

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

AGENDA

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

Special Meeting  
Wednesday, February 27, 2013  
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.*

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

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I. PRELIMINARY MATTERS

- A. Call to Order
- B. 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" form, available at the door. The form 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. APPROVAL OF MINUTES – None

- A. Minutes of the Special Oversight Board Meeting of January 29, 2013

IV. BUSINESS ITEMS

- A. Consider Adoption of Resolution No. 13-04, a Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Approving a Recognized Obligation Payment Schedule for July 1, 2013, through December 31, 2013, Pursuant to California Health and Safety Code Section 34179, Division 24, Part 1.85, and Authorizing Posting and Transmittal Thereof 3
- B. Consider Adoption of Resolution No. 13-05, a Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency Approving the Successor Agency's Proposed Administrative Budget for July 1, 2013, through December 31, 2013, Pursuant to Health and Safety Code Section 34177(j) 13
- C. Consider Report and Direction to Staff Regarding Solicitation of Proposals for Legal Counsel to the Oversight Board for the Former City of Montclair Redevelopment Agency 18

V. COMMUNICATIONS

- A. Staff
- B. Chairman and Members

VI. ADJOURNMENT

*The above actions of the Oversight Board shall not become effective for three business days, pending any request for review by 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.*

*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 24 hours prior to this meeting on the bulletin board adjacent to the north door of Montclair City Hall on February 21, 2013.*

## AGENDA REPORT

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<b>SUBJECT:</b> CONSIDER ADOPTION OF RESOLUTION NO. 13-04, A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2013, THROUGH DECEMBER 31, 2013, PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34179, DIVISION 24, PART 1.85, AND AUTHORIZING POSTING AND TRANSMITTAL THEREOF	<b>DATE:</b> February 27, 2013 <b>SECTION:</b> BUSINESS ITEMS <b>ITEM NO.:</b> A <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. With the adoption of AB 1484, the State Legislature changed the dates for submittal of the ROPS. An Oversight Board-approved ROPS for the period from July 1, 2013, through December 31, 2013, must be sent to the Department of Finance (DOF) and County Auditor-Controller no fewer than 90 days before the date of property tax distribution. The date of property tax distribution is approximately June 1, 2013. A penalty of \$10,000 per day for each day the ROPS is delinquent was added to the Health and Safety Code pursuant to AB 1484.

A copy of proposed Resolution No. 13-04 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. As the Oversight Board knows, the initial ROPS was supplied to the County and State on April 15, 2012. The Oversight Board took action to approve the initial ROPS on April 25, 2012. The Oversight Board took action to approve the ROPS for July 1, 2012, through December 31, 2012, on May 9, 2012. The

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Prepared by: <u>M. STAATS</u>	Reviewed and	Approved by: <u>M. STAATS</u>
Proofed by: <u>[Signature]</u>	Presented by:	_____

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ROPS for January 1, 2013, through June 30, 2013, was approved by the Oversight Board on August 21, 2012.

With the date of March 1, 2013, as the deadline for submittal of the ROPS for July 1, 2013, through December 31, 2013, staff is requesting the Oversight Board consider the ROPS submitted for this period and consider adoption of proposed Resolution No. 13-04.

**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 five business days, pending review by the Department of Finance.

**RECOMMENDATION:** Staff recommends the Oversight Board adopt Resolution No. 13-04 approving a Recognized Obligation Payment Schedule for July 1, 2013, through December 31, 2013, pursuant to California Health and Safety Code Section 34179, Division 24, Part 1.85, and authorizing posting and transmittal thereof.

