

**AGENDA
OVERSIGHT BOARD TO THE
CITY OF SAN DIMAS SUCCESSOR AGENCY**

**SEPTEMBER 26, 2013 4:00 P.M.
SAN DIMAS COUNCIL CHAMBERS CONFERENCE ROOM
245 EAST BONITA AVENUE
SAN DIMAS, CA 91773**

1. Call to Order
2. Approval of Minutes of September 12, 2013
3. Review and Consideration of Resolution No. 20 – A Resolution of the Oversight Board of the Former San Dimas Redevelopment Agency Approving the Long Range Property Management Plan Pursuant to Health and Safety Code Section 34191.5
4. Reports from Staff
5. Public Comment
6. Reports of Board Members
7. Adjournment



Oversight Board Staff Report

DATE: September 26, 2013

TO: Oversight Board

FROM: Ken Duran, Assistant City Manager

SUBJECT: Review and Consideration of Resolution No. 20 – Approving the Long Range Property Management Plan

Background

At previous meetings staff provided the Board with information on the requirements of a Long Range Property Management Plan (LRPMP). In particular at your April 25th meeting we presented the attached report on the Long Range Property Management Plan Development Process. The Successor Agency has until October 26th to present to the Department of Finance an approved Plan.

The Board approved a list of Governmental Purpose Properties on July 8, 2013 which has been submitted to the Department of Finance for review. There are three remaining former Agency owned properties that are subject to inclusion in the LRPMP. They are referred to as; 108 & 112 Cataract, 334 Bonita Ave. and Bonita & Eucla Property.

On September 12 the Board received a preliminary review of the LRPMP and recommendations for the disposition approach for each property. At that meeting the consensus of the Board was in agreement with the Agency staff's recommendations. The LRPMP is essentially the same as what was presented on September 12th with two minor changes as suggested by the Board, revising the aerial exhibit for the 108 & 112 Cataract property and adding a sentence to the TOD section explaining that the proposed use of that property is consistent with the City's Housing Element.

Recommendation

Staff recommends that after accepting public comment the Board approve Resolution No. 20 approving the LRPMP as submitted.

RESOLUTION NO. 20

A RESOLUTION OF THE SAN DIMAS OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER SAN DIMAS REDEVELOPMENT AGENCY APPROVING THE LONG RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5

WHEREAS, pursuant to Health and Safety Code Section 34191.5(b), the Successor Agency must prepare a Long Range Property Management Plan (LRPMP) which addresses the disposition and use of real properties of the former Agency, and which must be submitted to the Oversight Board of the Successor Agency (Board) and the Department of Finance (DOF) for approval no later than six months following the issuance by DOF to the Successor Agency of a finding of completion pursuant to Health and Safety Code Section 34179.7; and

WHEREAS, DOF issued a finding of completion to the Successor Agency on April 26, 2013; and

WHEREAS, on July 8, 2013 the Board adopted Resolution No. 17 authorizing the San Dimas Successor Agency to transfer to the City of San Dimas certain governmental purpose properties pursuant to Health and Safety Code section 34181(a); and

WHEREAS, Resolution No. 17 has been submitted to DOF and is currently under their review; and

WHEREAS, in addition to the governmental purpose properties identified in Resolution No. 17 the former Redevelopment Agency owned three additional properties which are included in the LRPMP; and

WHEREAS, at its September 12, 2013 meeting the Board had a preliminary review of the Successor Agency LRPMP; and

WHEREAS, the Successor Agency has prepared and submitted to the Board the LRPMP attached hereto as exhibit A which LRPMP addresses the disposition and use of the real properties of the former Agency and includes the information required pursuant to Health and Safety Code section 34191.5(c)

NOW THEREFORE, THE OVERSIGHT BOARD DOES HEREBY RESOLVE AS FOLLOWS:

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

SECTION 2 This Resolution is adopted pursuant to Health and Safety Code section 34191.5

108 & 112 Cataract

PARCEL INFORMATION

Property Address: 108 & 112 Cataract, San Dimas

Assessor Parcel No.: 8390021916 & 8390021915

Acquisition Date: 11/18/2005

Value at Purchase: \$152,410 (Purchase price, including closing costs)

Purpose of Acquisition: Vacant property came on the market for sale in November 2005. November 8, 2005 Agency authorized staff to make an offer on the purchase of the property. Because of the properties proximity to Frontier Village and the potential future development of the Agency owned Bonita/Cataract site it was acquired for the future development of additional parking.

Lot Size: 11,220 sq. ft.

Current Zoning: Specific Plan – CG Area 2.

