



City of **NORWALK**

NOTICE OF SPECIAL MEETING

JANUARY 25, 2016

NOTICE IS HEREBY GIVEN that the Chair of the Oversight Board of the Successor Agency to the Norwalk Redevelopment Agency has called a special meeting beginning at 4:00 p.m. on Monday, January 25, 2015 in the U.S. Constitution Room/#4, Norwalk City Hall. The business to be transacted at the meeting is as described on the agenda.

NOTICE IS FURTHER GIVEN that the public be given the opportunity to speak at this meeting only on those matters specified in the associated agenda.

Dated this 22nd day of January 2016.

Theresa Devoy, CMC
Board Secretary

I, Theresa Devoy, Board Secretary, hereby certify under penalty of perjury under the laws of the State of California that the foregoing notice of special meeting was posted at City Hall not less than 24-hours before the start of the meeting and delivered to each member of the Oversight Board and to the following newspapers: Herald American, Norwalk Community News, Norwalk Patriot, and Whittier Daily News, all on the 22nd day of January 2016.

Theresa Devoy, CMC
Board Secretary

Any writings or documents provided to a majority of the Oversight Board regarding any item on this agenda after it has been posted will also be made available for public inspection in the City Clerk's Department.

Public Comment: *The public is encouraged to address the Oversight Board on any matter listed on the agenda.*

Americans with Disabilities Act: *In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's office, (562) 929-5720. Assisted listening devices are available at this meeting. Ask a staff member if you desire to use this device. Upon request, the agenda and documents in the agenda packet, can be made available in appropriate alternative formats to persons with a disability. Notification of at least 12 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.*

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
NORWALK REDEVELOPMENT AGENCY**

**SPECIAL MEETING
AGENDA**

**January 25, 2016
3:00 p.m.**

**U.S. CONSTITUTION ROOM/#4
12700 NORWALK BOULEVARD, NORWALK, CA**

This Oversight Board has been created pursuant to §34161 through §34190 of the Health and Safety Code for the sole purpose of overseeing the actions of the Successor Agency to the Norwalk Redevelopment Agency. In accordance with Health and Safety Code §34179(h), all Oversight Board actions shall not be effective for three business days, pending a request for review by the State Department of Finance (Department). 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.

**The public may speak at this meeting only on those
matters specified on this agenda**

CALL TO ORDER Chair Egan

ROLL CALL Board Secretary

- 1. RESOLUTION NO. OB 16-01 - APPROVAL OF MINUTES – DECEMBER 15, 2015 – Staff recommends the Board adopt Resolution No. OB 16-01, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING MINUTES FOR OVERSIGHT BOARD MEETING OF DECEMBER 15, 2015. 1315-03**

- 2. RESOLUTION NO. OB 16-02 - AMENDMENT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN RELATING TO PUBLIC PARKING PROPERTY AT 12843 NORWALK BOULEVARD – Staff recommends the Board adopt Resolution No. OB 16-02, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING AN AMENDMENT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.3(b) RELATING TO PUBLIC PARKING PROPERTY LOCATED AT 12843 NORWALK BOULEVARD IN THE CITY OF NORWALK. 1305-06**

- 3. RESOLUTION NO. OB 16-03 – RECOGNIZED OBLIGATION PAYMENT SCHEDULE 16-17 – Staff recommends the Board adopt Resolution No. OB 16-03, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR**

**AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING A
RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL
PERIOD COMMENCING FROM JULY 1, 2016 THROUGH JUNE 30, 2017 AND
TAKING RELATED ACTIONS.**

1310-04

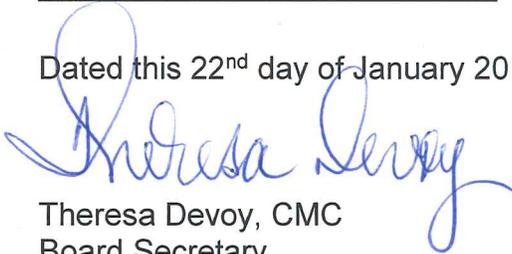
4. **RESOLUTION NO. OB 16-04 – ADMINISTRATIVE BUDGET 16-17 – Staff recommends the Board adopt Resolution No. OB 16-04, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING PROPOSED ADMINISTRATIVE BUDGETS FOR THE SIX-MONTH FISCAL PERIODS FROM JULY 1, 2016 THROUGH DECEMBER 31, 2016, AND FROM JANUARY 1, 2017 THROUGH JUNE 30, 2017, AND TAKING RELATED ACTIONS.**

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**EXECUTIVE DIRECTOR TO THE SUCCESSOR AGENCY OF THE NORWALK
REDEVELOPMENT AGENCY REPORT**

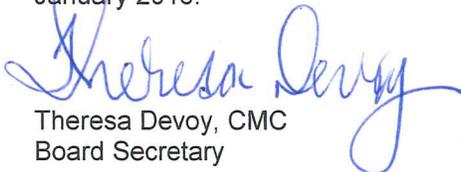
BOARD MEMBER COMMENTS

Dated this 22nd day of January 2016.



Theresa Devoy, CMC
Board Secretary

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing notice of special meeting was posted at City Hall not less than 24-hours before the start of the meeting, delivered to each member of the Norwalk Oversight and faxed to the following newspapers: Herald American, Los Cerritos Community News, Norwalk Patriot, and Whittier Daily News, all on the 22nd day of January 2016.



Theresa Devoy, CMC
Board Secretary

RESOLUTION NO. OB 16-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING MINUTES FOR OVERSIGHT BOARD MEETING OF DECEMBER 15, 2015

WHEREAS, pursuant to Health and Safety Code Section 34179(e), all actions taken by the Oversight Board of the Successor Agency to the Norwalk Redevelopment Agency (the "Oversight Board") shall be adopted by resolution.

WHEREAS, further pursuant to Health and Safety Code Section 34179(h), written notification and information about all actions taken by the Oversight Board shall be provided to the California State Department of Finance ("DOF") by electronic means and in a manner of DOF's choosing.

WHEREAS, there has been presented to the Oversight Board for approval, minutes (the "Minutes") for the Oversight Board's meeting held on December 15, 2015.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves the Minutes of December 15, 2015.

APPROVED AND ADOPTED this 25th day of January 2016.

MICHAEL J. EGAN
CHAIR

ATTEST:

THERESA DEVOY, CMC
SECRETARY

**MINUTES OF THE SPECIAL MEETING
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
NORWALK REDEVELOPMENT AGENCY
NORWALK, CALIFORNIA
DECEMBER 15, 2015**

Chair Egan called the meeting to order at 3:03 p.m. in U.S. Constitution Room/#4, 12700 Norwalk Boulevard, Norwalk, California. Responding to roll call were: Board members Anderson, El Fattal, Glover, Malkin, Santillan, and Chair Egan; Vice Chair Helvey was absent. Also present were Teresa Ho-Urano, Successor Agency Legal Counsel; Jana Stuard, Finance Officer for the Successor Agency to the Norwalk Redevelopment Agency; and Theresa Devoy, Secretary to the Board.

