

Agenda
SAN GABRIEL SUCCESSOR AGENCY OVERSIGHT BOARD

REGULAR MEETING

Monday January 25, 2016
10:00 a.m.

City of San Gabriel
Public Works Conference Room (formerly Community Development)
410 McGroarty Street
San Gabriel, California 91776

1. CALL TO ORDER/ROLL CALL

Chair Hamid Behdad, Appointee of the Chancellor of the California Community Colleges
Vice Chair Thomas Marston, Employee Appointee of the Mayor City of San Gabriel
Board Member Frank Cheng Appointee of the Los Angeles County Library (Largest Special District)
Board Member David R. Gutierrez, Appointee of the Mayor City of San Gabriel
Board Member Annie Huang, Appointee of the Los Angeles County Board of Supervisors
Board Member Joyce Yah, Appointee of the Los Angeles County Board of Education
Board Member David Sweeney, Appointee of the Los Angeles County Board of Supervisors

2. PUBLIC COMMENT

Pursuant to government code section 54954.3, this is the time provided for members of the public to address the Oversight Board on items of interest that are not on the agenda within the subject matter jurisdiction of the Oversight Board.

Citizens wishing to address the Oversight Board on any matter not on the Agenda, which is in the subject matter jurisdiction of the Oversight Board, may now do so at this time. Please state your NAME and ADDRESS CLEARLY for the record.

Please note that while the Oversight Board values your comments, pursuant to the Brown Act, the Oversight Board cannot take any action until such time as the matter may appear as an item on a forthcoming agenda.

3. MINUTES OF REGULAR BOARD MEETINGS OF September 14, 2015 MEETING

The minutes are a record of the official actions taken at the last Board meeting.

RECOMMENDED BOARD ACTION: Approval of minutes.

4. NEW BUSINESS

A. Adoption of Resolution OB No. 16-01 Approving the 2016-17 Recognized Obligation Payment Schedule for the fiscal period from July 1, 2016 to June 30, 2017 and Adoption of Resolution OB No. 16-02 Approving the Administrative Budget for the fiscal period from July 1, 2016 to June 30, 2017

Assembly Bill x1 26 (Redevelopment Agency Dissolution) requires each successor agency to prepare a ROPS using a form provided by Department of Finance (“DOF”), which sets forth the minimum payment amounts and due dates for all enforceable obligations of the former redevelopment agencies for each six-month fiscal period.

SB 107, adopted in September 2015 and effective immediately as a budget trailer provision, made additional changes to the dissolution process, including changing ROPS deadlines and requirements and changing the way certain loans between former redevelopment agencies and cities are repaid. Starting with the current cycle, the ROPS is changed to an annual ROPS and includes two six month fiscal periods: “A” covers the period of July 1 to December 31, 2016 and “B” covers January 1, 2017 through June 30, 2017.

RECOMMENDED BOARD ACTION: Adopt Resolution No. OB 16-01 and Resolution No. OB 16-02 approving the 2016-17 Recognized Obligation Payment Schedule, or ROPS, for the fiscal period from July, 1 2016 to June 30, 2017 and the Administrative Budget for the same time period.

B. BOARD ITEMS

Each Board Member may address the Oversight Board and public on matters of general information and/or concern.

C. ADJOURNMENT

Oversight Board actions are subject to review by the California State Department of Finance. As such, the Oversight Board actions shall not be effective for five days pending a request for review by the Department of Finance.

Documents related to agenda items are available for public inspection at the San Gabriel City Clerk’s Office at City Hall, 425 S. Mission Drive, San Gabriel, CA 91776 during normal business hours. Any documents related to an agenda item which are distributed to a majority of the Oversight Board will be made available in appropriate alternate formats upon request by a person with a disability, as required by the Americans with Disabilities Act of 1990.

Please contact the San Gabriel City Clerk's Office at (626) 308-2800 to request disability related modification or accommodation, including auxiliary aids or services in order to participate in the public meeting. Notification 48 hours in advance of the public meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. The conference room at 410 McGroarty Street, the location of Oversight Board meetings, is handicapped accessible.