Property Type: Vacant Lot

(See attached aerial view of the property)

ESTIMATE OF CURRENT PROPERTY VALUE – *Estimate of current value of the parcel including. If available, any appraisal information.*

No current appraisals exist. The property is constrained on its development potential as a standalone parcel due to its irregular shape and the current zoning. The Agency paid a market price for the property at the time of acquisition in 2005.

ESTIMATE OF ANY LEASE, RENTAL, OR ANY OTHER REVENUES – *Estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.*

The property is currently vacant. There is no current or potential for lease, rental or other revenues.



Copyright © 2006 All Rights Reserved. The information contained herein is the proprietary property of the contributor supplied under license and may not be approved except as licensed by Digital Map Products.

irregular shape of the property. For various reasons each time the sale and development of the property was unsuccessful.

USE/DISPOSITION OF PROPERTY – *Identify the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforceable obligation.*

The Successor Agency intends to Retain the Property for Future Development to fulfill the objective of the former Redevelopment Agency Plan

The property, in and of itself, is severely constrained for future development. Some of the constraints include:

- The irregular shape of the property.
- The proximity of the property to adjacent developed property

The properties highest and best use is to be combined with one or both of the adjoining properties for an expansion of their existing use or new use. Therefore, its market value is limited

The Agency for years has identified this property in its Redevelopment Plan. In particular the most recently adopted Five Year Implementation Plan identified as a goal:

- The Agency will assist with the development of the irregularly shaped Agency owned property on Bonita Avenue and Eucla Street adjacent to the bowling alley

The property has limited, if any, resale property value due to constraints. The property was acquired by the former Redevelopment Agency to eliminate blight and for the development of a commercial center in combination with adjacent and nearby properties. Initially, the property was not needed for the specific commercial center that was developed at the time. However, since that time several attempts have been to encourage the development of the property in conjunction with the adjacent properties. The Successor Agency feels that the highest and best use development opportunity is for the City to retain the property to facilitate future development with the adjacent properties. The Plan would be for the Agency to actively pursue development opportunities with adjacent properties. If the City is not successful in any redevelopment effort by December 31, 2018 the Agency will report the status of the development options to the Oversight Board at the time to consider if a different disposition strategy or timetable for the property is warranted.

ESTIMATE OF ANY LEASE, RENTAL, OR ANY OTHER REVENUES – *Estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.*

The property is currently vacant. There is no current or potential for lease, rental or other revenues.

ENVIRONMENTAL CONTAMINATION HISTORY – *History of environmental contamination, including designation as a Brownsfield site, any related environmental studies, and history of any remediation efforts.*

There are no current environmental contamination issues. See parcel information notes on parcel specific history.

TRANSIT ORIENTED DEVELOPMENT POTENTIAL – *Description of the property's potential for transit-oriented development*

The property is located in close proximity, within one block, to the future Gold Line light rail system. The potential for development of the property, in combination with adjoining property for retail transit oriented services exists, subject to City zoning provisions. The City is currently seeking funds from SCAG to create a new Downtown Specific Plan to better promote sustainable transit oriented development.

PLANNING OBJECTIVES OF THE SUCCESSOR AGENCY – *Description of the advancement of the planning objectives of the Successor Agency.*

The San Dimas General Plan designation for the property is Retail/Commercial.

The zoning designation is Specific Plan C-G Creative Growth Zone - Area 2. Pursuant to the Municipal Code; "Area 2 – Frontier Village. The purpose of this area is to provide for neighborhood commercial uses and other convenience goods and service businesses which shall service the day-to-day living needs of nearby neighborhoods or a larger section of the city."

HISTORY OF DEVELOPMENT PROPOSALS AND ACTIVITY – *Brief History of previous development proposals and activity, including the rental or lease of the property.*

The Agency acquired the property and paid for the relocation or removal of existing businesses and the demolition of structures. Over the past 25 years the Agency has undertaken several attempts to work with potential developers and adjoining property owners for a development of the property to meet the objectives of the Specific Plan and former Redevelopment Plan. Each one of those attempts required the involvement of one or both of the adjoining properties because of the significant constraint of the

						remove blight and for future development. Property purchased under settlement agreement. Site contained Suzi's Bar. Incurred demo costs.
	Mesa 434 Bonita Ave.	8386- 017-904	11,000 sq. ft.	\$236,977 / 1988	None Remediation completed in 1990	Agreed upon purchase. Site contained San Dimas Auto Body. Demo and relocation costs incurred.
Total Property			59,293 sq. ft.	\$839,906		

Purpose of Acquisition: These parcels were purchased in 1987 and 1988 for the purposes of eliminating blight conditions of the existing uses of the property and to assemble properties for future development. These parcels were purchased under the threat of eminent domain. The Redevelopment Agency Resolution that initiated the eminent domain process found that, "The acquisition of the property is for a public use and improvement, for the elimination of blight and for redevelopment, in combination with adjacent and nearby properties, as a commercial center and for the purposes authorized under the Redevelopment Plan for the San Dimas Redevelopment Project Area."

