS, DESIGNATING A SECRETARY, AND DESIGNATING POINTS OF CONTACT FOR THE DEPARTMENT OF FINANCE REVIEW REQUESTS PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34179, DIVISION 24, PART 1.85	DATE: April 25, 2012 SECTION: BUSINESS ITEMS ITEM NO.: A FILE I.D.: OBO050 DEPT.: OVERSIGHT BOARD
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**REASON FOR CONSIDERATION:** Pursuant to Section 34179(a) of the Health and Safety Code, an Oversight Board "shall elect one of their members as the chairperson" and shall report the names of the "Chairperson" and other "Members" to the Department of Finance (DOF) on or before May 1, 2012. It is further suggested that a Vice Chairperson be selected.

A copy of proposed Resolution No. 12-01 is attached for the Oversight Board's review and consideration.

**BACKGROUND:** Assembly Bill X1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code. This bill and its enactment have caused the dissolution and wind down of all redevelopment agencies ("Dissolution Act"). On December 20, 2011, in the petition *California Redevelopment Association v. Matosantos*, the California Supreme Court upheld the Dissolution Act. The court mandated that all redevelopment agencies be dissolved as of and on February 1, 2012.

On January 12, 2012, the City of Montclair City Council adopted a Resolution electing to serve as Successor Agency. Under the Dissolution Act, the successor agency is to administer the enforceable obligations of the Agency and otherwise unwind the Agency's affairs, all subject to the review and approval of a seven-member Oversight Board. As previously indicated, the Dissolution Act states that the Oversight Board "shall elect one of their members as the chairperson." The Chairperson of the Oversight Board will preside over the Oversight Board meetings. It is further recommended that a Vice Chairperson be selected to preside over meetings in the event the Chairperson is unavailable. One-year terms for the Chairperson and Vice Chairperson are recommended.

*Recommended Voting Procedure:* For selection of the Chairperson and Vice Chairperson, it is recommended each selection be taken on a majority vote of the total seven-member Oversight Board. It would require four affirmative votes to elect the Chairperson and then four affirmative votes to elect the Vice Chairperson. Given the lack of a Chairperson, staff of the Successor Agency will facilitate nominations and election of the first Chairperson of

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Prepared by: M. STAATS  
Proofed by: James L. Smith

Reviewed and Approved by: M. STAATS  
Presented by: M. STAATS

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the Oversight Board by distributing ballots; and each member would vote by placing a name on the ballot. The votes would be tallied, and the result of the balloting would be read aloud by staff with the Oversight Board Member receiving four or more votes to be named the Chairperson. The newly elected Chairperson would conduct the meeting including selection of the Vice Chairperson as the next order of business.

*Designation of Secretary:* The Oversight Board shall also designate the Secretary of the Board. Successor Agency staff recommends the Oversight Board designate the Deputy City Clerk of the City of Montclair as the Oversight Board Secretary, and the Deputy City Clerk would name an authorized designee to assume secretarial functions in her absence.

*Designation of Points of Contact for Department of Finance Review Requests:* Section 34179(h) of the Health and Safety Code requires that each Oversight Board designate an official to whom the California Department of Finance (DOF) may make any requests for review of Oversight Board actions, and who shall provide DOF with the telephone number and email contact information for purposes of communication with DOF. It is recommended the Oversight Board designate the following points of contact for DOF review requests: (1) City Manager Edward Starr, (2) Redevelopment/Public Works Director Marilyn Staats, and (3) Interim Finance Director Donald Parker. Successor Agency staff will report to the Oversight Board on any review requests received by DOF.

Attached to this report are excerpts from the Dissolution Act regarding some of the rules and responsibilities of the Oversight Board.

**FISCAL IMPACT:** There would be no fiscal impact associated with adoption of proposed Resolution No. 12-01.

**RECOMMENDATION:** Staff recommends the Oversight Board adopt Resolution No. 12-01, a Resolution of the Oversight Board of the Successor Agency to the City of Montclair Redevelopment Agency affirming the selection of officers, designating a secretary, and designating points of contact for the California Department of Finance review requests pursuant to California Health and Safety Code Section 34179, Division 24, Part 1.85.

**Excerpts from Health and Safety Code Section 34179, Part 1.85 of the  
Dissolution Act, Assembly Bill x1 26, re Oversight Boards:**

...

- (a) The oversight board may direct the staff of the successor agency to perform work in furtherance of the oversight board's duties and responsibilities under this part. The successor agency shall pay for all of the costs of meetings of the oversight board and may include such costs in its administrative budget. Oversight board members shall serve without compensation or reimbursement for expenses.
- (b) Oversight board members shall have personal immunity from suit for their actions taken within the scope of their responsibilities as oversight board members.
- (c) A majority of the total membership of the oversight board shall constitute a quorum for the transaction of business. A majority vote of the total membership of the oversight board is required for the oversight board to take action. The oversight board shall be deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974.
- (d) All notices required by law for proposed oversight board actions shall also be posted on the successor agency's Internet Web site or the oversight board's Internet Web site.
- (e) Each member of an oversight board shall serve at the pleasure of the entity that appointed such member.
- (f) The Department of Finance may review an oversight board action taken pursuant to the act adding this part. As such, all oversight board actions shall not be effective for three business days, pending a request for review by the department. Each oversight board shall designate an official to whom the department may make such requests and who shall provide the department with the telephone number and e-mail contact information for the purpose of communicating with the department pursuant to this subdivision. In the event that the department requests a review of a given oversight board action, it shall have 10 days from the date of its request to approve the oversight board action or return it to the oversight board for reconsideration and such oversight board action shall not be effective until approved by the department. In the event that the department returns the oversight board action to the oversight board for reconsideration, the oversight board shall resubmit the modified action for department approval and the modified oversight board action shall not become effective until approved by the department.
- (g) Oversight boards shall have 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. Further, the provisions of Division 4 (commencing with Section 1000) of the Government Code shall apply to oversight boards. Notwithstanding Section 1099 of the Government Code, or any other law, any individual may simultaneously be appointed to up to five oversight boards and may hold an office in a city, county, city and county, special district, school district, or community college district.

## RESOLUTION NO. 12-01

### A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY AFFIRMING THE SELECTION OF OFFICERS, DESIGNATING A SECRETARY, AND DESIGNATING POINTS OF CONTACT FOR THE DEPARTMENT OF FINANCE REVIEW REQUESTS PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34179, DIVISION 24, PART 1.85

**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**, 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**, at its initial meeting, the Oversight Board members have been sworn in as public officials and the Chairman and Vice Chairman have been selected by a majority vote of the Oversight Board; and

**WHEREAS**, the Oversight Board desires to designate its Secretary and clerk, who is a member of the Successor Agency staff, specifically the Deputy City Clerk of the City of Montclair or in her absence her authorized designee; and

**WHEREAS**, by this Resolution, the Oversight Board affirms its actions designating the Chairman and Vice Chairman of the Oversight Board and designation of Secretary; and

**WHEREAS**, the names of these officers and all members of the Oversight Board will be posted on the City internet website relating to the Successor Agency; and

**WHEREAS**, by this Resolution the Oversight Board desires to designate the identified point of contact for the Department of Finance ("DOF") review requests.

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

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

**Section 2.** The Chairman of the Oversight Board is \_\_\_\_\_.

**Section 3.** The Vice Chairman of the Oversight Board is \_\_\_\_\_.

**Section 4.** The Secretary of the Oversight Board is the Deputy City Clerk or her designee.

**Section 5.** The Oversight Board hereby designates the (1) City Manager of the City of Montclair, in his capacity as Executive Director of the Successor Agency; (2) the Director of Redevelopment/Public Works; and (3) the Finance Director as points of contact for the DOF with regard to requests for review of or questions regarding the Oversight Board's and/or Successor Agency's actions, the enforceable obligations, Recognized Obligation Payment Schedule, and other matters related to the Dissolution Act.