**SAN GABRIEL SUCCESSOR AGENCY
OVERSIGHT BOARD MINUTES**

SPECIAL MEETING

Monday, September 14, 2015 at 10:00 a.m.

Public Works Conference Room

410 McGroarty Street

San Gabriel, California 91776

1. CALL TO ORDER/ROLL CALL

Present:

Board Vice Chair Thomas Marston, Appointee of the Mayor, City of San Gabriel
Board Member Frank Cheng, Appointee of the Los Angeles County Library
Board Member Annie Huang, Appointee of the Los Angeles County Board of Supervisors
Board Member David Sweeney, Appointee of the Los Angeles Board of Supervisors
Board Member Joyce Yeh, Appointee of the Los Angeles County Board of Education

Absent:

Board Chair Hamid Behdad, Appointee of the Chancellor of the California Community Colleges
Board Member David R. Gutierrez, Appointee of the Mayor, City of San Gabriel

Also present were:

Teresa L. Highsmith, Oversight Board Attorney, San Gabriel Successor Agency
Peter Wallin, Deputy City Attorney, City of San Gabriel
Arminé Chaparyan, Community Development Director, City of San Gabriel
Angelica Frausto-Lupo, Economic Development Manager, City of San Gabriel
Diane Hadland, Successor Agency Staff, City of San Gabriel
Gloria Molleda, Chief City Clerk, City of San Gabriel
Patricia Bravo-Valdez, Assistant City Clerk, City of San Gabriel
Cesar Hernandez, Senior Board Specialist, Commission Services Division, Los Angeles County

2. PUBLIC COMMENT

PUBLIC COMMENT: PURSUANT TO GOVERNMENT CODE SECTION 54954.3, THIS IS THE TIME PROVIDED FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COUNCIL ON ITEMS OF INTEREST THAT ARE NOT ON THE AGENDA WITHIN THE SUBJECT MATTER JURISDICTION OF THE OVERSIGHT BOARD.

There was no one from the audience who wished to speak.

3. MINUTES OF REGULAR BOARD MEETING OF FEBRUARY 17, 2015

The minutes are a record of the official actions taken at the last Board meeting.

MOTION: Motion to approve the minutes of Regular Meeting of February 17, 2015 was moved by Board Member David Sweeney and seconded by Board Member Annie Huang. Motion carried 5-0-2, Absent: Chair Behdad and Board Member Gutierrez.

4. NEW BUSINESS

a. Introduction of Angelica Frausto-Lupo, Economic Development Manager.

Community Development Director Arminé Chaparyan introduced San Gabriel's Economic Development Manager Angelica Frausto-Lupo to the Successor Agency Oversight Board.

b. Adoption of Resolution No. OB 15-02 approving the 2015-16B Recognized Obligation Payment Schedule, for the fiscal period from January 2 to June 30, 2016 and the Successor Agency Administrative Budget pursuant to Health and Safety Code Section 34177(j).

RECOMMENDED BOARD ACTION: Approve Resolution No. OB 15-02 entitled: A RESOLUTION OF THE SAN GABRIEL SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE 2015-16B RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD FROM JANUARY 2 TO JUNE 30, 2016 AND THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j).

Successor Agency staff Diane Hadland provided the staff report. She noted that a remaining obligation, repayment of the outstanding City Loan, was again not included on ROPS 2015-16B because of outstanding issues about the method of calculation. Discussion ensued between the Board Members as to whether to include the outstanding City Loan in the ROPS 2015-16B schedule.

MOTION: Motion to approve Resolution No. OB 15-02 approving the ROPS 2015- 16B for the fiscal period from January 2 to June 30, 2016, and the successor agency administrative budget pursuant to health and safety code section 34177(j) was moved by Board Member Annie Huang and seconded by Board Member Frank Cheng. The motion carried 5-0-2, Absent: Chair Behdad and Board Member Gutierrez.