Current Zoning: Specific Plan – CG Area 2.

Property Type: Vacant Lot

(See the attached aerial of the property)

ESTIMATE OF CURRENT PROPERTY VALUE – *Estimate of current value of the parcel including. If available, any appraisal information.*

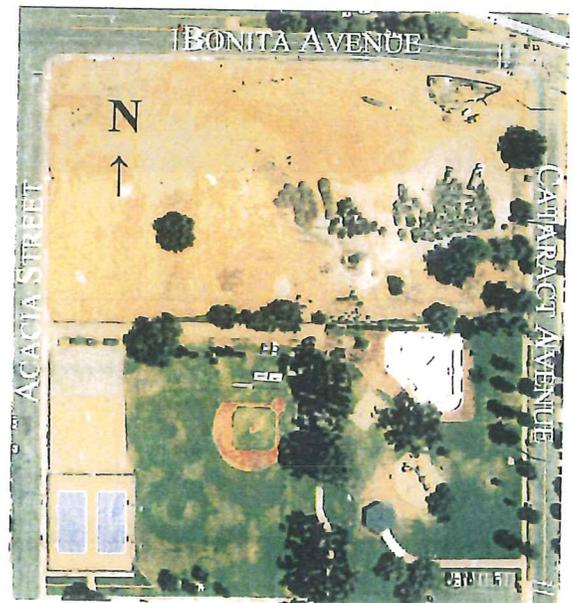
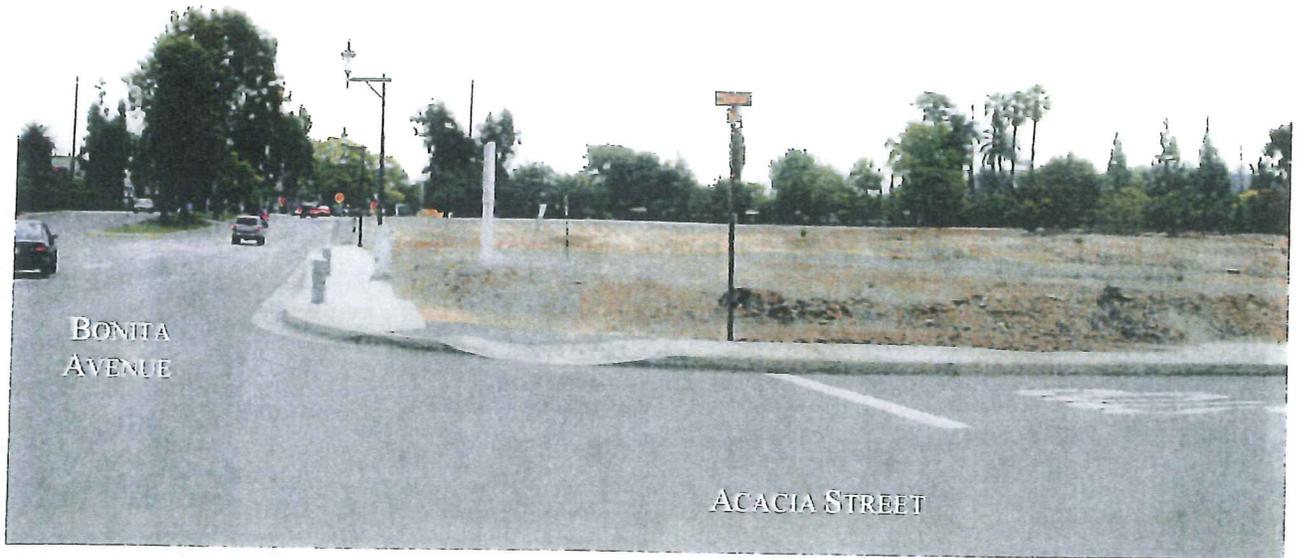
No current appraisals exist. Each parcel individually and the property as a whole is constrained on its development potential due to its irregular shape and its proximity to adjoining property.

BONITA & EUCLA PROPERTY

PARCEL INFORMATION

The overall property is comprised of four contiguous parcels.