RESOLUTION NO. OB 15-07 - APPROVAL OF MINUTES – SEPTEMBER 21, 2015

Board member Malkin moved and Board member Anderson seconded to adopt **Resolution No. OB 15-07, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING MINUTES FOR OVERSIGHT BOARD MEETING OF SEPTEMBER 21, 2015**, amending it by removing Section 3. **MOTION CARRIED BY THE FOLLOWING ROLL CALL VOTE:**

AYES: Board members Anderson, El Fattal, Glover, Malkin, Santillan, and Chair Egan
NOES: None
ABSENT: Vice Chair Helvey

1315-03

RESOLUTION NO. OB 15-08 – AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT FOR PROPERTY LOCATED AT NORWALK BOULEVARD AND CIVIC CENTER DRIVE

Following a brief report by Bing Hyun, Economic Development Manager, Board member Malkin moved and Board member Santillan seconded to adopt **Resolution No. OB 15-08, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT REGARDING THE SUCCESSOR AGENCY'S SALE OF A PROPERTY (AT NORWALK BOULEVARD AND CIVIC CENTER DRIVE) PURSUANT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN. MOTION CARRIED BY THE FOLLOWING ROLL CALL VOTE:**

AYES: Board members Anderson, El Fattal, Glover, Malkin, and Santillan, and Chair Egan
NOES: None
ABSENT: Vice Chair Helvey

1305-06

**Minutes of the Special Meeting
Oversight Board of the Successor Agency
to the Norwalk Redevelopment Agency
December 15, 2015**

**EXECUTIVE DIRECTOR TO THE SUCCESSOR AGENCY OF THE NORWALK
REDEVELOPMENT AGENCY REPORT**

None.

BOARD MEMBER COMMENTS

None.

ADJOURNMENT

There being no further business to come before the Oversight Board, the meeting was adjourned at 3:10 p.m.

**THERESA DEVOY, CMC
SECRETARY**

ATTEST:

**MICHAEL J. EGAN
CHAIR**

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE NORWALK REDEVELOPMENT AGENCY**

AGENDA REPORT

DATE: January 25, 2016

TO: Oversight Board

FROM: Michael J. Egan, Executive Director *MJE*
Successor Agency to the Norwalk Redevelopment Agency

BY: Bing H. Hyun, Economic Development Manager

SUBJECT: RESOLUTION NO. OB 16-02 - A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING AN AMENDMENT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.3(b) RELATING TO PUBLIC PARKING PROPERTY LOCATED AT 12843 NORWALK BOULEVARD IN THE CITY OF NORWALK

Background:

Pursuant to Health and Safety Code Section 34191.5(b), the Successor Agency must prepare a Long-Range Property Management Plan ("LRPMP") that addresses the disposition and use of the real properties (and interests in real property) of the former Norwalk Redevelopment Agency (the "Former NRA"). In accordance with State law, the LRPMP was submitted to the Oversight Board and the State Department of Finance ("DOF"). Subsequently, DOF completed its review and issued a letter, dated April 9, 2014, indicating approval of the LRPMP.

In September 2015, SB 107 was enacted into law, providing for certain amendments to the Dissolution Act, including changes to HSC Section 34181(a)(1) by adding "parking facilities and lots dedicated solely to public parking" as an example of real property for governmental purposes. SB 107 also added HSC Section 34191.3(b), which provides that if the DOF had approved a successor agency's LRPMP before January 1, 2016, the successor agency may amend its LRPMP once, to allow for the retention of real properties that constitute "parking facilities and lots dedicated solely to public parking" pursuant to Section 34181.

HSC Section 34191.3(c) further provides that, for the purpose of an amendment to the LRPMP pursuant to HSC Section 34191.3(b), the subject property must not be one which, as of the date of transfer pursuant to the amended long range property management plan, generates revenues in excess of reasonable maintenance costs of the property.

**Oversight Board
Resolution No. OB 16-02 – Amendment to
Long Range Property Management Plan re Parking Property**

**January 25, 2016
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Summary of Revisions to the Long Range Property Management Plan:

One of the properties contemplated under the LRPMP (located at the northwest corner of Norwalk Boulevard and Adoree Street, and generally known as 12843 Norwalk Boulevard) (the “Adoree Parking Property”), was acquired by the former Redevelopment Agency on July 8, 2009, by eminent domain for the purpose of constructing and maintaining a public parking lot. Notwithstanding the LRPMP, due to the eminent domain proceedings and the relevant law, use of the Adoree Parking Property is limited to public parking purposes.

Due to multiple government offices surrounding 12843 Norwalk Boulevard, including the County of Los Angeles Fire Station, County of Los Angeles Department of Public Social Services, Norwalk Courthouse, Norwalk Sheriff’s Station, County of Los Angeles Registrar Recorder’s Office, County of Los Angeles Library, and City Hall, the need for public parking remains. The Successor Agency wishes to amend the LRPMP pursuant to HSC Section 34191.3(b) to provide for the transfer of the Adoree Parking Property to the City for public parking purposes.

It should be noted that, pursuant to SB 107, there is currently no generation of revenue on the Adoree Parking Property that is excess of reasonable maintenance costs, and the City has no current intention of imposing parking charges on the Adoree Parking Property. If, in the future, such charge would be imposed, charges would not be in excess of amounts necessary to cover reasonable costs of maintaining the public parking lot.

A notice regarding the proposed adoption of the attached Resolution has been posted since January 14, 2016, more than ten days before the Oversight Board meeting.

Fiscal Impact:

If the proposed amendment to the LRPMP is approved, the Adoree Parking Property will be transferred to the City, without consideration.

Citizens Advised: N/A

Environmental Impact:

Approval of the proposed amendment to the LRPMP is not a project for purposes of the California Environmental Quality Act (Pub. Res. Code Section 21000 et seq.) (“CEQA”) and the CEQA Guidelines (14 Cal Code Regs 15000 et seq.) because it is an organizational or administrative activity of government that will not result in direct or

**Oversight Board
Resolution No. OB 16-02 – Amendment to
Long Range Property Management Plan re Parking Property**

**January 25, 2016
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indirect physical changes in the environment. The attached resolution will direct staff to prepare and post a notice of exemption pursuant to CEQA Guidelines Section 15062.