5. BOARD ITEMS

There were no Board Member items at this time.

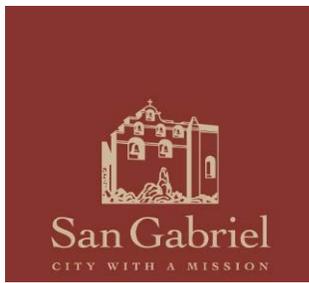
6. ADJOURNMENT

The meeting was adjourned at 10:41 a.m.

Oversight Board actions are subject to review by the California State Department of Finance. As such, the Oversight Board Actions shall not be effective for five days pending a request for review by the Department of Finance.

Gloria Molleda, Chief City Clerk

Thomas Marston, Vice Chair



City of San Gabriel

STAFF REPORT

DATE: January 25, 2016

Agenda Item No. 4A

TO: Members of the San Gabriel Successor Agency Oversight Board

FROM: Armine Chaparyan, Community Development Director

BY: Diane Hadland, Successor Agency Staff Member

SUBJECT: **Adoption of Resolution OB No. 16-01 Approving the 2016-17 Recognized Obligation Payment Schedule for the fiscal period from July, 1 2016 to June 30, 2017 and Adoption of Resolution OB No. 16-02 Approving the Administrative Budget for the fiscal period from July 1, 2016 to June 30, 2017**

SUMMARY

Assembly Bill x1 26 (Redevelopment Agency Dissolution) requires each successor agency to prepare a ROPS using a form provided by Department of Finance ("DOF"), which sets forth the minimum payment amounts and due dates for all enforceable obligations of the former redevelopment agencies for each six-month fiscal period.

SB 107, adopted in September 2015 and effective immediately as a budget trailer provision, made additional changes to the dissolution process, including changing ROPS deadlines and requirements and changing the way certain loans between former redevelopment agencies and cities are repaid. Starting with the current cycle, the ROPS is changed to an annual ROPS and includes two six month fiscal periods: "A" covers the period of July 1 to December 31, 2016 and "B" covers January 1, 2017 through June 30, 2017.

I. RECOMMENDATION

Staff recommends that the Oversight Board adopt Resolution No. OB 16-01 and Resolution No. OB 16-02 approving the 2016-17 Recognized Obligation Payment Schedule, or ROPS, (Exhibit A) for the fiscal period from July, 1 2016 to June 30, 2017 (Attachment No. 1) and the Administrative Budget (Attachment 2) for the same time period.

II. BACKGROUND

Assembly Bill x1 26 (Redevelopment Agency Dissolution) requires each successor agency to prepare a ROPS using a form provided by Department of Finance (“DOF”), which sets forth the minimum payment amounts and due dates for all enforceable obligations of the former redevelopment agencies for each six-month fiscal period. AB 1484, the redevelopment dissolution/unwind trailer bill passed by the Legislature and signed by the Governor on June 29, 2012 made technical and substantive amendments to AB x1 26 including actions related to the ROPS.

SB 107, adopted in September 2015 and effective immediately as a budget trailer provision, made additional changes to the dissolution process, including changing ROPS deadlines and requirements and changing the way certain loans between former redevelopment agencies and cities are repaid. Starting with the current cycle, the ROPS is changed to an annual ROPS and includes two six month fiscal periods: “A” covers the period of July 1 to December 31, 2016 and “B” covers January 1, 2017 through June 30, 2017. The changes to the City loan repayment requirements are discussed below.

Under Section 34191.4, as amended by SB 107, loans between a city and a former redevelopment agency can be repaid, provided the repayment follows a complex formula tied to the amount of revenue not used for successor agency expenses in the prior year and provided that interest is recalculated at 3 percent simple interest. Any repayments must be applied first to principal and then to accumulated unpaid interest. These provisions serve to limit the amount of revenue that accrues on unpaid loans even though the rate of 3 percent is much higher than the previous rate which was LAIF, or about 0.25 percent.