<u>PROPERTY</u>	<u>PARCELS</u>	<u>APN #</u>	<u>SIZE</u>	<u>PURCHASE PRICE/DATE</u>	<u>HAZ</u>	<u>PURCHASE NOTES</u>
Bonita/Eucla						
	Esposito 202 - 210 S. Eucla	8386- 017-903	14,574 sq. ft.	\$198,995 / 1987	None Phase 1 Review Minor remediation when buildings were demoed	Eminent domain action commenced to remove blight and for future development. Property purchase under settlement agreement. Site contained several businesses, additional business relocation and demo costs incurred
	Meade 120-128 S. Eucla	8386- 017-900	24,769 sq.ft.	\$253,630 / 1987	None Phase 1 Review Minor remediation when buildings were demoed and site cleared	Eminent domain action commenced to remove blight and for future development. Property purchased under settlement agreement. Site contained Meade AC business. Relocation and demo costs incurred.
	Medovitch 424 Bonita Ave.	8386- 017-901	8,950 sq. ft.	\$141,304 / 1987	None Phase 1 Review	Eminent domain action commenced to



LOCATION: Corner of Bonita and Cataract Avenues

BUILDINGS: Open Parcel

UTILITIES: Existing

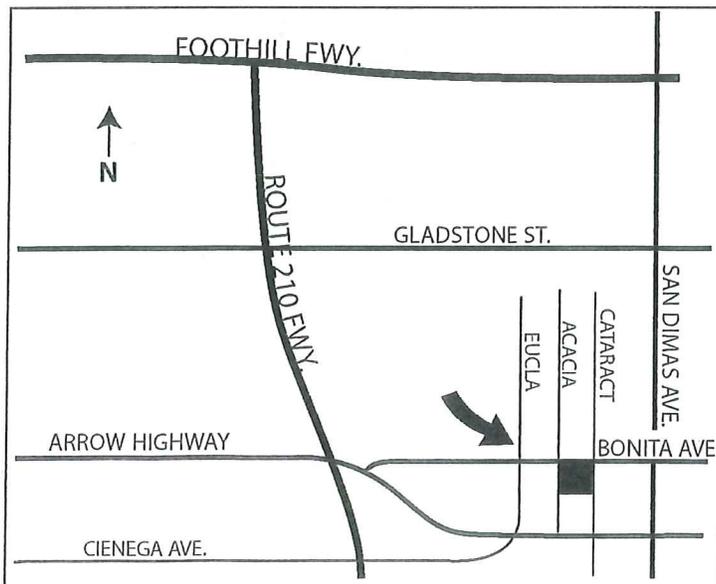
ZONING: CG-2 (Retail/Commercial)



DEVELOPMENT OPPORTUNITY



BONITA AVENUE



DESCRIPTION:

- 4.55 Acre Lot at the Corner of Bonita and Cataract Avenues
- Prime Location near the 210 Fwy off Arrow Hwy Exit
- High Visibility/Open Location
- Adjacent to Pioneer Park and Chapparral Lanes Bowling Center
- Entrance to downtown area
- Great development opportunity

For more information, please contact:

Ken Duran, Assistant City Manager
(909) 394-6214

The San Dimas General Plan designation for the property is Retail/Commercial.

The zoning designation is Specific Plan C-G Creative Growth Zone - Area 2. Pursuant to the Municipal Code; "Area 2 – Frontier Village. The purpose of this area is to provide for neighborhood commercial uses and other convenience goods and service businesses which shall service the day-to-day living needs of nearby neighborhoods or a larger section of the city."

HISTORY OF DEVELOPMENT PROPOSALS AND ACTIVITY – *Brief History of previous development proposals and activity, including the rental or lease of the property.*

The Agency acquired the property beginning in 1987 and concluding with the final parcels in 1995. In 1989 the Agency entered into a Disposition and Development Agreement with a developer for an ice arena and commercial development. The developer terminated the Agreement in 1991 due to concerns with hazardous contamination issues with some of the properties. Over the past 20 years the Agency has marketed the property for a commercial development that would meet the objectives of the Specific Plan and former Redevelopment Plan. On several occasions the Agency entered exclusive negotiating agreements with developers but for various reasons none of them resulted in a development.

USE/DISPOSITION OF PROPERTY – *Identify the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforceable obligation.*

The Successor Agency intends to Retain the Property for Future Development to fulfill the objective of the former Redevelopment Agency Plan

The Agency for years has identified this property in its Redevelopment Plan. In particular the most recently adopted Five Year Implementation Plan identified as a goal:

- The Agency will promote the development of property located on the south side of Bonita Avenue between Cataract Avenue and Acacia Street with a commercial use that is compatible with the Downtown.

The property is in a key location at the entry point to the City's Downtown. That is why the Agency went to such an effort to eliminate the previous blighted conditions that existed on the property prior to its acquisition. The Agency also spent a great deal of money on remediating the environmental contamination issues on two of the parcels. The Successor Agency feels that the highest and best use development opportunity is for the City to retain the property to facilitate future development consistent with Specific Plan and prior Redevelopment Plan. The Plan would be for the City to actively pursue development opportunities for the property. If the City is not successful in any redevelopment effort by December 31, 2018 the Agency will report the status of the development options to the Oversight Board to consider a different disposition strategy or timetable for the property if warranted.

improvement, for the elimination of blight and for redevelopment, in combination with adjacent and nearby properties, as a commercial project and for purposes authorized under the Redevelopment Plan for the San Dimas Redevelopment Project Area.”

