

**STAFF REPORT**
CITY OF MAYWOOD

DATE: JANUARY 9 , 2019

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: DONALD J. WAGNER, INTERIM CITY ADMINISTRATOR

BY: OFELIA MANCERA, FINANCE DIRECTOR *OM*

SUBJECT: A RESOLUTION OF THE SUCCESSOR TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 19-20) AND THE ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020; AND AUTHORIZING STAFF TO FORWARD THE ROPS 19-20 AND ADMINISTRATIVE BUDGET TO LOS ANGELES COUNTY FIRST SUPERVISORIAL DISTRICT CONSOLIDATED OVERSIGHT BOARD FOR APPROVAL

RECOMENDATION

Adopt Resolution SA 19-01 approving the Successor Agency to the Maywood Community Redevelopment Agency Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the period July 1, 2019 through June 30, 2020; and authorizing staff to submit ROPS 19-20 and Resolution to Los Angeles County First Supervisorial District Consolidated Oversight Board ("Oversight Board") for approval and submission to the California State Department of Finance for approval pursuant to Health and Safety Code Section 34177.

FISCAL IMPACT

Adopting the ROPS 19-20 and Administrative Budget is a required step in winding down the former Maywood Redevelopment Agency, which includes completing contractual obligations and projects which are currently underway, as well as following a number of state required steps to conclude the activities of the former agency. The funding for the administration and enforceable obligations of the Successor Agency is included within the Recognized Obligation Payment Schedule.

BACKGROUND

AB X1 26 (the "Dissolution Act") was enacted in June 2011 as part of the Fiscal Year 2011-2012 State budget package. Under the Dissolution Act, all redevelopment agencies in the State of California were dissolved effective February 1, 2012. The City of Maywood City Council assumed the duties of unwinding the affairs of the La Habra Redevelopment Agency as the Successor Agency. Under the Redevelopment Dissolution Act, the Successor Agency is required to approve a Recognized Obligation Payment Schedule (ROPS) and submit it to the County Auditor-Controller, the State Department of Finance, and the State Controller's Office. After review and approval by the City Council as the Successor Agency, the ROPS must be approved by the Oversight Board.

Pursuant to Health and Safety Code Section 34179 (q), commencing on and after July 1, 2018, the County of Los Angeles, where more than 40 oversight boards were created by the Dissolution Act, shall have five consolidated oversight board each encompassing the five supervisorial districts. The First Supervisorial District Consolidated Oversight Board ("Oversight Board") has jurisdiction over the Successor Agency of the Former Redevelopment Agency to the City of Maywood. The ROPS covers the period from July 1, 2019 through June 30, 2020, separated into two six-months periods; listing the nature, amount and source(s) of payment of all outstanding "enforceable obligations" of the former Agency to be paid or performed by the Successor Agency during each six-month period.

DISCUSSION

The Maywood Community Redevelopment Agency, Maywood, California ("Agency") was formed for the purpose of revitalizing areas with the City of Maywood pursuant to Health and Safety Code Section 33000, et. Seq. One of the responsibilities of the Successor Agency is to prepare a Recognized Obligation Payment Schedule ("ROPS") and administrative budget which sets forth the nature, amount and source(s) of payment of all "enforceable obligations" of the Redevelopment Agency (as defined by law) to be paid by the Successor Agency after the Redevelopment Agency's dissolution.

Pursuant to Health and Safety Code Section 34177(m) (1) (A), the law provides that the successor agency shall complete the Recognized Obligation Payment Schedule (ROPS) in the manner provided for by the Department of Finance. Pursuant to Health and Safety Code Section 34177(1)(2), the Successor Agency is required to prepare the ROPS and Administrative Budget covering the period July 1, 2019 and June 30, 2020 (ROPS 19-20), and all successor agencies are required to submit their ROPS by February 1, 2019 to the Department of Finance. The ROPS 19-20, if approved by the Successor Agency, will be subsequently presented to Oversight Board for approval and, submitted to the Department of Finance and County Auditor-Controller prior to the deadline of February 1, 2019

CONCLUSION

Staff recommends adoption of Resolution No 19-01, a Resolution of the Successor Agency to the City of Maywood Community Redevelopment Agency approving the Recognized Obligation Payment Schedule and Administrative Budget for the period July 1, 2019 through June 30, 2020; and authorizing staff to forward the Recognized Obligation Schedule and Administrative Budget to Los Angeles County First Supervisorial District Oversight Board for review and

approval; and subsequently to submitting the ROPS and Resolution to the Department of Finance by February 1, 2019.

ATTACHMENTS

- Exhibit A: ROPS FY 19-20
- Exhibit B: Administrative Budget
- Exhibit C; Successor Agency Resolution No 19-01

**Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period**

Successor Agency: Maywood
County: Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 434,031	\$ 823,867	\$ 1,257,898
F RPTTF	434,031	823,867	1,257,898
G Administrative RPTTF	-	-	-
H Current Period Enforceable Obligations (A+E):	\$ 434,031	\$ 823,867	\$ 1,257,898

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

Maywood Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(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
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	Comments
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount					1,941,159	
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller					1,662,552	
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)					1,379,138	
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)						
		\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,224,573	

Maywood Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

Item #	Notes/Comments

EXHIBIT B

SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY
ADMINISTRATIVE BUDGET
(July 1, 2019 to June 30, 2020)
ROPS FY 19-20

SALARIES AND BENEFITS	\$ 92,433
PROFESSIONAL SERVICES	
Legal Services:	\$ 25,000
Auditing Services	4,000
<hr/>	
TOTAL	\$ 121,433

Note: The Administrative Budget covers costs incurred by the City of Maywood and professional services for the operations to the Successor Agency of the Maywod Community Redevelopment Agency.