STATUS ON ROPS 2015-16B

The expenditure items included on ROPS 2015-16B, which was approved by the Oversight Board and submitted to DOF last fall, were minimal as the Agency held off on requesting repayment of the City Loan. That ROPS was approved by the County and DOF with a minor change made by DOF. Specifically, DOF included the Prior Period Adjustment amount of \$29,300 from 2015-16A that it did not include previously. When added to the 2015-16B Prior Period Adjustment Amount of \$27,054 reported by the Successor Agency, the result was that the combined Prior Period Adjustment exceeded the amount requested resulting in a credit balance of \$23,354 which will offset funding for expenditures for 2016-17. A challenge to DOF’s determination on ROPS 2015-16B was not put forth by the Successor Agency through the Meet and Confer process. A copy of the letter, that was received from DOF on ROPS 2015-16B, which was previously forwarded to the Oversight Board, is included as Attachment 3 for your reference.

III. ADMINISTRATIVE BUDGET

The Administrative Budget is to include all of the following: (i) estimated amounts of the Successor Agency’s administrative costs for the up-coming six month fiscal period; (ii) the

proposed sources of payment for the costs identified in (i); and (iii) proposals for arrangements for administrative and operation services for the six month fiscal period. For the last several ROPS, the Successor Agency has prepared a separate administrative budget to be considered by the Oversight Board and has included only the total on the ROPS.

Effective for ROPS 2016-17, the Successor Agency is asking the Oversight Board to approve the Administrative Budget through the adoption of a separate resolution. This is to keep the approval of the ROPS separate and apart from approval of the Administrative Budget. Under the new requirements of SB 107, the amount of allowable administrative costs funded from former tax increment, now referred to as RPTTF, is uncertain. It appears to limit the administrative allowance to an amount that cannot exceed 50 percent of the prior year RPTTF distributed for certain types of enforceable obligations, but the language is not entirely clear. The historical amounts requested for an administrative budget by the Successor Agency have been substantially below the minimum allowance of \$125,000 over the last several years and the Agency is requested similar amounts for 2016-17 "A" and "B".

IV. SUMMARY OF ROPS 2016-17

The projects that the Redevelopment Agency had underway when dissolution occurred have been largely completed with no or little expenditures expected in the upcoming ROPS cycle. The major remaining expenditures for future ROPS is the repayment of the City loan, plus a amounts for the continued monitoring of the Lucky Center Agreement and administrative costs.

For 2016-17, the Agency is requesting repayment of the City loan. The calculation of the amount due is included as Table 4.1 and the allowable repayment for 2016-17 has been calculated and is included as Table 4.2 in Attachment 4. Repayment of City loans under Section 34191.4 of the Health and Safety Code is subject to a complex formula, although SB 107, discussed above, simplified some of those provisions.

As shown in Table 4.1, the amount of the City loan outstanding has been recalculated back to the date when the sums were advanced in 2009-10 at 3.0 percent simple interest. The estimated payments are shown as deductions, including the payment calculated for 2016-17. As specified in SB 107, interest has been calculated quarterly, although with simple interest the difference between annual amounts and quarterly amounts is negligible. The total outstanding principal and unpaid accrued interest is computed to equal \$1,477,687. This calculation is subject to review and approval by DOF.

Table 4.2 shows the calculation of the allowable payment under Section 34191.4. Basically, the maximum payment is calculated based on the revenue that went to the base year taxing entities (the "Residual Payments") in the prior year. These are monies that were not spent by the Successor Agency on ROPS items, either because they were not included on the approved ROPS or they were included on the ROPS but were not spent as estimated. The loan repayment formula includes the amount by which the Residual Payment in the preceding fiscal year, or 2015-16A and B for the 2016-17 ROPS, exceed the Residual Payments in the 2012-13 base year.

(Fiscal year 2012-13 is the first full year that payments were distributed to taxing entities under redevelopment dissolution.) The allowable payment can equal half (50 percent) of the increase in the Residual Payments. As shown in Table 4.2, that amount equals \$562,263. This amount must also be reviewed and approved by DOF.