Current Zoning: Specific Plan – CG Area 2 (Retail/Commercial)

Property Type: Vacant Lot

(See attached photos and description of the property)

ESTIMATE OF CURRENT PROPERTY VALUE – *Estimate of current value of the parcel including. If available, any appraisal information.*

No current appraisals exist.

ESTIMATE OF ANY LEASE, RENTAL, OR ANY OTHER REVENUES – *Estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.*

The property is currently vacant. There is no current or potential for lease, rental or other revenues.

ENVIRONMENTAL CONTAMINATION HISTORY – *History of environmental contamination, including designation as a Brownsfield site, any related environmental studies, and history of any remediation efforts.*

There are no current environmental contamination issues. See parcel information notes on parcel specific history.

TRANSIT ORIENTED DEVELOPMENT POTENTIAL – *Description of the property’s potential for transit-oriented development*

The property is located adjacent to the future Gold Line light rail system. The potential for development of the property for retail/commercial transit oriented services exists consistent with the existing zoning. The City is currently seeking funds from SCAG to create a new Downtown Specific Plan to better promote sustainable transit oriented development. The property is a major entry to the existing walkable downtown.

PLANNING OBJECTIVES OF THE SUCCESSOR AGENCY – *Description of the advancement of the planning objectives of the Successor Agency.*

						issues with contamination and clean-up.
	Steuber 115. S Cataract, 133 S. Cataract, 314 W. Bonita Ave.	8386- 021-905, 906, 907	76,280 sq. ft.	\$604,825/1988	None Environmental Survey completed 1988. One business and two homes demoed.	Agreed upon purchase.
	Geraci	8386- 021-903	56,190 sq. ft.	\$335,000/1987	None	Purchased through tax lien sale.
	Texaco 304 W. Bonita Ave.	8386- 021-013	15,360 sq. ft.	\$210,000/1995	None Soils remediation completed in 2000	Condemnation Reso. 112 in 1988. Final Condemnation Judgment in 1995. Judgment included payment for property and tenant goodwill. Significant issues with contamination and clean-up.
Total		8386- 021-913 Lot merger of all parcels recorded in 1995.	192,520 sq. ft.	Total Acquisition Cost \$1,992,163		

Purpose of Acquisition: The Agency began to purchase the parcels in 1987 parcels for the purposes of eliminating blight conditions of the existing uses of the property and to assemble properties for future development. Some of the parcels were purchased under the threat of domain and three were acquired under court Condemnation Judgments. The Redevelopment Agency Resolutions that initiated the eminent domain process found that, "The acquisition of the property is for a public use and

334 BONITA AVE

PARCEL INFORMATION

The overall property is 4.55 acres. The Agency acquired the various parcels that make up the property from over the course of eight years from 1987 – 2005. The history of the various acquisitions is described in the chart below.

<u>PROPERTY</u>	<u>PARCELS</u>	<u>APN #</u>	<u>SIZE</u>	<u>PURCHASE PRICE/DATE</u>	<u>HAZ</u>	<u>PURCHASE NOTES</u>
Bonita/Cataract 344 Bonita						
	Grody(e) 334 W. Bonita	8386- 021-001 & 002	13,500 sq. ft.	\$480,000/1995	None Underground tanks removed, building demoed	Condemnation Reso. 111 in 1988. C & G rents on property. Condemnation Judgment in 1995 included relocation and demo.
	Hernandez 116 S. Acacia	8386- 021-904	20,255 sq. ft.	\$138,265 net of storm drain offset/1988	None Preliminary Environmental Survey in 1988	Condemnation Reso. 108 in 1988. Purchase through Settlement in 1988 included property and relocation benefits. Gross price \$157,000 with deduct of \$18,735 as owners contribution of storm drain.
	Croppers 334. W. Bonita	8386- 021-908	14,810 sq. ft.	\$224,073/1995	None Soils remediation completed in 1995.	Condemnation Reso. 110 in 1988. Final Condemnation Judgment in 1995. Significant

ENVIRONMENTAL CONTAMINATION HISTORY – *History of environmental contamination, including designation as a Brownsfield site, any related environmental studies, and history of any remediation efforts.*

The Agency performed a Phase 1 Site Assessment at the time of purchase. The Assessment did not indicate any environmental issues.