## SUCCESSOR AGENCY CONTACT INFORMATION

### Successor Agency

ID: 265  
County: San Bernardino  
Successor Agency: Montclair

### Primary Contact

Honorific (Ms, Mr, Mrs)

First Name

Last Name

Title

Address

City

State

Zip

Phone Number

Email Address

Mr.
Donald L.
Parker
Finance Director
5111 Benito Street
Montclair
CA
91763
909-625-9418
dparker@cityofmontclair.org

### Secondary Contact

Honorific (Ms, Mr, Mrs)

First Name

Last Name

Title

Phone Number

Email Address

Ms.
Marilyn
Staats
Deputy City Manager/Exec. Dir. Econ. Dev.
909-625-9412
mstaats@cityofmontclair.org

**SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

Filed for the July 1, 2013 to December 31, 2013 Period

Name of Successor Agency: **MONTCLAIR (SAN BERNARDINO)**

Outstanding Debt or Obligation	Total
Total Outstanding Debt or Obligation	\$95,994,879
<b>Current Period Outstanding Debt or Obligation</b>	<b>Six-Month Total</b>
A Available Revenues Other Than Anticipated RPTTF Funding	\$0
B Enforceable Obligations Funded with RPTTF	\$2,720,782
C Administrative Allowance Funded with RPTTF	\$291,289
D Total RPTTF Funded (B + C = D)	\$3,012,071
E Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i>	\$3,012,071
F Enter Total Six-Month Anticipated RPTTF Funding	\$4,000,000
G Variance (F - D = G) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$987,929

Prior Period (July 1, 2012 through December 31, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))	
H Enter Estimated Obligations Funded by RPTTF (lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)	\$2,454,049
I Enter Actual Obligations Paid with RPTTF	\$2,454,049
J Enter Actual Administrative Expenses Paid with RPTTF	\$0
K Adjustment to Redevelopment Obligation Retirement Fund (H - (I + J) = K)	\$0
L Adjustment to RPTTF (D - K = L)	\$3,012,071

Certification of Oversight Board Chairman: Bill Ruh Chairman

Pursuant to Section 34177(m) of the Health and Safety code, Name Title

I hereby certify that the above is a true and accurate Recognized /s/ 2/27/2013 Date

Obligation Payment Schedule for the above named agency. Signature





MONTCLAIR (SAN BERNARDINO)

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-14A) -- Notes (Optional)