**Section 6.** This Resolution shall be effective immediately upon adoption.

**Section 7.** The Secretary of the Successor Agency shall cause this Resolution to be forwarded to the County-Auditor Controller, DOF, and State Controller's Office.

**Section 8.** The Secretary of the Successor Agency shall cause the information about the Oversight Board's appointments to be posted on the City's website related to the Successor Agency notices.

APPROVED AND ADOPTED this XX day of XX, 2012.

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Chairperson

ATTEST:

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Secretary

I, Yvonne L. Smith, Secretary of the Oversight Board of the Successor Agency to the City of Montclair Redevelopment Agency, DO HEREBY CERTIFY that Resolution No. 12-01 was duly adopted by the Oversight Board of Directors at a regular meeting thereof held on the XX day of XX, 2012, and that it was adopted by the following vote, to-wit:

AYES: XX  
NOES: XX  
ABSTAIN: XX  
ABSENT: XX

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Yvonne L. Smith  
Secretary

## AGENDA REPORT

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<b>SUBJECT:</b> CONSIDER ADOPTION OF RESOLUTION NO. 12-02, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY ADOPTING A CONFLICT OF INTEREST CODE FOR THE OVERSIGHT BOARD	<b>DATE:</b> April 25, 2012
	<b>SECTION:</b> BUSINESS ITEMS
	<b>ITEM NO.:</b> B
	<b>FILE I.D.:</b> OBO100
	<b>DEPT.:</b> OVERSIGHT BOARD

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**REASON FOR CONSIDERATION:** Pursuant to the Political Reform Act and regulations promulgated by the Fair Political Practices Commission ("FPPC"), a newly established local entity is required to adopt a conflict of interest code.

A copy of proposed Resolution No. 12-02 adopting a Conflict of Interest Code for the Oversight Board is attached for the Oversight Board's review and consideration.

**BACKGROUND:** The Redevelopment Dissolution Act signed by the Governor in June 2011 was upheld by the California Supreme Court on December 29, 2011. The Court set the date of February 2, 2012, for dissolution of all California redevelopment agencies. The City of Montclair has elected to serve as Successor Agency to the dissolved City of Montclair Redevelopment Agency.

The Dissolution Act requires that each successor agency have an oversight board composed of seven members appointed by specific government agencies. The oversight board is subject to the Political Reform Act. The oversight board should adopt a conflict of interest code to operate in accordance with the Political Reform Act and regulations promulgated thereunder by the FPPC.

Staff is recommending that the Oversight Board adopt proposed Resolution No. 12-02, which adopts the FPPC model conflict of interest code by reference. The model code requires inclusion of the designated positions subject to the code and a list of disclosure categories. The Resolution proposes that the designated positions be the Oversight Board Members and that reporting be required in all disclosure categories that are applicable.

**FISCAL IMPACT:** There is no fiscal impact associated with adoption of Resolution No. 12-02.

**RECOMMENDATION:** Staff recommends that the Oversight Board adopt a Conflict of Interest Code for the Oversight Board.

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Prepared by: <u>M. STAATS</u>	Reviewed and Approved by: <u>M. STAATS</u>
Proofed by: <u>Monne L. Smith</u>	Presented by: <u>M. STAATS</u>

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**RESOLUTION NO. 12-02**

**A RESOLUTION OF THE OVERSIGHT BOARD  
OF THE SUCCESSOR AGENCY TO THE CITY  
OF MONTCLAIR REDEVELOPMENT AGENCY  
ADOPTING A CONFLICT OF INTEREST CODE  
FOR THE OVERSIGHT BOARD**

**WHEREAS**, the Oversight Board of the Successor Agency to the City of Montclair Redevelopment Agency has been appointed pursuant to the provisions of Health and Safety Code Section 34179; and

**WHEREAS**, the Oversight Board is deemed a local entity for purposes of the Political Reform Act; and

**WHEREAS**, pursuant to the Political Reform Act and regulations promulgated there under by the Fair Political Practices Commission ("FPPC"), a newly established local entity is required to adopt a conflict code; and

**WHEREAS**, the Oversight Board finds and determines that it is appropriate to adopt as its Conflict of Interest Code the model conflict of interest code promulgated by the FPPC as set forth in this Resolution.

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

**Section 1.** Pursuant to the Political Reform Act of 1974, Government Code Section 87300 *et seq.*, and Section 18730 of Title 2 of the California Code of Regulations, the Oversight Board adopts the model conflict code promulgated by the Fair Political Practices Commission of the State of California as set forth in Section 18730 of Title 2 of the California Code of Regulations, which model conflict of interest code is incorporated herein by reference, and which, together with the list of designated positions and the disclosure categories applicable to each designated position as set forth in Sections 3 and 4 of this Resolution, collectively constitutes the Board's Conflict of Interest Code. As the model conflict of interest code set forth in Section 18730 of Title 2 of the California Code of Regulations is amended from time to time by State law, regulatory action of the FPPC, or judicial determination, the portion of the Board's Conflict of Interest Code comprising the model conflict of interest code shall be deemed automatically amended without further action to incorporate by reference all such amendments to the model conflict of interest code so as to remain in compliance therewith. Nothing in this Resolution shall supersede the independent applicability of Government Code Section 87200.

**Section 2.** The definitions contained in the Political Reform Act of 1974 and in the regulations of the FPPC, and any amendments to either of the foregoing, are incorporated by reference into this Conflict of Interest Code.

**Section 3.** The following are the designated Board positions, the holders of which shall be required to file Statements of Economic Interests: Oversight Board Members.

**Section 4.** The Oversight Board finds and determines that the persons holding the positions set forth in Section 3 make or participate in the making of decisions which may foreseeably have a material effect on financial interests.

**Section 5.** Each person holding a designated position set forth in Section 3 shall report in every disclosure category set forth in the statement of economic interest promulgated by the FPPC to the extent such category is applicable to such person pursuant to the rules and regulation of the FPPC. The disclosure categories as promulgated by the FPPC may be amended from time to time and such amendments shall not require an amendment to this code or Resolution.

**Section 6.** Sections 3 and 5 of this Resolution constitute the Appendix referred to in subdivision (b)(2) of Section 18730 of Title 2 of the California Code of Regulations.

**Section 7.** Nothing contained in this Resolution is intended to modify or abridge the provisions of the Political Reform Act of 1974, Government Code Sections 87000 *et seq.*, or FPPC regulations, Title 2 of the California Code of Regulations including Sections 18700 *et seq.* The provisions of the Resolution are additional to the Political Reform Act and FPPC regulations. This Resolution shall be interpreted in a manner consistent with the Political Reform Act and FPPC regulations. In the event of any inconsistency between the provisions of this Resolution, on the one hand, and the Political Reform Act and/or the FPPC regulations, on the other hand, the provisions of the Political Reform Act and FPPC regulations shall govern.

**Section 8.** If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any on or more section, subsection, clause, or phrase be declared invalid.

**APPROVED AND ADOPTED** this XX day of XX, 2012.

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Chairman

**ATTEST:**

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Secretary

I, Yvonne L. Smith, Secretary of the Oversight Board to the Successor Agency of the City of Montclair Redevelopment Agency, DO HEREBY CERTIFY that Resolution No. 12-02 was duly adopted by the Oversight Board of Directors at a regular meeting thereof held on the XX day of XX, 2012, and that it was adopted by the following vote, to-wit:

AYES: XX  
NOES: XX  
ABSTAIN: XX  
ABSENT: XX

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Yvonne L. Smith  
Secretary

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## AGENDA REPORT

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<b>SUBJECT:</b> CONSIDER ADOPTION OF RESOLUTION NO. 12-03, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34179, DIVISION 24, PART 1.85, AND AUTHORIZING POSTING AND TRANSMITTAL THEREOF	<b>DATE:</b> April 25, 2012 <b>SECTION:</b> BUSINESS ITEMS <b>ITEM NO.:</b> C <b>FILE I.D.:</b> OBO050 <b>DEPT.:</b> OVERSIGHT BOARD
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**REASON FOR CONSIDERATION:** Pursuant to Section 34177 of the Health and Safety Code, the Successor Agency is required to submit its Recognized Obligation Payment Schedule (ROPS) to the Oversight Board for consideration and approval.