TRANSIT ORIENTED DEVELOPMENT POTENTIAL – *Description of the property’s potential for transit-oriented development*

The property is directly adjacent to the future Gold Line light rail system. The property has potential for development to provide parking for current and future development retail/commercial businesses along the Gold Line corridor. The City is currently seeking funds from SCAG to create a new Downtown Specific Plan to better promote sustainable transit oriented development. The proposed use of the property for a public parking lot is also consistent with the approved Housing Element goals.

PLANNING OBJECTIVES OF THE SUCCESSOR AGENCY – *Description of the advancement of the planning objectives of the Successor Agency.*

The San Dimas General Plan designation for the property is Commercial.

The zoning designation is Specific Plan C-G Creative Growth Zone - Area 2. Pursuant to the Municipal Code; “Area 2 – Frontier Village. The purpose of this area is to provide for neighborhood commercial uses and other convenience goods and service businesses which shall service the day-to-day living needs of nearby neighborhoods or a larger section of the city.”

HISTORY OF DEVELOPMENT PROPOSALS AND ACTIVITY – *Brief History of previous development proposals and activity, including the rental or lease of the property.*

Since acquiring the property, the former Redevelopment Agency has envisioned that the property would be used for additional parking for the Historic Downtown. In 2013 the City and Successor Agency developed a preliminary site plan for the potential development of a parking lot utilizing a combination of this property and excess railroad right-of-way land. On April 29, 2013 the City Council gave authorization to begin discussions with MTA and Gold Line Authority to lease the excess railroad right-of-way necessary adjacent to this site to accommodate such a project. (See attached preliminary site plan for a proposed public parking lot)

USE/DISPOSITION OF PROPERTY – *Identify the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforceable obligation.*

The Successor Agency intends to Retain the Property for Future Development of a public parking lot.

The property, in and of itself, is severely constrained for future development. Some of the constraints include:

- The irregular shape of the property.
- The limitations for combining adjacent properties for future development; property to the north is railroad right-of way, property to the south and east is developed single family residential and the property fronts Cataract Ave. to the west.
- The current zoning of the property.

The Agency's Five Year Implementation Plan identified a Goal and Objective of the Creative Growth Redevelopment Project:

The Agency will assist the Frontier Village through:

- The evaluation and possible creation of additional off-street parking facilities.

In addition, in the Proposed Agency Programs to Eliminate Blighted Conditions section, within the general category of programs to alleviate blighted conditions for Downtown Revitalization:

“This program, which has been underway for a number of years, provides for the revitalization of the City's historic downtown core... The components of this comprehensive revitalization strategy include...creation of additional public parking...”

The property has limited, if any, resale property value due to constraints. The property was acquired by the former Redevelopment



Copyright © 2006 All Rights Reserved. The information contained herein is the proprietary property of the contributor supplied under license and may not be approved except as licensed by Digital Map Products.



Copyright © 2006 All Rights Reserved. The information contained herein is the proprietary property of the contributor supplied under license and may not be approved except as licensed by Digital Map Products.



Copyright © 2013. Owner: County Appraiser, TeleAtlas, Customer Data, Digital Map Products



Copyright © 2006 All Rights Reserved. The information contained herein is the proprietary property of the contributor supplied under license and may not be approved except as licensed by Digital Map Products.



Oversight Board Staff Report

DATE: September 26, 2013

TO: Successor Agency Oversight Board

FROM: Ken Duran, Assistant City Manager

SUBJECT: Adoption of Amended January – June 2014 Recognized Obligation Payment Schedule (ROPS 13 – 14 B)

Background

On September 12th the Board approved Resolution No. 19 approving the ROPS 13-14 B. Subsequently staff submitted the approved ROPS to the Department of Finance (DOF) for review. The DOF reviewer questioned how we filled out some of the information on the templates, in particular the new Balance Sheet form. Due to questions we raised, the DOF may be revising the form. As of the writing of this report we are not sure if we have to revise and resubmit the ROPS. In the event that we do, we have placed on the Agenda this item to have the Board approve an amended ROPS. If necessary we will present to the Board an amended Resolution at the meeting.



Oversight Board Staff Report

DATE: September 26, 2013

TO: Successor Agency Oversight Board

FROM: Ken Duran, Assistant City Manager

SUBJECT: Adoption of amended January – June 2014 Recognized Obligation Payment Schedule (ROPS 13 – 14B)

BACKGROUND

The Oversight Board approved the ROPS 13 – 14 B at its September 12, 2013 meeting. Staff then submitted the approved ROPS to DOF for review. DOF review staff questioned the ROPS submittal; primarily the new Fund Balance form and inclusions of the LMIHF approved obligations. Therefore, the initial submittal of the ROPS has been denied by the DOF requiring the need to amend the ROPS. The following is a summary of the changes from the previously approved ROPS.