Recommended Action:

Staff recommends the Board adopt Resolution No. OB 16-02:

- a) approving an amendment to the LRPMP to provide for the transfer the Adoree Parking Property to the City;
- b) authorizing the Successor Agency to complete the transfer of the Adoree Parking Property to the City, upon the effectiveness of the Resolution (which will occur upon the approval or deemed approval by the DOF), without further Oversight Board action; and
- c) finding that approval of the proposed amendment to the LRPMP is not a project pursuant to CEQA.

Attachments:

Resolution No. OB 16-02, including Exhibit A

RESOLUTION NO. OB 16-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING AN AMENDMENT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.3(b) RELATING TO PUBLIC PARKING PROPERTY LOCATED AT 12843 NORWALK BOULEVARD IN THE CITY OF NORWALK

WHEREAS, pursuant to AB X1 26 (enacted in 2011), and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the Norwalk Redevelopment Agency (the "Former Agency") was dissolved as of February 1, 2012; the Successor Agency to the Norwalk Redevelopment Agency (the "Successor Agency") was constituted and the Oversight Board to the Successor Agency (the "Oversight Board") was established; and

WHEREAS, AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code ("HSC"); and such Parts 1.8 and 1.85, together with any amendments and supplements thereto enacted from time to time, are collectively referred to herein as the "Dissolution Act"; and

WHEREAS, pursuant to HSC Section 34175(b), all real properties of the Former Agency transferred to the control of the Successor Agency by operation of law; and

WHEREAS, pursuant to HSC Section 34191.5, the Successor Agency prepared a long-range property management plan (the "LRPMP"); and

WHEREAS, the Oversight Board adopted Resolution No. OB 14-07 on April 7, 2014, approving the LRPMP; and

WHEREAS, the State Department of Finance (the "DOF") issued its letter dated April 9, 2014, indicating its approval of the LRPMP; and

WHEREAS, pursuant to HSC Section 34191.3, the DOF-approved LRPMP governs the disposition and use of the Former Agency's real property assets, and supersedes all other provisions of the Dissolution Act relating thereto; and

WHEREAS, listed on the LRPMP is a property located at 12843 Norwalk Boulevard (the "Adoree Parking Property"); and

WHEREAS, the LRPMP provides for the sale of the Adoree Parking Property; and

WHEREAS, the Former Agency acquired the Adoree Parking Property on July 8, 2009, by eminent domain for the purpose of constructing and maintaining a public parking lot; and

WHEREAS, the use of the Adoree Parking Property is subject to the restrictions imposed by the eminent domain proceedings and the relevant law, with respect its dedication to be used for public parking purposes; and

WHEREAS, in September 2015, SB 107 was enacted into law, providing for certain amendments to the Dissolution Act; and

WHEREAS, SB 107 amended HSC Section 34181(a)(1) by adding “parking facilities and lots dedicated solely to public parking” as an example of real property for governmental purposes; and

WHEREAS, SB 107 also added HSC Section 34191.3(b), which provides that if the DOF had approved a successor agency’s long-range property management plan before January 1, 2016, the successor agency may amend its long-range property management plan once, to allow for the retention of real properties that constitute “parking facilities and lots dedicated solely to public parking” pursuant to Section 34181; and

WHEREAS, HSC Section 34191.3(c) provides that, for the purpose of an amendment to the long-range property management plan pursuant to HSC Section 34191.3(b), the subject property must not be one which, as of the date of transfer pursuant to the amended long range property management plan, generates revenues in excess of reasonable maintenance costs of the property; and

WHEREAS, the Successor Agency wishes to amend the LRPMP pursuant to HSC Section 34191.3(b) to provide for the transfer of the Adoree Parking Property to the City for public parking purposes; and

WHEREAS, there is currently no generation of revenue on the Adoree Parking Property that is excess of reasonable maintenance costs; and

WHEREAS, the City has represented to the Oversight Board that the City has no current intention of imposing parking charges on the Adoree Parking Property (if such charge is to be imposed) in excess of amounts necessary to cover reasonable costs of maintaining Adoree Parking Property; and

WHEREAS, the Oversight Board wishes to approve the proposed amendment to the LRPMP to provide for the transfer of the Adoree Parking Property to the City; and

WHEREAS, notice of the proposed action presented in this Resolution was posted at least ten days before this Oversight Board meeting;

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves the amendment to the LRPMP for the transfer of the Adoree Parking Property to the City. Upon the effectiveness of this Resolution pursuant to the Dissolution Act, the LRPMP shall be deemed so amended, effective immediately, and Successor Agency staff is directed to attach this Resolution, including Exhibit A hereto, to the Successor Agency's LRPMP file.

Section 3. Upon the effectiveness of this Resolution pursuant to the Dissolution Act, the Successor Agency shall be authorized and directed to proceed with the completion of the transfer of the Adoree Parking Property to the City pursuant to the amended LRPMP without further Oversight Board action.

Section 4. This Resolution has been reviewed with respect to the applicability of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"). Pursuant to the State CEQA Guidelines (14 Cal Code Regs 15000 et seq.) (the "Guidelines"), the Oversight Board has determined that the approval of the proposed amendment to the LRPMP is not a project pursuant to CEQA and is exempt from CEQA because it is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment (Guidelines Section 15378(b)(5)). Further, it can be seen with certainty that there is no possibility that approval of such amendment to the LRPMP may have a significant effect on the environment, and thus the action is exempt from CEQA (Guidelines Section 15061(b)(3)). Staff of the Successor Agency is hereby directed to prepare and post a notice of exemption pursuant to Guidelines Section 15062.

Section 5. The members of the Oversight Board and the officers and the staff Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution.

PASSED AND ADOPTED this 25th day of January 2016.

MICHAEL J. EGAN
CHAIR

ATTEST:

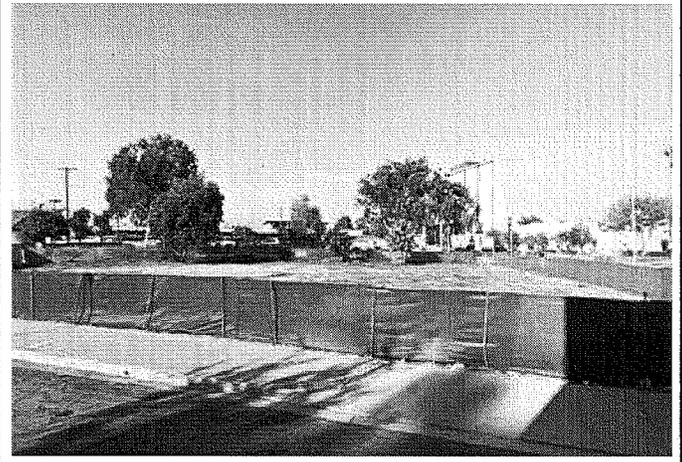
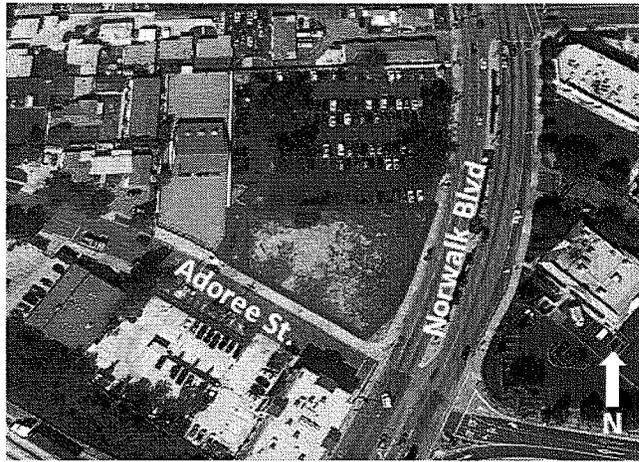
THERESA DEVOY, CMC
SECRETARY

EXHIBIT A

**Amended and Restated Description of Adoree Parking Property (Property #9)
for inclusion in
Successor Agency to the Norwalk Redevelopment Agency's LRPMP**



City of Norwalk Successor Agency Long Range Property Management Plan



Parcel Data

• Map Reference	9
• Address	12843 Norwalk Boulevard
• Assessor Parcel Number(s)	8047-005-903
• Current Zoning	Restricted Commercial (C1) and Public Facility Overlay (P-F)
• Lot Size	25,418 sf
• Current Use	Undeveloped
• Original Seller	Wilshire Group Funding, Inc.
• Value of Property at Time of Acquisition	\$1,737,847.30 (Superior Court action August 2009)
• Acquisition Date	August 2009
• <u>Property History/Purpose for Acquisition</u>	<i>Redevelopment Agency acquired property in 2009 after filing Eminent Domain action. City proposed that the site be used for additional parking for Civic Center uses (City Hall, Department of Social Services, Los Angeles County Superior Court, other Los Angeles County offices).</i>

Estimate of Current Property Value

Fair Market Value Assessment

The subject property lies within one of the most active and heavily traveled destination locations along the I-5 Freeway corridor between downtown Los Angeles and Orange County. The subject irregularly shaped parcel sits immediately adjacent to the Santa Ana (I-5) Freeway, the Norwalk Civic Center and Los Angeles County Recorder's offices. The parcel is also contiguous with an existing parking lot owned and operated by Los Angeles County that serves the Department of Social Services office at 12727 Norwalk Boulevard. Current C1 "restricted commercial" is consistent with the "Neighborhood Commercial" designation in the current General Plan and provides for a broad spectrum of retail, office and similar uses as "permitted uses" or a variety of conditionally-permitted uses. The former Redevelopment Agency acquired this property by eminent domain for public parking purposes.

Estimated Current Value

The current estimated value for the property (if unencumbered) would be \$1,650,000.00(\$65.00/SF) as of September 2013. However, since the property will remain in governmental use as public parking, it has no current commercial value.

**City of Norwalk Successor Agency
Long Range Property Management Plan
Address: 12843 Norwalk Boulevard**

Agency Revenue

Is Agency receiving lease or rental income for the private use of the property?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
• If Yes, indicate amount of Agency's annual rent/lease income	\$			
• If Yes, describe essential contract provisions (i.e., renter/lessee, term, rent calculations, restrictions/obligations, etc.)				

Environmental

Have any environmental tests or assessments been performed on the property?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>		
• If Yes, describe the work performed and dates (i.e. Phase 1, Phase 2, borings, etc.).						
• If Yes, describe the current environmental condition of the site						
Has the property been designated as a "Brownfield" site?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>		
• If No, would the property qualify for such a Brownfield designation?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	Unknown	<input type="checkbox"/>
Describe any remediation work performed on the property.						

Previous Development Proposals

Describe any previously proposed or solicited development plans for the property, including any short-term and/or long-term lease/rental arrangements.	<i>The Norwalk Redevelopment Agency had plans prepared by a consulting engineering firm for the construction of an automobile parking lot.</i>
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Reuse Assessment and Recommended Action

• Describe the property's potential for transit-oriented development.	<i>Not applicable.</i>
• Describe the reuse potential of the property in terms of advancing the Successor Agency's planning objectives.	<i>Incorporating this site with the adjacent County of Los Angeles public parking would be consistent with the purpose the previous eminent domain action. Construction of a parking lot would help alleviate parking demand for surrounding governmental uses, including the adjacent County of Los Angeles Fire Station, County of Los Angeles Department of Public Social Services, Norwalk Courthouse, Norwalk Sheriff's Station, County of Los Angeles Registrar Recorder's Office, County of Los Angeles Library, and City Hall.</i>
• Recommended action:	<i>Sell to the County of Los Angeles. If negotiated sale to the County is unsuccessful, the property will be sold, subject to the requirements of the applicable eminent domain law. Proceeds from the sale of the property will be used for enforceable obligations or become available for distribution to the taxing entities. Transfer ownership to the City of Norwalk</i>

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE NORWALK REDEVELOPMENT AGENCY**

AGENDA REPORT

DATE: January 25, 2016

TO: Oversight Board

FROM: Jana Stuard, Finance Officer
Successor Agency to the Norwalk Redevelopment Agency

SUBJECT: RESOLUTION NO. OB 16-03 – APPROVING THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY’S RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD COMMENCING FROM JULY 1, 2016 THROUGH JUNE 30, 2017 (“ROPS 16-17”), PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177

Background:

Pursuant to Section 34177 of the Health and Safety Code (“HSC”), in order to make payments on enforceable obligations, the Successor Agency must prepare a Recognized Obligation Payment Schedule (“ROPS”) for specified fiscal periods. Previously, each ROPS covered a six-month period (commencing January 1 and July 1, respectively). SB 107, which was enacted in September 2015, amended HSC Section 34177, to provide that, beginning with fiscal year 2016-17, the Successor Agency must prepare a ROPS annually (instead of twice a year).

All ROPS must be approved by the Oversight Board. Furthermore, each Oversight Board-approved ROPS must be submitted to the DOF for review. HSC Section 34177 also requires the Successor Agency to submit an Oversight Board-approved ROPS to the DOF and to the County Auditor-Controller no later than February 1, 2016. A copy of the Oversight Board-approved ROPS must be posted on the Successor Agency’s website.