V. UPCOMING SUCCESSOR AGENCY ISSUES

SB 107 is legislation that was enacted as part of the Governor's 2015-16 budget process and provides for a number of changes to the dissolution process. In addition to the changes discussed above, SB 107 delays implementation of Countywide Oversight Boards from July 2016 to July 2017. In addition, in Los Angeles and other large counties, the number of Countywide Oversight Boards will be expanded from 1 to 5, with one Oversight Board covering the jurisdiction of each County Supervisor. This means that the San Gabriel Oversight Board will likely need to meet again in January 2017 to approve the 2017-18 ROPS. Successor Agency staff members do not anticipate the need for a meeting on items other than the ROPS, but will of course contact the members should the situation change.

ATTACHMENTS

Attachment: No. 1: Resolution OB No. 16-01 approving ROPS 2016-17 for the period from July, 1 2016 to June 30, 2017

Exhibit A: ROPS 2016-17

Attachment: No. 1: Resolution OB No. 16-02 approving the Administrative Budget for the period from July, 1 2016 to June 30, 2017

Exhibit A: Administrative Budget 2016-17A and B

Attachment No. 3: Letter from DOF approving ROPS 2015-16BA

Attachment No. 4: City loan repayment Tables 4.1 and 4.2

Attachment 1

Resolution OB No. 16-01
ROPS 2016-17

RESOLUTION NO. OB 16-01

**A RESOLUTION OF THE SAN GABRIEL SUCCESSOR AGENCY
OVERSIGHT BOARD APPROVING THE 2016-17 RECOGNIZED
OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD
FROM JULY 1, 2016 TO JUNE 30, 2017**

WHEREAS, pursuant Part 1.85 of the Dissolution Act, Section 34171(g), a “Recognized Obligation Payment Schedule” means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each six-month fiscal period until June 30, 2016, as provided in subdivision (m) of Section 34177; and

WHEREAS, on and after July 1, 2016, Section 34171(g) provides that “Recognized Obligation Payment Schedule” means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each fiscal year, as provided in subdivision (o) of Section 34177; and

WHEREAS, the members of the Oversight Board have been presented with a draft recognized obligation payment schedule for the period July 1, 2016 to June 30, 2017 (the “Draft ROPS 2016-17”); and

WHEREAS, the Oversight Board has reviewed the Draft ROPS 2016-17 and those instruments referenced in the Draft ROPS 2016-17; and

WHEREAS, the Oversight Board has met and has duly considered the Draft ROPS 2016-17 and desires to express its approval of a recognized obligation payment schedule for the period July 1, 2016 to June 30, 2017;

NOW, THEREFORE, THE SAN GABRIEL SUCCESSOR AGENCY OVERSIGHT BOARD DOES HEREBY FIND AND RESOLVE AS FOLLOWS:

Section 1. ROPS 2016-17 for the period of July 1, 2016 to June 30, 2017, attached hereto as Exhibit A and incorporated herein by this reference, is hereby approved.

Section 2. The Successor Agency City Manager, or designee, is directed to file, post, mail, or otherwise deliver via electronic mail, internet posting, and/or hardcopy, all notices and transmittals necessary or convenient in connection with the approval of ROPS 2016-17.

Section 3. The Successor Agency City Manager or designee is authorized to make ministerial adjustments to the ROPS and Successor Agency Administrative Budget so long as these adjustments are within the scope of the approved schedule and total obligation.

Section 4. Pursuant to Health and Safety Code 34179(h), all actions taken by the Oversight Board may be reviewed by the California Department of Finance, and therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the California Department of Finance.

I HEREBY CERTIFY that the foregoing resolution was introduced and passed by the San Gabriel Successor Agency Oversight Board, at its meeting of January 25, 2016, by the following vote.

PASSED, APPROVED AND ADOPTED this 25th day of January 2016.