A copy of proposed Resolution No. 12-03 approving a Recognized Obligation Payment Schedule is attached for the Oversight Board's review and consideration.

**BACKGROUND:** The California Supreme Court's decision in *California Redevelopment Association, et. al. v. Matosantos* upheld AB X1 26, the Dissolution Act. The Dissolution Act has caused the dissolution of all California redevelopment agencies. On January 12, 2012, the City of Montclair City Council elected to become and serve as the Successor Agency to the City's dissolved redevelopment agency. The City 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 review and approval by the seven-member Oversight Board.

As part of the Dissolution Act as reformed by the Supreme Court, each Successor Agency was to adopt a draft Recognized Obligation Payment Schedule (ROPS) before March 1, 2012. The ROPS, as defined by the Dissolution Act, means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each six-month fiscal period.

Section 34177 of the Dissolution Act requires the Successor Agency to take actions with regard to the ROPS as follows:

- "A draft ROPS is prepared by the successor agency for the enforceable obligations of the former redevelopment agency by March 1, 2012. From February 1, 2012, to July 1, 2012, the initial draft of the that schedule shall project the dates and amounts of the scheduled payments for each enforceable obligation and the remainder of the time period during which the redevelopment agency would have been authorized to obligate property tax increment had such a redevelopment agency not been dissolved,

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Prepared by: <u>M. STAATS</u>	Reviewed and Approved by: <u>M. STAATS</u>
Proofed by: <u>Janet R. Smith</u>	Presented by: <u>M. STAATS</u>

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and shall be reviewed and certified, as to its accuracy, by an external auditor designated pursuant to California Health and Safety Code Section 34182."

- The certified ROPS is submitted to and duly approved by the Oversight Board.
- A copy of the approved ROPS (after review and certification by the external auditor) is submitted to the county auditor-controller and both the Controller's office and the Department of Finance and posted on the successor agency's internet website.
- The ROPS shall be forward looking to the next six months. The first ROPS shall be submitted to the Controller's office and the Department of Finance by April 15, 2012, for the period of May 1, 2012, to June 30, 2012, inclusive. Former redevelopment agency enforceable obligation payments due, and reasonable or necessary administrative costs due or incurred, prior to January 1, 2012, shall be made from property tax revenues received in the spring of 2011 property tax distribution and from other revenues and balances transferred to the successor agency."

By Successor Agency Resolution No. 12-02, the City Council acting as Successor Agency, adopted the draft ROPS and took certain other actions, but review and certification as to accuracy by an external auditor designated by the County Auditor-Controller has not yet occurred. The City Council, as Successor Agency, also gave the City Manager authority to augment, modify, add, or revise the ROPS as needed. Given the initial meeting date for the Oversight Board, the City of Montclair, as Successor Agency, has not met the requirement for the Oversight Board to have approved the ROPS by April 15, 2012. However, given the inconsistency found in the dissolution law for approval of the ROPS by April 15, 2012, and the establishment of an Oversight Board by May 1, 2012, the Successor Agency believes that approval of the ROPS by the Oversight Board after the April 15, 2012 deadline will not pose a major problem.

A significant issue cited on the ROPS for the City of Montclair Successor Agency is the Mission Boulevard Tax Allocation Notes. These Tax Allocation Notes mature on June 1, 2012. The former City of Montclair Redevelopment Agency would have issued long-term tax allocation bonds to repay the Notes. However, with the Dissolution Act, the City and the County of San Bernardino are exploring options regarding repayment of this debt.

It is recommended the Oversight Board review and approve the ROPS, subject to review as to accuracy by the external auditor designated by the County Auditor-Controller, and authorize the Successor Agency's City Manager or his authorized designees to augment, modify, add, or revise the schedule as may be needed.

**FISCAL IMPACT:** Approval of the Recognized Obligation Payment Schedule by the Oversight Board would authorize the repayment of former City of Montclair Redevelopment Agency obligations. Oversight Board approval of the ROPS would also allow the City of Montclair to recover administrative costs related to dissolution activities. Approval of the ROPS by the Oversight Board would be subject to review as to accuracy by an auditor designated by the County Auditor-Controller's Office. In addition, all actions of the Oversight Board do not become effective for three business days, pending review by the Department of Finance.

**RECOMMENDATION:** Staff recommends the Oversight Board adopt Resolution No. 12-03 approving a Recognized Obligation Payment Schedule pursuant to California Health and Safety Code Section 34179, Division 24, Part 1.85, and authorizing posting and transmittal thereof.

RESOLUTION NO. 12-03

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE 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 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. Matasantos*, 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**, on February 21, 2012, the Successor Agency adopted Resolution No. 12-02 approving the initial recognized obligation payment schedule ("ROPS") pursuant to Section 34177 of the Dissolution Act and has submitted such ROPS to the Oversight Board; and

**WHEREAS**, the Oversight Board has received, reviewed, and desires to approve the ROPS and to authorize the Successor Agency to post the ROPS on the City/Successor Agency website and to transmit 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 three (3) business days pending any request for review by the DOF, and if the DOF requests review hereof, DOF 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, will not be effective until approved by DOF.

**NOW, THEREFORE, BE IT RESOLVED** that the Oversight Board of 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, 2012 through June 30, 2012.

**Section 3.** The Oversight Board authorizes the Successor Agency to transmit the ROPS to the County Auditor-Controller, the 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 the DOF and the expiration of three (3) 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 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, will not be effective until approved by the 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 XX day of XX, 2012.

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Chairperson

**ATTEST:**

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Secretary

I, Yvonne L. Smith, Secretary of the Oversight Board of the Successor Agency to the City of Montclair Redevelopment Agency, DO HEREBY CERTIFY that Resolution No. 12-03 was duly adopted by the Oversight Board of Director at a regular meeting thereof held on the XX day of XX, 2012, and that it was adopted by the following vote, to-wit:

AYES: XX  
NOES: XX  
ABSTAIN: XX  
ABSENT: XX

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Yvonne L. Smith  
Secretary

**DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34169 (\*)

Project Name / Debt Obligation	Payee	Description	Project Area	Total Outstanding Debt or Obligation	*** Funding Source	Payable from the Redevelopment Property Tax Increment Fund (RPTIF)							
						Payments by month							Total
						Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012****		
1) 1997 Taxable Tax Allocation Bonds	Bank of New York Mellon	Bond issue to fund non-housing projects	Project Area 1	318,360.00	RPTIF			8,820.00				23,820.00	\$ 32,640.00
2) 2007A Tax Allocation Refunding Bonds	Bank of New York Mellon	Bond issue to fund non-housing projects	Project Area 3	40,548,068.86	RPTIF		544,893.75					1,039,893.75	\$ 1,584,787.51
3) 2007B Taxable Tax Allocation Bonds	Bank of New York Mellon	Bond issue to fund non-housing projects	Project Area 3	4,814,242.60	RPTIF		89,641.75					214,641.75	\$ 304,283.50
4) 2004 Tax Allocation Bonds	Bank of New York Mellon	Bond issue to fund non-housing projects	Project Area 4	7,392,100.00	RPTIF			113,987.50				253,987.50	\$ 367,975.00
5) 2001 Tax Allocation Bonds	Bank of New York Mellon	Bond issue to fund non-housing projects	Project Area 5	14,638,845.00	RPTIF			235,490.00				530,480.00	\$ 765,960.00
6) 2006A Tax Allocation Bonds	Bank of New York Mellon	Bond issue to fund non-housing projects	Project Area 5	12,187,550.50	RPTIF			198,984.75				388,984.75	\$ 567,969.50
7) 2006B Tax Allocation Bonds	Bank of New York Mellon	Bond issue to fund non-housing projects	Project Area 5	6,131,187.50	RPTIF			77,900.00				77,900.00	\$ 155,800.00
8) 2008 Tax Allocation Notes	Bank of New York Mellon	Mission Blvd-Notes issue to fund non-housing projects	Project Area 6	7,995,000.00	RPTIF					7,995,000.00	*****	77,900.00	\$ 7,995,000.00
9) Employee Costs	Employment of Agency	Project Management Costs	All Areas	306,896.56	RPTIF	31,120.83	31,120.83					22,801.66	\$ 170,086.64
10) Advertising for Bond costs	Source Media	Publication of Bond Call Notice	All Areas	4,500.00	RPTIF							4,500.00	\$ 4,500.00
11) Utility Costs	Southern California Edison Co	Temporary utility costs for properties	Project Area 3	2,304.00	RPTIF	192.00	192.00	192.00	192.00	192.00		192.00	\$ 1,152.00
12) Contract for Professional Service	Southern California Landscapes	Temporary Foundation 11 landscape maint	Project Area 3	18,000.00	RPTIF	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00		3,000.00	\$ 18,000.00
13) Contract for Professional Service	Southern California Landscapes	Foundation Area 11 required repairs/repac	Project Area 3	20,000.00	RPTIF							20,000.00	\$ 20,000.00
14) Contract for Legal Services	Stradling, Yocca, Carlson & R	Agency legal services	All Areas	62,100.00	RPTIF	10,350.00	10,350.00	10,350.00				10,350.00	\$ 62,100.00
15) Commercial Rehabilitation Loan Ag	Jana Maria Campbell & Dennis	Commercial Rehabilitation Loan	Project Area 4	267,853.00	RPTIF	7,500.00						7,500.00	\$ 15,000.00
16) Contract for Construction	Earth Tek Engineering Corp	Alma Hofman Park Improvement Project	Project Area 1	128,392.00	RPTIF	12,839.20							\$ 12,839.20
17) Agency Loan Agreements	City of Montclair	Note for redevelopment projects in Project	Project Area 3	58,738.00	RPTIF							58,738.00	\$ 58,738.00
18) Member Fee	Gold Line Construction Authori	Gold Line Membership	Project Area 3	30,000.00	RPTIF			30,000.00					\$ 30,000.00
19) Route Alternative Study	Gold Line Construction Authori	Fee for participation in study	Project Area 3	160,000.00	RPTIF		160,000.00						\$ 160,000.00
20) Monument Sign Repairs	Sign A Rama	Foundation Area 11 required repairs	Project Area 3	2,000.00	RPTIF								\$ 2,000.00
21) Maintenance Contract	Landmark Fence	Foundation Area 11 and 12 required repairs	Project Area 3	10,000.00	RPTIF							2,000.00	\$ 10,000.00
22) Title Report Costs	Chicago Title	Title Report RE. FA 11	Project Area 3	600.00	RPTIF	600.00							\$ 600.00
23) Contract for Bond Trustee Service	Bank of New York Mellon	Annual bond trustee fees/costs	All Areas	19,300.00	RPTIF		9,650.00						\$ 9,650.00
24) Contract for Legal Services	Best Best & Krieger LLP	Agency legal services	Project Area 3	141,250.00	RPTIF	11,771.00	11,771.00	11,771.00	11,771.00	11,771.00	11,771.00	11,771.00	\$ 70,628.00
25) Contract for Bond Services	Bondlogistix LLC	Bond Continuing Disclosure services	All Areas	13,500.00	RPTIF		13,500.00						\$ 13,500.00
26) Contract for Bond Services	Bondlogistix LLC	Bond Arbitrage Rebate Calculation services	All Areas	10,500.00	RPTIF								\$ 10,500.00
27) Contract for consulting services	Southern California Association	Cost to participate in Compass 2 percent S	Project Area 3	25,000.00	RPTIF							10,500.00	\$ 10,500.00
28) Contract for Professional Service	First American Data Tree	Property search services	Project Area 3	1,500.00	RPTIF			500.00					\$ 500.00
29) Contract for Safekeeping Services	First Tennessee Bank Safekee	Investment Safekeeping services	Project Area 3	1,400.00	RPTIF	350.00							\$ 350.00
30) Contract for Planning Services	Fleener Associates	Housing Improvement Task Force planning	All Areas	40,000.00	RPTIF		10,000.00					350.00	\$ 700.00
31) Contract for Professional Service	Group 1 Productions	Video assistance	Proj Area 1, 3, 4, 5	12,900.00	RPTIF				10,000.00				\$ 20,000.00
32) Agency Subscription costs	Montclair Chamber of Commer	CoStar Subscription	All Areas	4,118.00	RPTIF					12,900.00			\$ 12,900.00
33) Economic development costs	Montclair Chamber of Commer	Economic Development and Business refer	All Areas	14,118.00	RPTIF			3,529.60				1,029.60	\$ 2,059.20
34) Rent of Office Space	Montclair Town Center LLC	Office rent	Proj Area 1, 3, 4, 5	25,006.00	RPTIF	2,133.80	2,133.80	2,133.80	2,133.80			3,529.60	\$ 7,059.20
35) Utility costs	Monte Vista Water District	Temporary water services	Project Area 3	12,765.00	RPTIF	2,127.50		2,127.50	2,127.50	2,127.50		2,133.80	\$ 12,802.80
36) Overhead Costs	City of Montclair	Overhead utility costs	All Areas	31,926.00	RPTIF	2,660.50	2,660.50	2,660.50	2,660.50	2,660.50		2,127.50	\$ 6,382.50
37) Contract for Professional Service	Donald Parker, CPA	Financial Oversight Services	All Areas	10,000.00	RPTIF	833.34	833.34	833.33	833.33	833.33	833.33	2,660.50	\$ 15,963.00
38) Agency Delivery Service	Federal Express	Delivery Service	All Areas	500.00	RPTIF	41.65	41.67	41.67	41.67	41.67	41.67	41.67	\$ 500.00
39) Graffiti Abatement Costs	City of Montclair	Removal of graffiti in RDA areas	All Areas	3,781.05	RPTIF	3,781.05							\$ 3,781.05
40) Office Supplies	Staples/Office Depot	Office supplies	All Areas	600.00	RPTIF	100.00	100.00	100.00	100.00	100.00	100.00	100.00	\$ 600.00
41) Contract for Legal Services	Robbins and Holdaway	Legal Services	All Areas	5,000.00	RPTIF	416.65	416.67	416.67	416.67	416.67	416.67	416.67	\$ 2,500.00
42)													\$ -
43)													\$ -
44)													\$ -
45)													\$ -
46)													\$ -
Totals - This Page (RPTIF Funding)				\$ 95,370,479.97	N/A	\$ 89,797.52	\$ 923,834.91	\$ 714,349.15	\$ 72,969.80	\$ 8,113,695.73	*****	\$ 12,559,185.10	\$ 12,559,185.10
Totals - Page 2 (Other Funding)				\$ 3,429,494.51	N/A	\$ 53,857.21	*****	*****	\$ 54,507.21	\$ 55,007.21	\$ 55,811.21	\$ 3,228,547.26	\$ 3,228,547.26
Totals - Page 3 (Administrative Cost Allowance)				\$ 1,210,322.19	N/A	\$ 84,012.70	\$ 83,632.70	\$ 83,632.68	\$ 83,032.68	\$ 82,832.68	*****	\$ 98,332.68	\$ 525,676.12
Totals - Page 4 (Pass Thru Payments)				\$ 83,009,733.07	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	*****	\$ 3,123,972.00	\$ 3,123,972.00
Grand total - All Pages				\$ 183,020,029.74		\$ 227,667.43	*****	*****	\$ 210,509.69	\$ 8,261,535.62	*****	\$ 19,437,380.48	\$ 19,437,380.48

\* The Preliminary Draft Recognized Obligation Payment Schedule (ROPS) is to be completed by 3/1/2012 by the successor agency, and subsequently be approved by the oversight board and audited by the County.