- ROPS Detail
 - Column L was amended to add an anticipated expense for this LMIHF for this period.
 - Column J was amended to change lines 10, 11, 16 and 17 reflect Y, these items have been completed.
- Prior Fund Adjustment
 - Adjustments to columns C and D to reflect LMIHF actual expenses.
 - Elimination of line 18 which reflected the prior ROPS adjustment. We thought that it should have been shown, but DOF doesn't appear to know how to account for this adjustment on the form.
- Summary
 - Amendments do not change the Summary page or the RPTTF request.
- Fund Balance Report – This report has created most of the changes. Staff will provide a verbal report at the meeting summarizing the DOF requested changes and potential impacts.

RECOMMENDATION

Staff recommends that the Board approve Resolution No. 21 approving the amended ROPS 13 – 14 B, including the submission of an accompanying letter expressing our disagreement with the format of the Fund Balance form and the inclusion of LMIHF assets and interest as available Fund Balance.

RECOMMENDATION

Staff recommends that the Board approve Resolution No. 21 approving the amended ROPS 13 – 14 B, including the submission of an accompanying letter expressing our disagreement with the format of the Fund Balance form and the inclusion of LMIHF assets and interest as available Fund Balance.

RESOLUTION NO. 21

A RESOLUTION OF THE OVERSIGHT BOARD OF THE FORMER SAN DIMAS REDEVELOPMENT AGENCY AMENDING THE JANUARY 1, 2014 THROUGH JUNE 30, 2014 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-14 B) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180(g)

WHEREAS, California Health & Safety Code Sections 34177(l) (2) (A) requires the Successor Agency to prepare a Recognized Obligation Payment Schedule (the "ROPS") and make associated notifications and distributions; and

WHEREAS, the ROPS must be approved by the Oversight Board pursuant to Health and Safety Code Section 34180(g) and 34177(j); and

WHEREAS, the Oversight Board approved ROPS 13 -14 B at its September 12, 2013 meeting and the adopted ROPS was submitted to the Department of Finance for review; and

WHEREAS, the Department of Finance has denied the submitted ROPS and requested changes.

NOW THEREFORE, BE IT RESOLVED, that the San Dimas Oversight Board approves the amended ROPS for the period January 1, 2013 through June 30, 2014 and directs the Successor Agency Executive Director, or their designee, 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 the ROPS.

I HEREBY CERTIFY that the foregoing resolution was introduced and passed by the San Dimas Oversight Board, at its meeting of September 26, 2013.

AYES:

NOES:

ABSENT:

CHAIR, OVERSIGHT BOARD

Attest:

SECRETARY, OVERSIGHT BOARD

City Council
CURTIS W. MORRIS, Mayor
DENIS BERTONE, Mayor Pro Tem
EMMETT BADAR
JOHN EBINER
JEFF TEMPLEMAN

City Manager
BLAINE M. MICHAELIS

**Assistant City Manager
Treasurer/City Clerk**
KENNETH J. DURAN



**Assistant City Manager of
Community Development**
LAWRENCE STEVENS

Director of Public Works
KRISHNA PATEL

**Director of Parks
and Recreation**
THERESA BRUNS

City Attorney
J. KENNETH BROWN

September 26, 2013

Department of Finance

ROPS 13 -14 B submittal for San Dimas

On September 17, 2013 the San Dimas Successor Agency submitted the Oversight Board approved ROPS 13-1B ROPS. Shortly thereafter, DOF staff questioned items in the submittal, most of which involved the new Reserve Balance Form. Over the course of the next several days, and many hours, our staff not only identified errors in the form template but raised questions as to the content and purpose of the form. In the end we were told that our original submission was denied and that certain information must be included on the form for it to be approved.

Successor Agency staff submitted an amended ROPS to the Oversight Board on September 26, 2013 including DOF staff's requested changes. However, the Successor Agency staff continues to disagree with certain aspects of the Fund Balance form. The Oversight Board agrees with staffs concerns and has authorized the submission of this letter to be included with the ROPS submission.

The concerns with the Fund Balance form include, but are not limited to:

- As identified by our staff and communicated to the DOF staff there are formula errors and inconsistencies in the form. This has been acknowledged by the DOF in the Frequently Asked Questions post, apparently amended on your web site on September 23, 2013. The response to the FAQ is to trust the DOF staff to make the necessary adjustments during the review. We feel this is unacceptable. We continue to question the information asked for in column H and how it is presented.
- We continue to question the inclusion of LMIHF approved enforceable obligations in column E. These obligations were previously approved as housing obligations and assets. The inclusion of these as reserve funds, with the intent that unspent funds on this report are therefore reserve funds available for RPTTF obligations are contrary to the HSC and the intent of the legislation.
- We also dispute that any interest earned from LMIHF reserved enforceable obligations should be included as reserve funds available for use towards RPTTF enforceable obligations. Similarly, as stated above we feel this is contrary to the HSC and the intent of the legislature.