The DOF may eliminate or modify any item on the ROPS before approving the ROPS. The DOF must make its determination regarding the enforceable obligations and the amount and funding source for each enforceable obligation listed on ROPS 16-17 no later than April 15, 2016. Within five business days of the DOF’s determination, the Successor Agency may request to “meet and confer” with the DOF on disputed items. The meet and confer period may vary, but an untimely submission of ROPS 16-17 may result in a meet and confer period of less than 30 days.

The County Auditor-Controller may object to the inclusion of any item on the ROPS that is not demonstrated to be an enforceable obligation and may object to the funding source proposed for any item. The County Auditor-Controller must provide notice of its

objections to the DOF, the Successor Agency and the Oversight Board at least 60 days before disbursements from the Redevelopment Property Tax Trust Fund ("RPTTF") are required to be made.

The County Auditor-Controller is required to make RPTTF disbursements to the Successor Agency pursuant to the DOF-approved ROPS 16-17 on June 1, 2016 (to cover enforceable obligation payments from July 1, 2016 through December 31, 2016) and January 2, 2017 (to cover enforceable obligation payments from January 1, 2017 through June 30, 2017).

Penalties for Failure to Make Timely Submission

If the Successor Agency does not submit an Oversight Board-approved ROPS 16-17 by February 1, 2016, the City of Norwalk will be subject to a civil penalty of \$10,000 per day for every day that ROPS 16-17 is not submitted to the DOF. The penalty will be paid to the County Auditor-Controller for distribution to the taxing entities. If the Successor Agency does not timely submit ROPS 16-17, creditors of the Successor Agency, the DOF, and affected taxing entities may request a writ of mandate to require the Successor Agency to immediately perform this duty. Additionally, if the Successor Agency does not submit ROPS 16-17 within 10 days of the February 1, 2016 deadline, the Successor Agency's maximum administrative cost for that period will be reduced by 25 percent.

If the Successor Agency fails to submit an Oversight Board-approved ROPS to the DOF within five business days of "the date upon which the ROPS is to be used to determine the amount of property tax allocations," the DOF may order the County Auditor-Controller to withhold a scheduled RPTTF disbursement to the Successor Agency pending the DOF's review of the related ROPS. (It is not clear what is "the date upon which the ROPS is to be used to determine the amount of property tax allocations." Possibly, it is referring to October 1 and April 1, the dates by which the County Auditor-Controller must prepare estimates for the upcoming RPTTF disbursements on January 2 and June 1, respectively, and provide the estimates to the DOF, the Successor Agency and the taxing entities.) In conjunction with such a withholding, the DOF may order the County Auditor-Controller to disburse to the taxing entities money from the RPTTF that the DOF determines to be in excess of the amount needed for enforceable obligations.

ROPS 16-17

ROPS 16-17 is generally consistent with the ROPS filed in previous periods. Pursuant to HSC 34171(b), the Successor Agency is entitled to receive no less than \$250,000 from RPTTF for fiscal year 2016-17 administrative costs allowance. Per HSC 34177 the Agency City loans were recalculated at 3% annual simple interest.

During fiscal year 2014-15, the Successor Agency received proceeds from sales of two properties, in the total amount of \$4,573,680. Pursuant to the Successor Agency's Long Range Property Management Plan and ROPS 15-16B (both of which were approved by the Oversight Board and the DOF), the Successor Agency is applying the property sale proceeds to pay enforceable obligations during the current ROPS 15-16B period (i.e., the period from January 1, 2016 through June 30, 2016). The Successor Agency expects there will still be some property sale proceeds remaining by the end of ROPS 15-16B period. As reflected in the proposed ROPS 16-17, the remaining amount will be used to pay enforceable obligations during ROPS 16-17 period. This is reflected on ROPS 16-17, where the Successor Agency listed "Other Funds" – which includes property sale proceeds – as a source of payment for enforceable obligations (for which the Successor Agency otherwise would have requested RPTTF moneys).

Fiscal Impact:

The preparation and submittal of ROPS 16-17 is for the purpose of allowing the Successor Agency to pay its enforceable obligations for the period from July 1, 2016 to June 30, 2017.

Environmental Impact:

There will be no new environmental impact associated with adoption of the attached Resolution.

Recommended Action:

Staff recommends that the Oversight Board for the Successor Agency to the Norwalk Redevelopment Agency adopt Resolution No. OB 16-03, approving the ROPS 16-17, and taking related actions.

Attachments:

Resolution No. OB 16-03

RESOLUTION NO. OB 16-03

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD COMMENCING FROM JULY 1, 2016 THROUGH JUNE 30, 2017 AND TAKING RELATED ACTIONS

WHEREAS, pursuant to Health and Safety Code Section 34177(o), the Successor Agency to the Norwalk Redevelopment Agency (the "Successor Agency") must prepare a Recognized Obligation Payment Schedule listing the anticipated payments for enforceable obligations to be made by the Successor Agency during the fiscal period from July 1, 2016 through June 30, 2017 ("ROPS 16-17") and submit ROPS 16-17 to the oversight board for the Successor Agency (the "Oversight Board") for approval; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(2)(C) and Section 34177(o)(1), the Successor Agency must: (i) submit the Oversight Board-approved ROPS 16-17 to the DOF, the Office of the State Controller, and the County Auditor-Controller no later than February 1, 2016, and (ii) post a copy of the Oversight Board-approved ROPS 16-17 on the Successor Agency's website;

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves the proposed ROPS 16-17, substantially in the form attached hereto as Exhibit A. Staff of the Successor Agency is hereby authorized and directed to: (i) submit a copy of Oversight Board-approved ROPS 16-17 to the DOF, the Office of the State Controller, and the County Auditor-Controller and (ii) post a copy of the Oversight Board-approved ROPS 16-17 on the Successor Agency's Internet website (being a page on the Internet website of the City of Norwalk).

Section 3. The Oversight Board hereby designates the Executive Director of the Successor Agency, Michael J. Egan, as the official designated to whom DOF may make a request for review in connection with actions taken by the Oversight Board.

Section 4. The members of the Oversight Board and the Staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including requesting additional review by the DOF and an opportunity to

meet and confer on any disputed items, and any such actions previously taken by such Oversight Board members or Staff members are hereby ratified and confirmed.

APPROVED AND ADOPTED on this 25th day of January 2016.