July 1, 2013 through December 31, 2013

Item #	Project Name / Debt Obligation	Notes/Comments
1	1997 Taxable Tax Allocation Bonds	
2	2007A Tax Allocation Refunding Bonds	
3	2007B Taxable Tax Allocation Bonds	
4	2004 Tax Allocation Bonds	
5	2001 Tax Allocation Bonds	
6	2006A Tax Allocation Bonds	
7	2006B Tax Allocation Bonds	
8	Employee Costs	Since we are unable to modify description - These are reported on line 28; therefore, this line can be omitted in future ROPS.
9	Advertising for Bond Costs	Since we are unable to modify description, these services are not needed; therefore, this line can be omitted in future ROPS.
10	Contract for Legal Services	Since we are unable to modify description, these services are not needed; therefore, this line can be omitted in future ROPS.
11	Comm. Rehab. Loan Agreement	Estimated costs.
12	Contract for Bond Trustee Service	Estimated costs.
13	Contract for Legal Services	Estimated costs.
14	Contract for Bond Services	Estimated costs.
15	Contract for Bond Services	Estimated costs.
16	Contract for Consulting Services	
17	Audit Services	Since we are unable to modify description, these services are not needed; therefore, this line can be omitted in future ROPS.
18	Rent of Office Space	Since we are unable to modify description, these services are not needed; therefore, this line can be omitted in future ROPS.
19	Contract for Legal Services	Estimated costs which are dependent upon services required.
20	Rehabilitation Loan Agreements	Since we are unable to modify description, these services are not needed; therefore, this line can be omitted in future ROPS.
21	Homebuyers Assist. Program Agmt.	Since we are unable to modify description, these services are not needed; therefore, this line can be omitted in future ROPS.
22	Homebuyers Assist. Program Agmt.	Since we are unable to modify description, these services are not needed; therefore, this line can be omitted in future ROPS.
23	Contract for Professional Service	Estimated costs which are dependent upon services required.
24	Employee Costs	Since we are unable to modify description - These are reported on line 28; therefore, this line can be omitted in future ROPS.
25	Contract Legal Services	Since we are unable to modify description - These are reported on line 31; therefore, this line can be omitted in future ROPS.
26	Contract Legal Services	Since we are unable to modify description - These are reported on line 19; therefore, this line can be omitted in future ROPS.
27	Maintenance Contract	Since we are unable to modify description, these services are not needed; therefore, this line can be omitted in future ROPS.
28	Employee Costs	
29	Contract for Legal Services	Since we are unable to modify description - These are reported on line 19; therefore, this line can be omitted in future ROPS.
30	Agency Insurance Costs	Administrative costs covered by reimbursement agreement between Successor Agency and City of Montclair.
31	Contract for Legal Services	Administrative costs covered by reimbursement agreement between Successor Agency and City of Montclair.
32	Office Supplies	Administrative costs covered by reimbursement agreement between Successor Agency and City of Montclair.
33	Agency Insurance Costs	Administrative costs covered by reimbursement agreement between Successor Agency and City of Montclair.
34	Agency Insurance Costs	Administrative costs covered by reimbursement agreement between Successor Agency and City of Montclair.
35	Agency Insurance Costs	Administrative costs covered by reimbursement agreement between Successor Agency and City of Montclair.
36	Overhead Costs	Administrative costs covered by reimbursement agreement between Successor Agency and City of Montclair.
37	Retirement Costs	Administrative costs covered by reimbursement agreement between Successor Agency and City of Montclair.
38	Contract for Safekeeping Services	Administrative costs covered by reimbursement agreement between Successor Agency and City of Montclair.
39	Contract for Appraisal Services	Estimated costs pending of finding of completion and necessary for land disposal process.
40	Contract for Asset Mgmt / Disposal Plan	Estimated costs pending of finding of completion and necessary for land disposal process.
41	Employee Costs	Administrative costs covered by reimbursement agreement between Successor Agency and City of Montclair.
42	Public facility, Infrastructure and economic development obligations	Utilization of pre 1/1/2011 bond proceeds pending finding of completion. Enforceable obligation will be created once finding of completion is received and approval of Oversight Board is obtained.

**RESOLUTION NO. 13-04**

**A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2013, THROUGH DECEMBER 31, 2013, 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. 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 July 1, 2013, through December 31, 2013, must be submitted to the County and State by March 1, 2013; and

**WHEREAS**, the Oversight Board approved the ROPS for July 1, 2013, through December 31, 2013, on February 27, 2013, and authorized 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 the DOF, and if the DOF requests review hereof, DOF will have 45 days from the date of its request to approve this Oversight Board action.

**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 July 1, 2013, through December 31, 2013.

**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 five (5) business days pending a request for the review of the DOF within the time periods set forth in the Dissolution Act; in this regard, if the DOF requests review hereof it will have 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, 2013.

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Chairman

**ATTEST:**

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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. 13-04 was duly adopted by the Oversight Board of Director at a regular meeting thereof held on the XX day of XX, 2013, 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. 13-05, A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY'S PROPOSED ADMINISTRATIVE BUDGET FOR JULY 1, 2013, THROUGH DECEMBER 31, 2013, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)	<b>DATE:</b> February 27, 2013 <b>SECTION:</b> BUSINESS ITEMS <b>ITEM NO.:</b> B <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." The proposed Successor Agency's Administrative Budget for July 1, 2013, through December 31, 2013, has been prepared for the Oversight Board's consideration.

**BACKGROUND:** The Oversight Board approved an Administrative Budget for the period from February 1, 2012, through June 30, 2012, on April 25, 2012. The Oversight Board approved the Administrative Budget for the period from July 1, 2012, through December 31, 2012, on June 13, 2012. The Administrative Budget for the period from January 1, 2013, through June 30, 2013, was approved on August 27, 2012. The proposed Administrative Budget for the period from July 1, 2013, through December 31, 2013, is attached for consideration by the Oversight Board.