\*\* All totals due during fiscal year and payment amounts are projected.

\*\*\* Funding sources from the successor agency: (For fiscal 2011-12 only, references to RPTIF could also mean tax increment allocated to the Agency prior to February 1, 2012.)

\*\*\*\* For bond issues, includes payments required to be made from June and those due on the bonds to the end of the bond year.

\*\*\*\*\* This is the principal maturity and interest due on the notes due 6/1 (maturity date). If sufficient resources are not available for repayment, these will be in default.

RPTIF - Redevelopment Property Tax Trust Fund  
 Bonds - Bond proceeds  
 Admin - Successor Agency Administrative Allowance

LMHFF - Low and Moderate Income Housing Fund

Other - reserves, rents, interest earnings, etc

**DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34169 (\*)

Project Name / Debt Obligation	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Funding Source ***	Payable from Other Revenue Sources									
						Payments by month									
						Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012	Total			
1) Rehabilitation Loan Agreements	Montclair Housing Corporation	Rehabilitation loan for replacement housing	All Areas	1,000,000.00	LMIHF			1,000,000.00							\$ 1,000,000.00
2) Contract for Construction	National Community Renaissance	Special needs housing project	Project Area 5	1,900,000.00	Reserve		1,900,000.00								\$ 1,900,000.00
3) Housing Improvement Costs	Neighborhood Partnership Housing	Safe Homes for Seniors costs	All Areas	30,000.00	LMIHF	2,000.00	2,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00		\$ 16,000.00
4) Housing Improvement Loans	Neighborhood Partnership Housing	Single family housing rehabilitation loans	All Areas	270,000.00	LMIHF	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00		\$ 180,000.00
5) Homebuyers Assistance Program	US Bank	Shared Appreciation costs on Homebuyer A	Project Area 4 & 5	2,000.00	LMIHF			1,000.00						1,000.00	\$ 2,000.00
6) Homebuyers Assistance Program	US Bank	Homebuyer Assistance program servicing f	Project Area 4 & 5	304.00	LMIHF									304.00	\$ 304.00
7) Contract for Professional Service	Landscape Maintenance Unlim	Asset Maintenance	Project Area 5	4,000.00	LMIHF	333.00	333.00	333.00	333.00	333.00	333.00	333.00	333.00		\$ 1,998.00
8) Employee Costs	Employees of Agency	Affordability Monitoring & Project Mgmt Cos	All Areas	136,490.51	LMIHF	11,374.21	11,374.21	11,374.21	11,374.21	11,374.21	11,374.21	11,374.21	11,374.21		\$ 68,245.26
9) Contract Legal Services	Stradling, Yocca, Carlson & Ra	Legal Services	All Areas	48,000.00	LMIHF	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00		\$ 24,000.00
10) Office Supplies	Staples/Office Depot	Office Supplies	All Areas	400.00	LMIHF	33.34	33.34	33.34	33.33	33.33	33.33	33.33	33.33		\$ 200.00
11) Housing Improvement Costs	Neighborhood Partnership Housing	Service fees for Senior grants	All Areas	3,300.00	LMIHF	450.00	450.00	600.00	600.00	600.00	600.00	600.00	600.00		\$ 3,300.00
12) Housing Improvement costs	Neighborhood Partnership Housing	Service fees for Rehab loans	All Areas	30,000.00	LMIHF	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00		\$ 30,000.00
13) Contract Legal Services	Robbins and Holdaway	Legal Services	All Areas	2,000.00	LMIHF	166.66	166.66	166.67	166.67	166.67	166.67	166.67	166.67		\$ 1,000.00
14) Maintenance Contract	Buchbinder Maintenance Inc.	Vandalism Repairs	Project Area 5	3,000.00	LMIHF	500.00		500.00			500.00				\$ 1,500.00
15)															\$ -
16)															\$ -
17)															\$ -
18)															\$ -
19)															\$ -
20)															\$ -
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22)															\$ -
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26)															\$ -
27)															\$ -
28)															\$ -
29)															\$ -
30)															\$ -
31)															\$ -
32)															\$ -
33)															\$ -
Totals - LMIHF				\$ 3,429,494.51		\$ 53,857.21	\$ 1,953,357.21	\$ 1,056,007.21	\$ 54,507.21	\$ 55,007.21	\$ 55,811.21	\$ 55,811.21	\$ 55,811.21		\$ 3,228,547.26
Totals - Bonds															\$ 0.00
Totals - Other															\$ 0.00
Grand total - This Page				\$ 3,429,494.51		\$ 53,857.21	\$ 1,953,357.21	\$ 1,056,007.21	\$ 54,507.21	\$ 55,007.21	\$ 55,811.21	\$ 55,811.21	\$ 55,811.21		\$ 3,228,547.26

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\* The Preliminary Draft Recognized Obligation Payment Schedule (ROPS) is to be completed by 3/1/2012 by the successor agency, and subsequently be approved by the oversight board and audited by the County.  
 \*\* All total due during fiscal year and payment amounts are projected.  
 \*\*\* Funding sources from the successor agency: (For fiscal 2011-12 only, references to RPTTF could also mean tax increment allocated to the Agency prior to February 1, 2012.)  
 \*\*\*\* Amount of obligation under section 33334.2 is shown at the request of interested parties and has yet to be determined as valid under existing law. The successor entities present do not acknowledge these obligations at present until their validity and funding is determined by subsequent legislation and/or judicial actions.  
 \*\*\*\*\* This is the principal maturity and interest due on the notes due 6/1 (maturity date). If sufficient resources are not available for repayment, these will be in default.  
 RPTTF - Redevelopment Property Tax Trust Fund      Bonds - Bond proceeds      Other - reserves, rents, interest earnings, etc  
 LMIHF - Low and Moderate Income Housing Fund      Admin - Successor Agency Administrative Allowance

**DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34169 (\*)

Project Name / Debt Obligation	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Funding Source **	Payable from the Administrative Allowance Allocation							
						Payments by month							Total
						Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012		
1) Employee Costs	Employees of Agency / Successor	Payroll for employees	All Areas	485,939.11	Admin	40,494.93	40,494.93	40,494.93	40,494.93	40,494.93	40,494.93	\$ 242,989.58	
2) Contract for Legal Services	Robbins & Holdaway	Legal services	All Areas	20,000.00	Admin	1,667.00	1,667.00	1,667.00	1,667.00	1,667.00	1,667.00	\$ 10,002.00	
3) Agency vocational training costs	California Redevelopment Assn	RDA vocational training for employees	All Areas	1,000.00	Admin			1,000.00				\$ 1,000.00	
4) Agency Insurance Costs	Kessler-Alair Insurance Service	Public Employee's Bond	All Areas	175.00	Admin	14.50	14.50		14.50	14.50	14.50	\$ 87.00	
5) Agency Delivery Service	Federal Express Corp	Delivery Service	All Areas	500.00	Admin	41.67	41.67	41.67	41.67	41.67	41.67	\$ 250.02	
6) Contract for Professional Service	Teaman, Ramirez and Smith, Inc	Audit and compliance services	All Areas	15,500.00	Admin						15,500.00	\$ 15,500.00	
7) Contract for Professional Service	Hidi Ceren & Cone	Pass Through Calculations	All Areas	10,000.00	Admin					10,000.00		\$ 10,000.00	
8) Overhead Costs	City of Montclair	Overhead Costs	All Areas	31,926.00	Admin	2,660.50	2,660.50	2,660.50	2,660.50	2,660.50	2,660.50	\$ 15,963.00	
9) Contract for Professional Service	Donald Parker, CPA	Financial Oversight Services	All Areas	40,000.00	Admin	3,333.34	3,333.34	3,333.33	3,333.33	3,333.33	3,333.33	\$ 20,000.00	
10) Contract for Legal Services	Strading, Yocca, Carlson & Ray	Legal services	All Areas	120,000.00	Admin	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	\$ 60,000.00	
11) Training for Successor Agency	California Redevelopment Assn	Training on Administration of Successor Agency	All Areas	1,000.00	Admin		800.00		200.00			\$ 1,000.00	
12) Contract for Professional Service	Lance, Soil & Lungard LLP	Audit and compliance services	All Areas	1,180.00	Admin	1,180.00						\$ 1,180.00	
13) Office Supplies	Staples/Office Depot	Office Supplies	All Areas	400.00	Admin	33.34	33.34	33.33	33.33	33.33	33.33	\$ 200.00	
14) Agency Insurance Costs	California Insurance Pool Authority	General Liability Insurance	All Areas	194,916.00	Admin	605.00	605.00	605.00	605.00	605.00	605.00	\$ 3,630.00	
15) Agency Insurance Costs	California Insurance Pool Authority	Earthquake/Flood Insurance	All Areas	9,248.00	Admin	771.00	771.00	771.00	771.00	771.00	771.00	\$ 4,628.00	
16) Agency Insurance Costs	Kessler-Alair Insurance Service	Fire Insurance	All Areas	1,753.00	Admin	146.00	146.00	146.00	146.00	146.00	146.00	\$ 876.00	
17) Employee Costs	Employees of Agency / Successor	Mileage/Auto Allowance	All Areas	26,820.00	Admin	2,235.00	2,235.00	2,235.00	2,235.00	2,235.00	2,235.00	\$ 13,410.00	
18) Employee Costs	City of Montclair	Indirect Staff Charges	All Areas	215,484.00	Admin	17,957.00	17,957.00	17,957.00	17,957.00	17,957.00	17,957.00	\$ 107,742.00	
19) Retirement Costs	City of Montclair	Retiree pension and benefits	All Areas	34,481.08	Admin	2,873.42	2,873.42	2,873.42	2,873.42	2,873.42	2,873.42	\$ 17,240.52	
20)												\$ -	
21)												\$ -	
22)												\$ -	
23)												\$ -	
24)												\$ -	
25)												\$ -	
26)												\$ -	
27)												\$ -	
28)												\$ -	
29)												\$ -	
30)												\$ -	
31)												\$ -	
32)												\$ -	
33)												\$ -	
34)												\$ -	
35)												\$ -	
36)												\$ -	
Totals - This Page				\$ 1,210,322.19		\$ 84,012.70	\$ 83,632.70	\$ 83,832.68	\$ 83,032.68	\$ 92,832.68	\$ 98,332.68	\$ 525,676.12	

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\* The Preliminary Draft Recognized Obligation Payment Schedule (ROPS) is to be completed by 3/1/2012 by the successor agency, and subsequently be approved by the oversight board and audited by the County.  
 \*\* All total due during fiscal year and payment amounts are projected.  
 \*\*\* Funding sources from the successor agency: (For fiscal 2011-12 only, references to RPTTF could also mean tax increment allocated to the Agency prior to February 1, 2012.)  
 RPTTF - Redevelopment Property Tax Trust Fund      Bonds - Bond proceeds      Other - reserves, rents, interest earnings, etc  
 LMIHF - Low and Moderate Income Housing Fund      Admin - Successor Agency Administrative Allowance

**OTHER OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34169 (\*)

Project Name / Debt Obligation	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Source of Fund**	Pass Through and Other Payments							
						Payments by month							
						Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012	Total	
1) Statutory Payments	Chaffey Community College	Payments per CRL 33607.5 and .7	Proj Area 1, 4, MB	37,257.00	RPTTF						37,257.00	\$ 37,257.00	
2) Statutory Payments	Chaffey Joint Union High School District	Payments per CRL 33607.5 and .7	Proj Area 1, 4, MB	135,774.00	RPTTF						135,774.00	\$ 135,774.00	
3) Statutory Payments	Chino Basin Water Conservancy District	Payments per CRL 33607.5 and .7	PA 1, 3, 4, 5, MB	8,577.00	RPTTF						8,577.00	\$ 8,577.00	
4) Statutory Payments	San Bernardino County Treasurers Office	Payments per CRL 33607.5 and .7	Proj Area 1, 5, MB	31,807.00	RPTTF						31,807.00	\$ 31,807.00	
5) Statutory Payments	Inland Empire Utilities Agency	Payments per CRL 33607.5 and .7	Proj Area 1, 4, MB	7,171.00	RPTTF						7,171.00	\$ 7,171.00	
6) Statutory Payments	Inland Empire West Resource Agency	Payments per CRL 33607.5 and .7	PA 1, 3, 5, MB	346.00	RPTTF						346.00	\$ 346.00	
7) Statutory Payments	Monte Vista Water District	Payments per CRL 33607.5 and .7	PA 1, 4, 5, MB	21,778.00	RPTTF						21,778.00	\$ 21,778.00	
8) Statutory Payments	Ontario-Montclair Elementary School District	Payments per CRL 33607.5 and .7	Proj Area 1, 4, MB	167,977.00	RPTTF						167,977.00	\$ 167,977.00	
9) Statutory Payments	San Bernardino County Office of Education	Payments per CRL 33607.5 and .7	Proj Area 1, 4, MB	4,421.00	RPTTF						4,421.00	\$ 4,421.00	
10) Statutory Payments	San Bernardino County Library	Payments per CRL 33607.5 and .7	Proj Area 1, 5, MB	5,290.00	RPTTF						5,290.00	\$ 5,290.00	
11) Statutory Payments	County of San Bernardino	Payments per CRL 33607.5 and .7	Proj Area 1, 5, MB	10,245.00	RPTTF						10,245.00	\$ 10,245.00	
12) Pass Through Agreements	Inland Empire Utility Agency	Payments per former CRL 33401	Proj Area 3, 4, 5	8,752,695.83	RPTTF						355,936.00	\$ 355,936.00	
13) Pass Through Agreements	County of San Bernardino	Payments per former CRL 33401	Proj Area 3, 4	55,825,644.83	RPTTF						1,381,390.00	\$ 1,381,390.00	
14) Pass Through Agreements	Chaffey Community College	Payments per former CRL 33401	Proj Area 3, 5	1,838,663.97	RPTTF						45,149.00	\$ 45,149.00	
15) Pass Through Agreements	Chaffey Joint Union High School District	Payments per former CRL 33401	Proj Area 3, 5	6,657,742.92	RPTTF						463,167.00	\$ 463,167.00	
16) Pass Through Agreements	Ontario-Montclair Elementary School District	Payments per former CRL 33401	Proj Area 3, 5	8,269,159.92	RPTTF						202,285.00	\$ 202,285.00	
17) Pass Through Agreements	San Bernardino County Office of Education	Payments per former CRL 33401	Proj Area 3, 5	326,214.58	RPTTF						6,456.00	\$ 6,456.00	
18) Pass Through Agreements	Monte Vista Water District	Payments per former CRL 33401	Proj Area 3	2,743,168.02	RPTTF						63,166.00	\$ 63,166.00	
19) Statutory Payments	County of San Bernardino	Administrative Charges in connection with	All Areas	175,800.00	RPTTF						175,800.00	\$ 175,800.00	
20)												\$ -	
21)												\$ -	
22)												\$ -	
23)												\$ -	
24)												\$ -	
25)												\$ -	
26)												\$ -	
27)												\$ -	
28)												\$ -	
29)												\$ -	
<b>Totals - Other Obligations</b>				<b>\$ 83,009,733.07</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,123,972.00</b>	<b>\$ 3,123,972.00</b>