MICHAEL J. EGAN
CHAIR

ATTEST:

THERESA DEVOY, CMC
SECRETARY

Recognized Obligation Payment Schedule (ROPS 16-17) - Summary

Filed for the July 1, 2016 through June 30, 2017 Period

Successor Agency: Norwalk
County: Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		16-17A Total	16-17B Total	ROPS 16-17 Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):				
A	Bond Proceeds Funding	\$ 3,209,992	\$ 329,625	\$ 3,539,617
B	Reserve Balance Funding	45,539	-	45,539
C	Other Funding	3,164,453	329,625	3,494,078
Enforceable Obligations Funded with RPTTF Funding (F+G):		\$ 1,244,353	\$ 2,243,062	\$ 3,487,415
F	Non-Administrative Costs	1,115,643	2,121,772	3,237,415
G	Administrative Costs	128,710	121,290	250,000
H Current Period Enforceable Obligations (A+E):		\$ 4,454,345	\$ 2,572,687	\$ 7,027,032

Certification of Oversight Board Chairman:
 Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

 Michael J. Egan Chairman of the Board

 Name Title

/s/ _____
 Signature Date

1/25/2016

EXHIBIT A

Norwalk Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail
 July 1, 2016 through June 30, 2017
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N		O	P	Q
													16-17A	16-17B			
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 16-17 Total	Bond Proceeds	Reserve Balance (Non-ROPTF)	Other Funds	Non-Admin.	RPTTF	Admin	16-17A Total
1	NRA Tax Allocation Refunding Bonds, 2005 Series A	Bonds Issued On or Before 12/31/10	11/30/2005	10/1/2035	The Bank of New York Mellon	Bond issue to fund redevelopment projects	Merged	\$ 94,876,315	N	\$ 2,630,168	\$ -	\$ 46,539	\$ 3,184,453	\$ 1,115,643	\$ 128,710	\$ -	\$ 4,454,345
2	NRA Tax Allocation Refunding Bonds, 2005 Series B	Bonds Issued On or Before 12/31/10	11/30/2005	10/1/2035	The Bank of New York Mellon	Bond issue to fund redevelopment projects	Merged	40,334,384	N	2,384,713	-	46,539	209,093	1,116,643	-	-	1,389,276
3	Fiscal Agent Fees	Fees	11/30/2005	10/1/2035	The Bank of New York Mellon	Fees Related to 2005 TAB and TAB, Series A & B	Merged	5,200	N	5,200	-	-	5,200	-	-	-	5,200
4	Borrowed from the City: Operative Agreement Loan	City/County Loans On or Before 6/27/11	3/11/1985	7/1/2017	City of Norwalk	Operative Agreement between the City and POA	Merged	250,080	N	250,080	-	-	250,080	-	-	-	250,080
5	Borrowed from the City: Water Loan	City/County Loans On or Before 6/27/11	10/6/1981	10/6/2035	City of Norwalk	Borrowed by the Agency Loan for the Water Capital Project	Merged	10,352,482	N	674,821	-	-	674,821	-	-	-	674,821
6	Home Property Rent	Miscellaneous	11/27/1985	6/30/2021	Norwalk La Mirada United	Rent Payment	Merged	689,250	N	689,250	-	-	329,625	-	-	-	329,625
7	Appraisal of properties	Property Dispositions	10/26/2003	6/30/2018	R.P. Larkin & Associates (or other appraiser firm)	Fees for appraiser services - as needed	Merged	13,000	N	13,000	-	-	13,000	-	-	-	13,000
8	Annual Audit	Admin Costs	6/3/2006	3/31/2020	White Nelson Dicht Evans LLP per RFP selection	Annual financial statement and report	Merged	7,425	N	7,425	-	-	-	-	7,425	-	7,425
9	Property Tax Consulting Services	Admin Costs	5/21/1996	10/1/2035	Hdl Companies	Financial Consulting	Merged	10,000	N	10,000	-	-	-	-	10,000	-	10,000
10	Legal Services - of Agency	Admin Costs	8/1/1999	10/1/2035	Richard's Watson Gethsen	Legal Counsel	Merged	23,273	N	23,273	-	-	-	-	23,273	-	23,273
11	Disposal - Personnel Cost	Admin Costs	4/3/2012	10/1/2035	City of Norwalk	Salaries & Benefits of NRA Officers & Staff	Merged	204,168	N	204,168	-	-	-	-	204,168	-	204,168
12	Other Administrative Cost	Admin Costs	4/3/2012	10/1/2035	City of Norwalk	Postage, Office Supplies, Duplication, Telephone & Fax, Banking charges	Merged	1,100	N	1,100	-	-	-	-	1,100	-	1,100
13	Training, Meetings, Seminars & Membership	Admin Costs	4/3/2012	10/1/2035	California Redevelopment Commission, meetings & membership professional organizations	Cost of attending training, conferences, meetings & membership professional organizations	Merged	1,000	N	1,000	-	-	-	-	1,000	-	1,000
14	Participate in Adverse/Nonwalk Bond Repurchase/Restructure	Property Dispositions	7/1/2015	6/30/2018	TBD	Cost of Building the parking lot at Adverse/Nonwalk	Merged	-	N	-	-	-	-	-	-	-	-
15	Disposal of Properties - various cost	Property Dispositions	1/1/2015	6/30/2018	Various Vendor: Estrow Companies, Environmental	Various costs, other than appraisal, related to the disposal of property	Merged	-	N	-	-	-	-	-	-	-	-
16					Various Vendor: Estrow Companies, Environmental	Various costs, other than appraisal, related to the disposal of property	Merged	-	N	-	-	-	-	-	-	-	-
17					Various Vendor: Estrow Companies, Environmental	Various costs, other than appraisal, related to the disposal of property	Merged	-	N	-	-	-	-	-	-	-	-
18					Various Vendor: Estrow Companies, Environmental	Various costs, other than appraisal, related to the disposal of property	Merged	-	N	-	-	-	-	-	-	-	-
19					Various Vendor: Estrow Companies, Environmental	Various costs, other than appraisal, related to the disposal of property	Merged	-	N	-	-	-	-	-	-	-	-
20					Various Vendor: Estrow Companies, Environmental	Various costs, other than appraisal, related to the disposal of property	Merged	-	N	-	-	-	-	-	-	-	-
21					Various Vendor: Estrow Companies, Environmental	Various costs, other than appraisal, related to the disposal of property	Merged	-	N	-	-	-	-	-	-	-	-
22					Various Vendor: Estrow Companies, Environmental	Various costs, other than appraisal, related to the disposal of property	Merged	-	N	-	-	-	-	-	-	-	-
23					Various Vendor: Estrow Companies, Environmental	Various costs, other than appraisal, related to the disposal of property	Merged	-	N	-	-	-	-	-	-	-	-