EXHIBIT C

RESOLUTION NO. SA 19-01

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY APPROVING AND ADOPTING THE PROPOSED RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) AND ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020 (ROPS 19-20) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177.

WHEREAS, pursuant ABx 1 26, enacted on June 28, 2011, and as subsequently amended by AB 1484, SB 341, and SB 107 (“Dissolution Act”), the Redevelopment Agency to the City of Maywood was dissolved as of February 1, 2012, and the City of Maywood elected to serve as the Successor Agency to the former Redevelopment Agency to the City of Maywood; and

WHEREAS, pursuant to Health and Safety Code Section 34179 (q), commencing on and after July 1, 2018, the County of Los Angeles, where more than 40 oversight boards were created by the Dissolution Act, shall have five consolidated oversight boards each encompassing the five supervisorial districts; and

WHEREAS, the First Supervisorial District Consolidated Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency of the Former Redevelopment Agency to the City of Maywood; and

WHEREAS, the First Supervisorial District Consolidated Oversight Board will hold a regular meeting on January 14, 2019; and

WHEREAS, Health and Safety Code Section 34177(1)(2) requires the Successor Agency to submit the ROPS to the Oversight Board for approval; and

WHEREAS, Health and Safety Code Section 34177(1)(2) requires the Oversight Board to approve the Successor Agency’s establishment of the ROPS prior to the Successor Agency acting upon the ROPS; and

WHEREAS, the Maywood City Council opted to serve as Successor Agency to the Maywood Community Redevelopment Agency (“Successor Agency”); and

WHEREAS, under the Dissolution Bills, the Maywood Oversight Board was formed and must receive a Recognized Obligation Payment Schedule (“ROPS”) from Successor Agency that sets forth all of the Successor Agency’s financial obligations over a twelve-month period (fiscal year); and

WHEREAS, on January 9, 2019, the City as Successor Agency to the Maywood Community Redevelopment Agency reviewed and approved a resolution adopting the Recognized Obligation Payment Schedule and Administrative Budget for the period July 1, 2019 through June 30, 2020 (ROPS 19-20) – Exhibit A and Exhibit B, respectively; and

WHEREAS, the Successor Agency is also required to submit an Administrative Budget to the Oversight Board that itemizes the Successor Agency's administrative costs over the same twelve-month period; and

WHEREAS, the Administrative Budget attached (Exhibit B) hereto covers the Successor Agency's administrative costs for the period July 1, 2019 through June 30, 2020;

WHEREAS, the Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020 is due to the California Department of Finance on or before February 1, 2019.

NOW THEREFORE, THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF MAYWOOD DOES HEREBY RESOLVE AND FIND AS FOLLOWS:

SECTION 1. The Successor Agency finds that the above recitations are true and correct and, accordingly, are incorporated as a material part of this Resolution.

SECTION 2. The ROPS 19-20 for the period July 1, 2019 through June 30, 2020, and attached hereto as Exhibit A, are hereby approved, adopted, and incorporated by reference by the Successor Agency pursuant to Health & Safety Code Section 34177.

SECTION 3. The Administrative Budget for the period July 1, 2019 through June 30, 2020, and attached hereto as Exhibit B, is hereby approved, adopted, and incorporated by reference by the Successor Agency pursuant to Health & Safety Code Section 34177.

SECTION 4. The Successor Agency hereto authorizes staff to take all necessary administrative actions to comply with Health & Safety Code Section 34177.

SECTION 5. The Successor Agency Secretary shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions and directs Successor Agency staff to submit all required Resolutions and ROPS documents to the Department of Finance on or before the February 1, 2019 deadline.

SECTION 6. If any provision of this Resolution or the application thereof to any person or circumstances 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 Successor Agency hereby declares that it would have adopted this Resolution regardless that one or more portion may be determined to be invalid.

PASSED, APPROVED AND ADOPTED ON by the City Council of the City of Maywood at a regular meeting held on January 9, 2019.

Eddie De La Riva, Mayor

ATTEST:

APPROVED AS TO FORM:

Gerardo Mayagoitia, City Clerk

Roxanne Diaz, City Attorney

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF MAYWOOD

)
)
)

I, Gerardo Mayagoitia, City Clerk of the City of Maywood, California, do hereby certify the foregoing Resolution No.SA19-01 as passed by the City Council of the City of Maywood, signed by the Mayor of said Council and attested by the City Clerk, at a regular meeting and place of the City Council held on the 9th of January, 2019, and that the same was passed by the following vote, to wit:

AYES:

NAYES:

ABSENT:

ABSTAINED:

Gerardo Mayagoitia, City Clerk