The Administrative Budget proposes the Successor Agency would receive approximately \$290,000 from the Redevelopment Property Tax Trust Fund for administrative expenses. During the period from July 1, 2013, through December 31, 2013, staff anticipates spending some time dealing with the disposition of former Redevelopment Agency assets. Appraisals would need to be conducted of certain parcels, and a property disposition plan would have to be approved by the Oversight Board and the State.

Pursuant to the Health and Safety Code and upon approval of the Oversight Board, the Successor Agency will provide the County of San Bernardino with the administrative cost estimates that are to be paid from property tax trust fund revenues deposited into the Redevelopment Property Tax Trust Fund for the period from July 1, 2013, through December 31, 2013.

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

**RECOMMENDATION:** Staff recommends the Oversight Board adopt Resolution No. 13-05, a Resolution of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency approving the Successor Agency's proposed Administrative Budget for July 1, 2013, through December 31, 2013, pursuant to Health and Safety Code Section 34177(j).

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Prepared by: <u>M. STAATS</u>		Reviewed and Approved by: <u>M. STAATS</u>
Proofed by: <u>[Signature]</u>		Presented by: _____

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**RESOLUTION NO. 13-05**

**A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY'S PROPOSED ADMINISTRATIVE BUDGET FOR JULY 1, 2013, THROUGH DECEMBER 31, 2013, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)**

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

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

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

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

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

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

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

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

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

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

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

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

**WHEREAS**, the Administrative Budget, as approved by the Oversight Board, will be provided to the County of San Bernardino Auditor-Controller pursuant to Section 34177(k) so that the Successor Agency's estimated administrative costs in the approved Administrative Budget will be paid from property tax revenues deposited into the Redevelopment Property Tax Trust Fund for the six-month period from July 1, 2013, through December 31, 2013; and

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

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

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

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

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

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

**Section 4.** This Resolution shall become effective after transmittal of this Resolution with the ROPS attached to the DOF and the expiration of five

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

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

**APPROVED AND ADOPTED** this XX day of XX, 2013.

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Chairman

**ATTEST:**

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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. 13-05 was duly adopted by the Oversight Board at a regular meeting thereof held on the XX day of XX, 2013, 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

Attachment No. 1  
 Successor Agency for the Redevelopment Agency of the City of Montclair  
 Administrative Budget  
 July 1 to December 31, 2013

Approved by Oversight Board on \_\_\_\_\_

Estimated Funding:

Staff Costs	% of Staff Time		
City Manager	30%	\$	46,612.80
Deputy City Manager	60%	\$	68,677.44
Finance Director	40%	\$	35,900.80
Senior Accountant	25%	\$	11,369.80
Accountant	50%	\$	19,167.20
Office Specialist	12.5%	\$	3,222.70
Deputy City Clerk	25%	\$	9,976.20
IT Supervisor	2.5%	\$	1,385.02
Indirect Staff Charges		\$	21,000.00
<b>Sub-Total</b>		<b>\$</b>	<b>217,311.96</b>
<b>Administrative Costs</b>			
Utilities (Electric, Water, Gas, Telephone)		\$	15,700.00
Retiree Pension Costs		\$	17,240.52
Office Supplies/Postage		\$	200.00
First Tennessee Bank Safekeeping		\$	700.00
<b>Sub-Total</b>		<b>\$</b>	<b>33,840.52</b>
<b>Insurance Costs</b>			
Public Employee Bond		\$	1,000.00
General Liability		\$	3,630.00
Fire Insurance		\$	880.00
Earthquake		\$	4,626.00
<b>Sub-Total</b>		<b>\$</b>	<b>10,136.00</b>
<b>Legal and Consultant Costs</b>			
Robbins & Holdaway		\$	5,000.00
Stradling, Yocca, Carlson, & Rauth		\$	25,000.00
<b>Sub-Total</b>		<b>\$</b>	<b>30,000.00</b>
<b>TOTAL</b>		<b>\$</b>	<b>291,288.48</b>