EXHIBIT A

A	B	R	S	T			U	V	W
				16-17B Non-Redevelopment Property Tax Trust Fund (Reserve 117)					
Item #	Project Name/Debt Obligation	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin.	Admin.	RP/TF	16-17B Total	
1	NRA Tax Allocation Refunding Bonds, 2005 Series A			329,625	2,121,721	121,290		2,572,637	
2	NRA Tax Allocation Refunding Bonds, 2005 Series B				1,025,438			1,025,438	
3	Fiscal Agent Fees								
4	Borrowed from the City: Operative Agreement Loan								
5	Borrowed from the City: Mains Loan								
6	Home Property Rent			329,625				329,625	
7	Appraisal of properties								
11	Annual Audit								
12	Property Tax Consulting Services					5,000		5,000	
13	Legal Services of Jersey					13,150		13,150	
14	Disposal - Personal Cost					162,068		162,068	
15	Other Administrative Cost					550		550	
16	Training, Meetings, Seminars & Membership					500		500	
17	Parking Lot at Ashcroft/Howard Blvd								
21	Disposal of Properties - various cost								
22									
23									

EXHIBIT A

Norwalk Recognized Obligation Payment Schedule (ROPS 16-17) - Report of Cash Balances
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I							
									Fund Sources						
									Bond Proceeds		Reserve Balance		Other		RPTTF
Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	Comments									
Cash Balance Information by ROPS Period															
1	ROPS 15-16A Actuals (07/01/15 - 12/31/15)														
	Beginning Available Cash Balance (Actual 07/01/15)	4,274,046	-	1,176,311	-	4,586,400	337,114	Cell C1 includes Bond Reserves per Indenture; Cell G1 includes: rental income, proceeds from sale of properties & interest earned							
2	Revenue/Income (Actual 12/31/15)														
	RPTTF amounts should tie to the ROPS 15-16A distribution from the County Auditor-Controller during June 2015	-	-	-	-	340,887	2,828,069								
3	Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)														
		-	-	-	-	329,625	3,119,644								
4	Retention of Available Cash Balance (Actual 12/31/15)														
	RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	4,274,046	-	1,176,311	-	-	-								
5	ROPS 15-16A RPTTF Balances Remaining														
				No entry required											
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 4,597,662	\$ 45,539	Excess PPA will be reclassified to column E7							
ROPS 15-16B Estimate (01/01/16 - 06/30/16)															
7	Beginning Available Cash Balance (Actual 01/01/16)	\$ 4,274,046	\$ -	\$ 1,221,860	\$ -	\$ 4,597,662	\$ -	Cell E7 Includes \$45,539 Excess PPA reclassified							
8	Revenue/Income (Estimate 06/30/16)														
	RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016	-	-	-	-	359,625	-								
9	Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)														
		-	-	-	-	1,762,834	-								
10	Retention of Available Cash Balance (Estimate 06/30/16)														
	RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	4,274,046	-	1,176,311	-	-	-								
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ -	\$ 45,539	\$ -	\$ 3,194,453	\$ -								

EXHIBIT A

Norwalk Recognized Obligation Payment Schedule (ROPS 16-17) - Notes July 1, 2016 through June 30, 2017

Item #	Notes/Comments
1	Per DOF's directions from prior meet and confer, SA is requesting additional RPTTF as a reserve to cover 1/2 of principal payment coming due during the ROPS 17-18A period. The requested amount of \$1,096,334 includes Interest \$641,334 due on 4/1/17 and half of the principal amount due on 10/1/17, \$455,000.
2	Per DOF's directions from prior meet and confer, SA is requesting additional RPTTF as a reserve to cover 1/2 of principal payment coming due during the ROPS 17-18A period. The requested amount of \$1,025,438 includes Interest \$665,438 due on 4/1/17 and half of the principal amount due on 10/1/17, \$360,000.
4	Per SB107 amount due has been recalculated at 3% simple annual interest; re-established pursuant to Resolution No. OB 14-01, approved by DOF on 4/9/14
5	Per SB107 amount due has been recalculated at 3% simple annual interest; re-established pursuant to Resolution No. OB 14-02, approved by DOF on 4/9/14
6	Rent payment received from Costco and the same amount is passed on to the landlord. Norwalk-La Mirada Unified School District
9	Termination date is estimated. Cost is estimated.
12	Termination date is estimated.
13	Termination date is estimated.
14	All or a portion of item 14 are to be repaid to the City pursuant to the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses. Termination date is estimated.
15	All or a portion of item 15 are to be repaid to the City pursuant to the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses. Termination date is estimated.
16	All or a portion of item 16 are to be repaid to the City pursuant to the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses. Termination date is estimated.
18	Termination date is estimated.
21	Termination date is estimated.

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE NORWALK REDEVELOPMENT AGENCY**

AGENDA REPORT

DATE: January 25, 2016

TO: Oversight Board

FROM: Jana Stuard, Finance Officer
Successor Agency to the Norwalk Redevelopment Agency

SUBJECT: RESOLUTION NO. OB 16-04 – APPROVING THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY’S PROPOSED ADMINISTRATIVE BUDGETS FOR THE SIX-MONTH FISCAL PERIODS FROM JULY 1, 2016 THROUGH DECEMBER 31, 2016 AND FROM JANUARY 1, 2017 THROUGH JUNE 30, 2017

Background:

Pursuant to 34177(j) of the California Health and Safety Code (“HSC”), the Successor Agency is required to prepare a proposed administrative budget for each six-month fiscal period, which must be submitted to the Oversight Board for approval. Each proposed administrative budget must include all of the following: (1) estimated amounts for Successor Agency administrative costs for the applicable six-month fiscal period; (2) proposed sources of payment for the administrative costs; and (3) proposals for arrangements for administrative and operations services provided by the City of Norwalk (the “City”) or other entity.

HSC Section 34177 is unclear regarding the required timing for the submission of the proposed administrative budgets to the Oversight Board. However, because the Successor’s Agency’s administrative expenditures also have to be reflected on the Successor Agency’s Recognized Obligation Payment Schedules (“ROPS”), the administrative budgets should be consistent.

Previously, the Successor Agency was required to prepare a ROPS for each six-month fiscal period (from July 1 through December 31, and from January 1 through June 30, respectively). SB 107, which was enacted in September 2015, amended HSC Section 34177, to provide that, beginning with fiscal year 2016-17, the Successor Agency must prepare a ROPS annually (instead of twice a year). HSC Section 34177(o) provides that the Successor Agency must submit an Oversight Board-approved ROPS for fiscal year 2016-17 (“ROPS 16-17”) to the State Department of Finance (“DOF”) and the County Auditor-Controller no later February 1, 2016. A proposed ROPS 16-17 is being presented as a separate agenda item for the Oversight Board’s consideration and approval.

Attached to Resolution No. OB 16-04 are the Successor Agency's proposed administrative budgets for the fiscal period from July 1, 2016 through December 31, 2016 ("Administrative Budget 16-17A") and the fiscal period from January 1, 2017 through June 30, 2017 ("Administrative Budget 16-17B"). Staff recommends that the Oversight Board approve Administrative Budget 16-17A and Administrative Budget 16-17B on the same date as the Oversight Board's approval of ROPS 16-17.