\* The Preliminary Draft Recognized Obligation Payment Schedule (ROPS) is to be completed by 3/1/2012 by the successor agency, and subsequently be approved by the oversight board and audited by the County.  
 \*\* All total due during fiscal year and payment amounts are projected.  
 \*\*\* Funding sources from the successor agency: (For fiscal 2011-12 only, references to RPTTF could also mean tax increment allocated to the Agency prior to February 1, 2012.)  
 RPTTF - Redevelopment Property Tax Trust Fund      Bonds - Bond proceeds      Other - reserves, rents, interest earnings, etc  
 LMIHF - Low and Moderate Income Housing Fund      Admin - Successor Agency Administrative Allowance

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## AGENDA REPORT

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<b>SUBJECT:</b> CONSIDER ADOPTION OF RESOLUTION NO. 12-04, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY'S PROPOSED ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j), AUTHORIZING THE SUCCESSOR AGENCY TO ENTER INTO AN AGREEMENT WITH THE CITY OF MONTCLAIR FOR ADMINISTRATIVE SUPPORT PURSUANT TO HEALTH AND SAFETY CODE SECTION 34171, AND MAKING OTHER FINDINGS IN CONNECTION THEREWITH	<b>DATE:</b> April 25, 2012 <b>SECTION:</b> BUSINESS ITEMS <b>ITEM NO.:</b> D <b>FILE I.D.:</b> OBO050 <b>DEPT.:</b> OVERSIGHT BOARD
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**REASON FOR CONSIDERATION:** Section 34177(j) of the Health and Safety Code related to the dissolution of redevelopment agencies requires that a successor agency "prepare a proposed administrative budget and submit it to the oversight board for its approval."

**BACKGROUND:** As indicated, Health and Safety Code Section 34177(j), as modified by the Supreme Court's opinion in the matter of *California Redevelopment Association, et. al. v. Ana Matosantos*, requires the Successor Agency to the City of Montclair Redevelopment Agency prepare a proposed "Administrative Budget" covering the period from February 1, 2012, through June 30, 2012, and submit it to the Oversight Board for approval. Pursuant to Section 34177(j), the Administrative Budget is to include an estimated amount of the Successor Agency's administrative costs for the upcoming six-month period (February 1, 2012, through June 30, 2012, based on the dates presented by the Supreme Court), the proposed sources of payment for the identified costs, and proposals for arrangement for administrative and operations services provided by the City to the Successor Agency.

Attached is the proposed Successor Agency Administrative Budget submitted to the Oversight Board for consideration and approval. Pursuant to the Health and Safety Code and upon approval by the Oversight Board, the Successor Agency will provide the administrative cost estimates to the County of San Bernardino that are to be paid from property tax revenues deposited into the Redevelopment Property Tax Trust Fund for the period from February 1, 2012, through June 30, 2012.

The Oversight Board is also requested to authorize the Successor Agency to prepare an agreement with the City of Montclair. The agreement would ensure that the necessary services from the City to support Successor Agency responsibilities in the winding down of former redevelopment activities are available and would ensure that the City would be eligible for reimbursement of such costs used to support Successor Agency operations and obligations. The agreement would be submitted to the Oversight Board for approval prior to consideration by the Successor Agency and City Council.

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Prepared by: <u>M. STAATS</u>	Reviewed and Approved by:	M. STAATS
Proofed by: <u>Janne Kinnik</u>	Presented by:	M. STAATS

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**FISCAL IMPACT:** Approval of the Administrative Budget by the Oversight Board would allow the Successor Agency to be reimbursed for administrative costs related to dissolution activities.

**RECOMMENDATION:** Staff recommends that the Oversight Board adopt Resolution No. 12-04, a Resolution of the Oversight Board of the Successor Agency to the City of Montclair Redevelopment Agency approving the Successor Agency's proposed Administrative Budget pursuant to Health and Safety Code Section 34177(j), authorizing the Successor Agency to enter into an agreement with the City of Montclair for administrative support pursuant to Health and Safety Code Section 34171, and making other findings in connection therewith.

**Successor Agency for the Redevelopment Agency of the City of Montclair  
Administrative Budget  
February 1 to June 30, 2012**

Approved by Oversight Board on

Estimated Funding:

Fund: Estimated Administrative Allowance (3%) of Redevelopment Trust Fund Amount Allocated to City	\$ 382,130.91
Plus: Available Project Resources on hand	\$ 85,166.92
<b>Total</b>	<b><u>\$ 467,297.83</u></b>

<b>Staff Costs</b>	<b>% of Staff Time</b>	
City Manager	30%	\$ 38,254.17
RDA/Public Works Director	75%	\$ 51,538.44
Economic Development Coordinator	100%	\$ 39,674.17
Senior Accountant	45%	\$ 19,118.75
Junior Accountant	40%	\$ 13,947.00
Accounting Specialist	20%	\$ 5,812.05
Accounting Specialist	12.5%	\$ 3,537.10
Administrative Specialist	30%	\$ 8,752.90
Office Specialist	2.5%	\$ 615.00
Office Specialist Part-time	12.5%	\$ 1,418.40
Deputy City Clerk	12.5%	\$ 4,231.55
IT Supervisor	5%	\$ 4,654.20
Senior IT Specialist	5%	\$ 4,120.65
IT Specialist	10%	\$ 3,902.50
IT Technician	9%	\$ 2,834.65
<b>Sub-Total</b>		<b>\$ 202,411.53</b>

<b>Administrative Costs</b>	
Utilities (Electric, Water, Gas, Telephone)	\$ 16,666.65
Indirect Staff Charges (Other Staff Services & Building Maintenance Costs)	\$ 89,785.00
Vocation Education	\$ 1,000.00
Retiree Pension Costs	\$ 14,367.10
Mileage/Auto Allowance	\$ 11,175.00
Office Supplies/Postage	\$ 375.05
<b>Sub-Total</b>	<b>\$ 133,368.80</b>

<b>Insurance Costs</b>	
Public Employee Bond	\$ 72.50
General Liability	\$ 3,025.00
Fire Insurance	\$ 3,855.00
Earthquake	\$ 730.00
<b>Sub-Total</b>	<b>\$ 7,682.50</b>

<b>Legal and Consultant Costs</b>	
Robbins & Holdaway	\$ 8,335.00
Stradling, Yocca, Carlson, & Rauth	\$ 50,000.00
Donald L. Parker	\$ 40,000.00
Teaman, Ramirez, Smith	\$ 15,500.00
HdL, Coren & Cone	\$ 10,000.00
<b>Sub-Total</b>	<b>\$ 123,835.00</b>

<b>TOTAL</b>	<b><u>\$ 467,297.83</u></b>
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**RESOLUTION NO. 12-04**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY'S PROPOSED ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(J) AND AUTHORIZING THE SUCCESSOR AGENCY TO ENTER INTO AN AGREEMENT WITH THE CITY OF MONTCLAIR FOR ADMINISTRATIVE SUPPORT PURSUANT TO HEALTH AND SAFETY CODE SECTION 34171 AND MAKING OTHER FINDINGS IN CONNECTION THEREWITH**

**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**, Section 34177(j) requires the Successor Agency to prepare a proposed administrative budget covering the period from February 1, 2012 through June 30, 2012 and submit to the Oversight Board for approval; 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 upcoming six-month period; and

**WHEREAS**, pursuant to Section 34180(h) the Successor Agency may request authorization from the Oversight Board for the Successor Agency and the City of Montclair to prepare an agreement to ensure provision of the necessary services from the City to support the Successor Agency's responsibilities in winding down the activities of the former community redevelopment agency including the estimated costs set forth in the Administrative Budget; and

**WHEREAS**, the Successor Agency desires to enter into a Cost Reimbursement Agreement, which would authorize the reimbursement of costs incurred by the City to support Successor Agency operations and obligations; and

**WHEREAS**, the Oversight Board desires to approve the Successor Agency's proposed Administrative Budget and to authorize the Successor Agency to prepare a Cost Reimbursement Agreement for consideration; and

**WHEREAS**, pursuant to the Dissolution Act, the actions of the Oversight Board, including those approved by this Resolution, do not become effective for three (3) business days pending any request for review by the DOF; and if the DOF requests review hereof, DOF 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, will not be effective until approved by DOF.