## AGENDA REPORT

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<b>SUBJECT:</b> CONSIDER REPORT AND DIRECTION TO STAFF REGARDING SOLICITATION OF PROPOSALS FOR LEGAL COUNSEL TO THE OVERSIGHT BOARD FOR THE FORMER CITY OF MONTCLAIR REDEVELOPMENT AGENCY	<b>DATE:</b> February 27, 2013
	<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:** The Oversight Board requested staff to solicit proposals for legal counsel to represent the Oversight Board. Request for Proposals/Request for Qualifications (RFP/RFQ) were submitted to the League of California Cities List Serve website. No RFP/RFQ's were received by staff from this posting. Staff is suggesting another solicitation for proposals be considered.

A copy of the RFP/RFQ is included in the agenda packet for reference.

**BACKGROUND:** On December 12, 2012, the Oversight Board took action to request that the Board be supplied with legal counsel. A draft RFP/RFQ was developed by staff and submitted to the Oversight Board for review on January 9, 2013. The Oversight Board approved distribution of the RFP/RFQ, and the document was sent to the League of California Cities List Serve site for posting on January 17, 2013. The RFP/RFQ listed the date for return of a response as February 14, 2013. Staff was informed by the League of California Cities that an attorney must file the RFP/RFQ. However, Koreen Kelleher from the League of California Cities offered to post the document on behalf of the Oversight Board. Staff emailed Ms. Kelleher later in the month to confirm the document was posted but did not receive a confirmation. No responses to the RFP/RFQ were received by February 14, 2013.

Staff cannot be positive that the RFP/RFQ was posted on the League of California List Serve location because it can only be accessed by attorneys. Therefore, staff would propose providing the City Attorney with a copy of the RFP/RFQ for posting on the website. In addition, proposals could be mailed directly to any legal firms recommended by Oversight Board Members.

**FISCAL IMPACT:** There would be no fiscal impact associated with redistribution of the RFP/RFQ for Oversight Board legal counsel.

**RECOMMENDATION:** Staff recommends the Oversight Board accept the report and provide direction to staff regarding the solicitation of proposals for legal counsel to the Oversight Board for the former City of Montclair Redevelopment Agency.

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

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**REQUEST FOR PROPOSAL (RFP)/REQUEST FOR QUALIFICATIONS (RFQ)  
FOR  
LEGAL SERVICES  
FOR THE  
OVERSIGHT BOARD  
FOR THE SUCCESSOR AGENCY TO THE  
CITY OF MONTCLAIR REDEVELOPMENT AGENCY**

**January 9, 2013**

Under AB 1X 26 (Chapter 5, Statutes of 2011) and, an Oversight Board was established to oversee the action of the Successor Agency to the dissolved City of Montclair Redevelopment Agency. The Oversight Board is seeking the services of an attorney with a professional law firm or an experienced sole practitioner to service as Legal Counsel to the Oversight Board to provide counsel with respect to Oversight Board operations, lending practices for development projects and other activities or permitted actions to be taken by the Oversight Board pursuant to AB 1X 26.

The term of the engagement would be for the remainder of the 2012-2013 Fiscal Year, and the contract would be subject to annual extensions until the Oversight Board completes its work and is dissolved or is merged with the other oversight board in the County of San Bernardino in 2016 as required under AB 1X 26. Either party will have the right to terminate the engagement with 90 days prior written notice.