Pursuant to HSC Section 34179(h)(1), which was added by SB 107, Oversight Board resolutions approving the Successor Agency's administrative budgets are no longer required to be submitted to the DOF for approval. Therefore, Resolution No. 16-04 will become effective immediately upon adoption.

Fiscal Impact:

Under HSC Section 34171(b), the "Administrative Cost Allowance" is the maximum amount of administrative costs that may be paid by the Successor Agency from property tax revenues allocated by the County Auditor-Controller (i.e., disbursements from Redevelopment Property Tax Trust Fund ("RPTTF")). The Successor Agency's annual administrative costs must not exceed 50 percent of the total RPTTF distributed to pay enforceable obligations in the preceding fiscal year (which latter to be reduced by the Successor Agency's Administrative Cost Allowance and loan repayments made to the City for loans re-established pursuant to HSC Section 34191.4 (the "City Loans") during the preceding fiscal year. For fiscal year 2015-16, the amount that the Successor Agency received from the RPTTF for enforceable obligations, exclusive of moneys received for Administrative Cost Allowance and repayment for City Loans, is \$2,550,832.) Subject to the foregoing, commencing July 1, 2016, and for each fiscal year thereafter, the Administrative Cost Allowance is the greater of: (i) \$250,000 fiscal year, or (ii) 3 percent of the actual property tax distributed to the Successor Agency by the County auditor-controller in the preceding fiscal year for payment of approved enforceable obligations, reduced by the Successor Agency's administrative cost allowance and repayments made to the City Loans during the preceding fiscal year.

Environmental Impact:

There will be no new environmental impact associated with adoption of the attached Resolution.

Recommendation:

Staff recommends that the Oversight Board of the Successor Agency to the Norwalk Redevelopment Agency adopt Resolution No. OB 16-04, approving the proposed Administrative Budget 16-17A and Administrative Budget 16-17B, and taking related actions.

Attachment:

Resolution No. OB 16-04

RESOLUTION NO. OB 16-04

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY APPROVING PROPOSED ADMINISTRATIVE BUDGETS FOR THE SIX-MONTH FISCAL PERIODS FROM JULY 1, 2016 THROUGH DECEMBER 31, 2016, AND FROM JANUARY 1, 2017 THROUGH JUNE 30, 2017, AND TAKING RELATED ACTIONS

WHEREAS, pursuant to Health and Safety Code Section 34177(j), the Successor Agency to the Norwalk Redevelopment Agency (the "Successor Agency") must prepare a proposed administrative budget for each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed administrative budget to the Oversight Board for the Successor Agency (the "Oversight Board") for approval; and

WHEREAS, the Successor Agency's proposed administrative budgets for the six-month fiscal periods from July 1, 2016 through December 31, 2016 ("Administrative Budget 16-17A") and from January 1, 2017 through June 30, 2017 ("Administrative Budget 16-17B," together with Administrative Budget 16-17A, the "Administrative Budgets") have been presented to this Oversight Board for approval;

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves Administrative Budget 16-17A, substantially in the form attached hereto as Exhibit A.

Section 3. The Oversight Board hereby approves Administrative Budget 16-17B, substantially in the form attached hereto as Exhibit A.

Section 4. The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution and the Administrative Budgets, including making any adjustment to the proposed Administrative Budgets to make them consistent with the Successor Agency's Recognized Obligation Payment Schedule for fiscal year 2016-17 (as such Recognized Obligation Payment Schedule is approved by the State Department of Finance).

Section 5. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end, the provisions of this Resolution are severable. The Oversight Board hereby declares that it would have adopted this Resolution regardless that one or more portion may be determined to be invalid.

APPROVED AND ADOPTED this 25th day of January 2016.

MICHAEL J. EGAN
CHAIR

ATTEST:

THERESA DEVOY, CMC
SECRETARY

EXHIBIT A

SUCCESSOR AGENCY TO THE NORWALK REDEVELOPMENT AGENCY

MERGED PROJECT AREAS #1, #2, #3.

ADMINISTRATIVE BUDGET ROPS 16-17 FOR - PERIOD FROM JULY 1, 2016 THROUGH DECEMBER 31, 2016 AND PERIOD FROM JANUARY 1, 2017 THROUGH JUNE 30, 2017

Per HSC - Section 34177 (*)

	Project Name / Debt Obligation	Payee	Description	Project Area	Funding Source **	ROPS Period		ROPS 16-17 Total
						16-17A	16-17B	
1)	Employees' Costs	City of Norwalk	Salaries & Benefits of SA NRA Officers & Staff	Merged	Admin	\$ 102,050	\$ 102,050	\$ 204,100
2)	Administrative Cost	City of Norwalk	Duplicating cost, postage, office supplies, telephone & fax, banking fees	Merged	Admin	\$ 550	\$ 550	\$ 1,100
3)	Training, Meetings & Seminars, Membership, Legal Defense	California Redevelopment Association (CRA)	Cost of attending Training, Conferences & Meetings; CRA membership; legal defense	Merged	Admin	\$ 500	\$ 500	\$ 1,000
4)	Annual Audit	White Nelson Diehl Evans LLP	Auditing Services	Merged	Admin	\$ 7,425	\$ -	\$ 7,425
5)	Property Tax Consulting Services	HdL Companies	Financial Consulting	Merged	Admin	\$ 5,000	\$ 5,000	\$ 10,000
6)	Legal Services	Richards Watson Gershon	Legal Counsel	Merged	Admin	\$ 13,185	\$ 13,190	\$ 26,375
	FUNDING SOURCE		SUBTOTAL		ADMIN	\$ 128,710	\$ 121,290	\$ 250,000
	FUNDING SOURCE		SUBTOTAL		Other Funds	\$ -	\$ -	\$ -
	FUNDING SOURCE		SUBTOTAL		Bonds	\$ -	\$ -	\$ -
			TOTAL ADMINISTRATIVE BUDGET			\$ 128,710	\$ 121,290	\$ 250,000
	RPTTF - Non-Admin Reserves - Retained per DDR		Bonds - Bond proceeds Admin - Successor Agency RPTTF Administrative Allowance					
<p>The above items include amounts to be reimbursed by the Successor Agency to the City of Norwalk, Pursuant to a Cooperative Agreement for Advance and Reimbursement of Administrative Overhead and other Expenses, by and between the City and the Successor Agency, in the form approved by the Governing Board of the Successor Agency pursuant to Resolution No. SA 12-08, on April 3, 2012.</p>								