**NOW, THEREFORE, BE IT RESOLVED** that the Oversight Board of 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 prepare a Cost Reimbursement Agreement between the Successor Agency and City for consideration.

**Section 4.** The Oversight Board authorizes the Successor Agency to transmit the Administrative Budget when/if approved to the County Auditor–Controller, the State Department of Finance ("DOF"), and the State Controller's Office.

**Section 5.** This Resolution shall become effective after transmittal of this Resolution with the ROPS attached to the DOF and the expiration of three (3) 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 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, will not be effective until approved by the DOF.

**Section 6.** The Secretary of the Oversight Board shall certify to the adoption of this Resolution.

**APPROVED AND ADOPTED** this XX day of XX, 2012.

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Chairperson

**ATTEST:**

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Secretary

I, Yvonne L. Smith, Secretary of the Oversight Board of the Successor Agency to the City of Montclair Redevelopment Agency, DO HEREBY CERTIFY that Resolution No. 12-04 was duly adopted by the Oversight Board of Directors at a regular meeting thereof held on the XX day of XX, 2012, and that it was adopted by the following vote, to-wit:

AYES: XX  
NOES: XX  
ABSTAIN: XX  
ABSENT: XX

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Yvonne L. Smith  
Secretary

**Successor Agency for the Redevelopment Agency of the City of Montclair  
Administrative Budget  
February 1 to June 30, 2012**

Approved by Oversight Board on

Estimated Funding:

Fund: Estimated Administrative Allowance (3%) of Redevelopment Trust Fund Amount Allocated to City	\$ 382,130.91
Plus: Available Project Resources on hand	\$ 85,166.92
<b>Total</b>	<b><u>\$ 467,297.83</u></b>

<b>Staff Costs</b>	<b>% of Staff Time</b>	
City Manager	30%	\$ 38,254.17
RDA/Public Works Director	75%	\$ 51,538.44
Economic Development Coordinator	100%	\$ 39,674.17
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IT Specialist	10%	\$ 3,902.50
IT Technician	9%	\$ 2,834.65
<b>Sub-Total</b>		<b>\$ 202,411.53</b>

<b>Administrative Costs</b>	
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Office Supplies/Postage	\$ 375.05
<b>Sub-Total</b>	<b>\$ 133,368.80</b>

<b>Insurance Costs</b>	
Public Employee Bond	\$ 72.50
General Liability	\$ 3,025.00
Fire Insurance	\$ 3,855.00
Earthquake	\$ 730.00
<b>Sub-Total</b>	<b>\$ 7,682.50</b>

<b>Legal and Consultant Costs</b>	
Robbins & Holdaway	\$ 8,335.00
Stradling, Yocca, Carlson, & Rauth	\$ 50,000.00
Donald L. Parker	\$ 40,000.00
Teaman, Ramirez, Smith	\$ 15,500.00
HdL, Coren & Cone	\$ 10,000.00
<b>Sub-Total</b>	<b>\$ 123,835.00</b>

<b>TOTAL</b>	<b><u>\$ 467,297.83</u></b>
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## AGENDA REPORT

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<b>SUBJECT:</b> CONSIDER ADOPTION OF RESOLUTION NO. 12-05, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY ESTABLISHING THE DATE, TIME, AND LOCATION OF OVERSIGHT BOARD MEETINGS	<b>DATE:</b> April 25, 2012
	<b>SECTION:</b> BUSINESS ITEMS
	<b>ITEM NO.:</b> E
	<b>FILE I.D.:</b> OBO050
	<b>DEPT.:</b> OVERSIGHT BOARD

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**REASON FOR CONSIDERATION:** Successor Agency staff requests that the Oversight Board establish a schedule for regular meetings of the Oversight Board. The Oversight Board is also requested to consider a process of future agenda items.

Proposed Resolution No. 12-05 detailing these matters is attached for the Oversight Board's review and consideration.

**BACKGROUND:** It is suggested the Oversight Board consider a proposed schedule for monthly meetings on the fourth Wednesday of each month at 6:00 pm in the City of Montclair City Council Chambers or on such other date and time more convenient to Oversight Board Members, provided there are scheduled agenda items or work effort needed by the Oversight Board. Special meetings and regular meetings will be noticed, posted, and agendas made available pursuant to the Ralph M. Brown Act.

Staff and Boards generally find it helpful to have a process established for calendaring future agenda items. Consistent with the general process in the City of Montclair, the proposed process provides that agenda items may be placed on an agenda by Successor Agency staff, by the Oversight Board Chairman, or by an Oversight Board Member if there is concurrence or support from a majority of the Oversight Board Members.

It is important to ensure that actions required by the Successor Agency and the Housing Successor Agency (the Montclair Housing Authority) are reviewed by the Oversight Board when and as required under the Dissolution Act including without limitation Health and Safety Code Sections 34179, 34180, and 34181. Successor Agency staff will look for direction from the Oversight Board on calendaring any Oversight Board discussion and actions related to required direction from the Successor Agency.

**FISCAL IMPACT:** There is no fiscal impact associated with adoption of proposed Resolution No. 12-05.

**RECOMMENDATION:** Staff recommends the Oversight Board adopt Resolution No. 12-05 establishing the date, time, and location of Oversight Board meetings.

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Prepared by: <u>M. STAATS</u>	Reviewed and Approved by: <u>M. STAATS</u>
Proofed by: <u>George Romich</u>	Presented by: <u>M. STAATS</u>

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**RESOLUTION NO. 12-05**

**A RESOLUTION OF THE OVERSIGHT BOARD  
OF THE SUCCESSOR AGENCY TO THE CITY  
OF MONTCLAIR REDEVELOPMENT AGENCY  
ESTABLISHING THE DATE, TIME, AND LOCA-  
TION OF OVERSIGHT BOARD MEETINGS**

**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 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 \_\_\_\_, 2012; and

**WHEREAS**, the Oversight Board has met and conferred to determine a date, time, and location for Oversight Board meetings.

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

**Section 1.** The Oversight Board meetings shall be on the \_\_\_\_\_, and the meetings shall be open to the public. Meetings may be adjourned by the presiding officer or by the Secretary if a quorum is not present.

**Section 2.** The location of the Oversight Board meetings shall be located in the City Council Chambers of the City of Montclair, 5111 Benito Street, Montclair, California.

**Section 3.** Special meeting may be called by the Chairman or by four (4) Board Members, and notice thereof shall be provided in accordance with the Brown Act.

**APPROVED AND ADOPTED** this XX day of XX, 2012.

\_\_\_\_\_  
Chairman

**ATTEST:**

\_\_\_\_\_  
Secretary

I, Yvonne L. Smith, Secretary of the Oversight Board to the Successor Agency to the City of Montclair Redevelopment Agency, DO HEREBY CERTIFY that Resolution No. 12-05 was duly adopted by the Oversight Board of Directors at a regular meeting thereof held on the XX day of XX, 2012, and that it was adopted by the following vote, to-wit:

AYES: XX  
NOES: XX  
ABSTAIN: XX  
ABSENT: XX

\_\_\_\_\_  
Yvonne L. Smith  
Secretary