Ayes:
Noes:
Absent:
Abstain:

Hamid Behdad, Chair

Attest:

Gloria Molleda, Chief City Clerk

Exhibit A

ROPS 2016-17

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

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

Successor Agency:	San Gabriel
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			
A Sources (B+C+D):	\$ 23,354	\$ -	\$ 23,354
B Bond Proceeds Funding	-	-	-
C Reserve Balance Funding	23,354	-	23,354
D Other Funding	-	-	-
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 568,909	\$ 13,000	\$ 581,909
F Non-Administrative Costs	538,909	3,000	541,909
G Administrative Costs	30,000	10,000	40,000
H Current Period Enforceable Obligations (A+E):	\$ 592,263	\$ 13,000	\$ 605,263

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.

Name	Title
/s/	
Signature	Date

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

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [CASH BALANCE TIPS SHEET](#)

A	B	C	D	E	F	G	H	I	
		Fund Sources							
		Bond Proceeds		Reserve Balance		Other	RPTTF		
	Cash Balance Information by ROPS Period	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	
ROPS 15-16A Actuals (07/01/15 - 12/31/15)									
1	Beginning Available Cash Balance (Actual 07/01/15)			23,354			33,000		
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						32,500	Checks with actual distribution	
3	Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)						32,500	Estimated expenditures	
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)						-		
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)	\$ -	\$ -	\$ 23,354	\$ -	\$ -	\$ 33,000		
ROPS 15-16B Estimate (01/01/16 - 06/30/16)									
7	Beginning Available Cash Balance (Actual 01/01/16) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ 23,354	\$ -	\$ -	\$ 33,000		
8	Revenue/Income (Estimate 01/4/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016						-		
9	Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)						33,000		
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)								
11	Ending Estimated Available Cash Balance (7 + 8 - 9 -10)	\$ -	\$ -	\$ 23,354	\$ -	\$ -	\$ -		

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

Item #	Notes/Comments
1	Principal balance outstanding for City/Redevelopment Agency loan is \$1,284,945. Simple interest at 3% has been added per SB 107, resulting in a balance as of June 30, 2015 of \$1,477,685. According to DOF, having received a Finding of Completion, repayment can commence any time after 2015-16A per DOF instructions.
6	Lucky Center Loan: Amount needed for annual monitoring costs.
10	ACE Haul Route Rehab: This project is not yet complete, but no funding is estimated to be needed for ROPS 2016-17.
42	Administrative costs.

Attachment 2

Resolution OB No. 16-02
Administrative Budget
2016-17A and B

RESOLUTION NO. OB 2016-02

A RESOLUTION OF THE SAN GABRIEL SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING AN ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2016 THROUGH JUNE 30, 2017

WHEREAS, Health and Safety Code Section 34177(j) provides that the Successor Agency may prepare a proposed administrative budget (“Successor Agency Administrative Budget”) and submit it to the Oversight Board for the Oversight Board’s approval;

NOW THEREFORE, BE IT RESOLVED by the Oversight Board, as follows:

SECTION 1. The Oversight Board approves the Successor Agency Administrative Budget attached hereto as Exhibit A and incorporated herein by this reference.

SECTION 2. The Successor Agency is authorized and directed to submit the approved Administrative Budget to the California Department of Finance, the county administrative officer and the county auditor-controller.

SECTION 3. The Successor Agency shall maintain on file as a public record this Resolution and the Administrative Budget as approved hereby.

I HEREBY CERTIFY that the foregoing resolution was introduced and passed by the San Gabriel Successor Agency Oversight Board, at its meeting of January 25, 2016, by the following vote.

PASSED, APPROVED AND ADOPTED this 25th day of January 2016.