The selected Legal Counsel would advise the Oversight Board and be supported by City of Montclair Successor Agency staff and would be expected to work closely with legal counsel for the various taxing entities represented on the Oversight Board or who receive property tax revenues within the Redevelopment Project Areas. The current Oversight Board members are listed as follows:

**William Ruh (Chair)**  
City of Montclair Mayor Pro Tem

**Tenice Johnson (Vice Chair)**  
County of San Bernardino - Public Member

**Terry Catlin**  
Inland Empire Utilities Agency

**Kim Erickson**  
Chaffey Community College District

**Janet Kulbeck**  
City of Montclair - Employee

**John Richardson**  
County of San Bernardino

**Kim Stallings**  
Ontario-Montclair School District

To prevent conflicts of interest, the selected Oversight Board Legal Counsel and its firm may not engage in any representations adverse to the Oversight Board or any agency making an appointment to the Oversight Board, nor could it represent private developers that are parties to existing contracts with the dissolved City of Montclair Agency for redevelopment projects which have not been completed. Law firms and sole practitioners currently under contract with one or more agencies that make appointments to the Oversight Board and the other tax entities may apply, but it is preferable that Oversight Board Legal Counsel be independent from all such agencies. For firms that represent agencies in litigation matters only, conflict waivers must be obtained to enable the Oversight Board to select such firm or practitioner.

Pursuant to AB 1X 26, the City of Montclair Successor Agency is responsible for the cost of any legal services to be provided to the Oversight Board. For this reason, the selected Legal Counsel will be required to enter into a Professional Services Agreement. The form of such agreement should be supplied by selected Legal Counsel.

The scope of services the selected Legal Counsel will be required to provide is likely to include, but is not necessarily limited to, the following:

- Advise the Oversight Board on actions necessary to protect the Oversight Board members from personal liability and to protect the assets of the dissolved redevelopment agency from liability and attachment.
- Advise the Oversight Board regarding legal authority and potential liability for actions taken by the Oversight Board pursuant to AB 1X 26 and subsequent legislation.
- Review and advise the Oversight Board on recommendations received from City of Montclair Successor Agency staff including respective enforceable obligations, property disposition, refinancing matters, and completion of development projects.
- Provide information and advice regarding legislative matters that may affect the Oversight Board.
- Represent the Oversight Board in connection with any inquiry, investigation, audit, or other proceedings of state regulatory agencies that may impact the Oversight Board.

- Represent the Oversight Board in any litigation brought by or against or otherwise involving the Oversight Board or assist the Oversight Board in contracting for specialized litigation counsel and overseeing outside counsel's work.
- Engage in any other legal matter reasonably requested by the Oversight Board.

**Experience/Qualifications:**

The selected Legal Counsel must have experience advising public entities with respect to the Ralph M. Brown Act and the Public Records Act. Additionally, experience with public contracting, public finance (bonds), real property disposition and development, redevelopment law, and lending is strongly desired.

**Submittal Content:**

- A brief cover letter with the name and contact information for the proposed lead attorney.
- Description of the qualifications and experience of the proposed lead attorney and any other attorneys to be assigned to work for the Oversight Board in the areas of law listed above.
- Three client references for each attorney listed in the proposal.
- List of current hourly rates for each attorney and support staff proposed to be assigned to work for the Oversight Board as well as the basis for other fees and costs to be charged in connection with the representation.

**Submittal Procedures:**

Please submit eight (8) copies of your proposal by 4:00 p.m. Thursday, January 31, 2013, to the City of Montclair, 5111 Benito Street, Montclair, California 91763, Attention: Marilyn J. Staats

All inquiries should be directed to Marilyn Staats, in writing, at [mstaats@cityofmontclair.org](mailto:mstaats@cityofmontclair.org).

City of Montclair Successor Agency staff, along with members of the Oversight Board, will conduct an initial interview and evaluation of all proposals to select interview candidates. Interviews are tentatively scheduled for \_\_\_\_\_.

*The Oversight Board reserves the right to reject any and all submittals, and to waive minor inconsistencies. The cost of preparing responses to this Request for Proposals shall be borne by the respondents and will not be reimbursed by the Oversight Board of the City of Montclair Successor Agency.*