Ayes:
Noes:
Absent:
Abstain:

Hamid Behdad, Chair

Attest:

Gloria Molleda, Chief City Clerk

Exhibit A

Successor Agency Administrative Budget
July 1, 2016 through June 30, 2017

Exhibit A
San Gabriel Successor Agency
Administrative Budget for 2016-17
7/1/2016 to 6/30/2017

Description	Annual Budget	2016-17A	2016-17B
Full Time Employees / Portion Finance	20,000	15,000	5,000
Special Departmental	-	-	-
Administration/Contract Staff	-	-	-
Medicare	-	-	-
Administration/Contract Administrative (Diane)	12,000	10,000	2,000
Contractual Services / Consultants / Legal	-	-	-
Agency Council (Peter)	5,000	3,500	1,500
Oversight Board Council (Theresa)	2,000	1,000	1,000
Auditing	-	-	-
Other Consultants	-	-	-
Contractual Services	-	-	-
Lease Payments/All	-	-	-
Copier	-	-	-
Security	-	-	-
HVAC	-	-	-
Office Operating	1,000	500	500
Office Lease	-	-	-
Supplies	-	-	-
Cleaning	-	-	-
Other	-	-	-
Electricity	-	-	-
Telephone	-	-	-
Water	-	-	-
Other Direct Costs	-	-	-
Telephone - Wireless	-	-	-
TOTAL	40,000	30,000	10,000

Attachment 3

DOF Letter Approving ROPS 2015-16B



October 8, 2015

Mr. Thomas Marston, Director of Finance
City of San Gabriel
425 South Mission Drive
San Gabriel, CA 91776

Dear Mr. Marston:

Subject: Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (m) (1) (A), the City of San Gabriel Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule for the period January 1 through June 30, 2016 (ROPS 15-16B) to the California Department of Finance (Finance) on September 15, 2015. Finance has completed its review of the ROPS 15-16B.

Based on our review, Finance is approving all of the items listed on the ROPS 15-16B at this time.

Pursuant to HSC section 34186 (a), the Agency was required to report on the ROPS 15-16B form the estimated obligations versus actual payments (prior period adjustment (PPA)) associated with the January through June 2015 period (ROPS 14-15B). HSC section 34186 (a) also specifies the PPA self-reported by the Agency is subject to review by the county auditor-controller (CAC). The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved in the table on the following page includes the PPA resulting from the CAC's review of the Agency's self-reported prior period adjustment.

The amount of RPTTF approved in the table on the following page also includes excess prior period adjustment (PPA) of \$23,354. The current approved RPTTF is insufficient to allow for the PPA of \$56,354 to be fully expended during this ROPS period. The Agency should apply the remaining funds prior to requesting RPTTF on future ROPS.

The Agency's maximum approved RPTTF distribution for the reporting period is zero as summarized in the Approved RPTTF Distribution table below:

Approved RPTTF Distribution	
For the period of January through June 2016	
Total RPTTF requested for non-administrative obligations	3,000
Total RPTTF requested for administrative obligations	30,000
Total RPTTF requested for obligations on ROPS 15-16B	\$ 33,000
Total RPTTF authorized for non-administrative obligations	3,000
Total RPTTF authorized for administrative obligations	30,000
Total RPTTF authorized for obligations	\$ 33,000
ROPS 14-15B prior period adjustment	(56,354)
Excess PPA	23,354
Total RPTTF approved for distribution	\$ 0

On the ROPS 15-16B form, the Agency reported cash balances and activity for the period January 1 through December 31, 2015. Finance will perform a review of the Agency's self-reported cash balances on an ongoing basis. Please be prepared to submit financial records and bridging documents to support the cash balances reported upon request. If it is determined the Agency possesses cash balances that are available to pay approved obligations, HSC section 34177 (I) (1) (E) requires these balances be used prior to requesting RPTTF.

Please refer to the ROPS 15-16B schedule used to calculate the total RPTTF approved for distribution:

<http://www.dof.ca.gov/redevelopment/ROPS>

Absent a Meet and Confer, this is Finance's final determination related to the enforceable obligations reported on your ROPS for January 1 through June 30, 2016. This determination only applies to items when funding was requested for the six-month period. Finance's determination is effective for this time period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if it was not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution statutes. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.

Mr. Thomas Marston
October 8, 2015
Page 3

Please direct inquiries to Kylie Oltmann, Supervisor, or Nicole Prisakar, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Program Budget Manager

cc: Ms. Diane Hadland, Successor Agency Staff (Contract), City of San Gabriel
Ms. Kristina Burns, Manager, Department of Auditor-Controller, Los Angeles County

Attachment 4

City Loan Repayment 2016-17

Table 4.1
San Gabriel Successor Agency
Calculation of Outstanding Loan Balance and Estimated Payments
ROPS 2016-17

ROPS Fiscal Yr (1)	Principal Advanced (2)	Net Principal Beginning Balance	Less: (3) Pmts @ 7/1	Net Principal Ending Balance	3.0%				Total Interest	Cumulative Interest	Total Ending Bal w/ Interest
					Interest @ (4) Sept. (1st Qtr)	Interest @ (4) Dec. (2nd Qtr)	Interest @ (4) March (3rd Qtr)	Interest @ (4) June (4th Qtr)			
2009-10	784,259	784,259	-	-	N/A	N/A	N/A	N/A	N/A	-	-
2010-11	500,686	1,284,945	-	1,284,945	9,637	9,637	9,637	9,637	38,548	38,548	1,323,493
2011-12	-	1,284,945	-	1,284,945	9,637	9,637	9,637	9,637	38,548	77,096	1,362,041
2012-13	-	1,284,945	-	1,284,945	9,637	9,637	9,637	9,637	38,548	115,644	1,400,589
2013-14	-	1,284,945	-	1,284,945	9,637	9,637	9,637	9,637	38,548	154,192	1,439,137
2014-15	-	1,284,945	-	1,284,945	9,637	9,637	9,637	9,637	38,548	192,740	<u>1,477,685</u>
2015-16	-	1,284,945	-	1,284,945	9,637	9,637	9,637	9,637	38,548	231,288	1,516,233
2016-17	-	1,284,945	562,263	722,682	5,420	5,420	5,420	5,420	21,680	252,968	975,650
2017-18	-	722,682	490,000	232,682	1,745	1,745	1,745	1,745	6,980	259,948	492,630
2018-19	-	232,682	492,630	-	-	-	-	-	-	259,948	-
2019-20	-	-	-	-	-	-	-	-	-	259,948	-

(5)

- (1) Includes expenditure periods of July 1 through June 30th, per DOF designated ROPS forms. A portion of the associated revenues are received in June of the prior fiscal year.
- (2) Principal balance per the June 30, 2012 CAFR equals \$1,284,945, which is the principal amount (i.e., does not contain any accrued interest).
- (3) All future payments are assumed to occur on July 1 of the applicable fiscal year, before additional interest is accrued.
- (4) As interest is simple, the principal amount outstanding on which interest is calculated does not change from quarter to quarter.
- (5) Twenty percent of any loan repayments the City receives must be used for low and moderate income housing purposes pursuant to HSC 34191.4 and will be remitted to the Housing Authority of Los Angeles County pursuant to Resolution OB12-11; 2016-17 payment = \$112,453; 2017-18 payment = \$98,000; 2018-19 payment = \$95,826.

Table 4.2
San Gabriel Successor Agency
Maximum Allowable City Loan Payment
ROPS 2015-16B

Description	Tax Entity Distribution	Prior Period Adjustment	Total Distribution	City Loan Repmt Calc
2015-16 Prior Year				
ROPS 2015-16A - June 2015 (Actual)	1,028,654	-	1,028,654	
ROPS 2015-16B - Jan 2016 (Actual)	361,388	33,000	394,388	
Total	1,390,042	33,000	1,423,042	1,423,042
2012-13 Base Year				
ROPS 2 - June 2012	298,516	-	298,516	
ROPS 3 - January 2013	-	-	-	
Total	298,516	-	298,516	298,516
Increased Distribution to Taxing Entities				1,124,526
Factor:				50.0%
Available for City Loan Repayment 2014-15				562,263
Less: SERAF Loan				-
Eligible for City Loan Repayment on ROPS 2015-16A				562,263