As these issues regarding the Fund Balance form and its intent has only surfaced, literally within the past few days, and the ROPS submittal is due October 1, 2013, the San Dimas Successor Agency is submitting its amended ROPS with the information requested by DOF staff, however, disputing the form and its content. As we have more time to evaluate the Fund Balance form and the issues we outline above, we may raise additional areas of concern.

Recognized Obligation Payment Schedule (ROPS 13-14B) - Summary

Filed for the January 1, 2014 through June 30, 2014 Period

Name of Successor Agency: San Dimas
 Name of County: Los Angeles

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF)	
A Funding Sources (B+C+D):	\$ 2,778,369
B Bond Proceeds Funding (ROPS Detail)	-
C Reserve Balance Funding (ROPS Detail)	2,778,369
D Other Funding (ROPS Detail)	-
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 526,469
F Non-Administrative Costs (ROPS Detail)	416,469
G Administrative Costs (ROPS Detail)	110,000
H Current Period Enforceable Obligations (A+E):	\$ 3,304,838

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	526,469
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)	<u>(9,928)</u>
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 516,541

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	526,469
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)	<u>-</u>
N Adjusted Current Period RPTTF Requested Funding (L-M)	526,469

Certification of Oversight Board Chairman:
 Pursuant to Section 34177(m) 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 agency.

Curtis Morris	Chairman
Name	Title
/s/	RE-SUBMITTED 9/26/2013
Signature	Date

Recognized Obligation Payment Schedule 13-14B - Notes

January 1, 2014 through June 30, 2014

Item #	Notes/Comments
--------	----------------

1

2

3

4 We want to note that the total outstanding debt for this loan is \$12,947,388 with an annual payment of \$647,388

5 We want to note that the total outstanding debt for this loan is \$9,273,999 with an annual payment of \$546,177

6 We want to note that the total outstanding debt for this loan is \$1,506,021 with an annual payment of \$64,015

7

8

9 Administrative Costs are estimated for Jan-June 2014 to be approximately \$110,000

10 This item is no longer a required obligation as it is part of administrative costs

11 This item is completed as of 5/13/13 and the obligation has been met

12

13 This is the Parking lot lease costs for the prior quarters; the amount of the actual obligations that are past due - the actual payment obligations exceeded our estimates

14 This is an approved LMIHF expense. We continue to be unclear why it needs to continue to be shown on the ROPS report.

15 This is an approved LMIHF expense. We continue to be unclear why it needs to continue to be shown on the ROPS report.

16 This item is complete and no longer an obligation

17 This item is complete and no longer an obligation

Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Fund 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.

A	B	C	D	E	F	G	H	I	J	K
Fund Balance Information by ROPS Period		Fund Sources								Comments
		Bond Proceeds		Reserve Balance		Other	RPTTF		Total	
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Due Diligence Review balances retained for approved enforceable obligations	RPTTF balances retained for bond reserves	Rent, Grants, Interest, Etc.	Non-Admin	Admin		
ROPS III Actuals (01/01/13 - 6/30/13)										
1	Beginning Available Fund Balance (Actual 01/01/13) Note that for the RPTTF, 1 + 2 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)			5,515,159			35,120		\$ 5,550,279	RPTTF Amt = 33207 DOF Adj to Rops 3 1913 from ROPS4
2	Revenue/Income (Actual 06/30/13) Note that the RPTTF amounts should tie to the ROPS III distributions from the County Auditor-Controller					14,126	366,202	118,158	\$ 498,486	Line G reflects interest for LMIHF approved Obligations. We have been told by DOF staff that Interest earnings on those funds should be included as other revenue. We strongly disagree that this is required by the HSC. We are including this amount because it was required by DOF staff, but doing so under protest.
3	Expenditures for ROPS III Enforceable Obligations (Actual 06/30/13) Note that for the RPTTF, 3 + 4 should tie to columns N and S in the Report of PPAs			2,731,628			392,287	118,158	\$ 3,242,073	ROPS 3 Actual expenditures
4	Retention of Available Fund Balance (Actual 06/30/13) Note that the Non-Admin RPTTF amount should only include the retention of reserves for debt service approved in ROPS III								\$ -	
5	ROPS III RPTTF Prior Period Adjustment Note that the net Non-Admin and Admin RPTTF amounts should tie to columns O and T in the Report of PPAs.			No entry required				9,928	- \$ 9,928	ROPS 3 Under spent to be Adj from ROPS 5
6	Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ 2,783,531	\$ -	\$ 14,126	\$ (893)	\$ -	\$ 2,796,764	
ROPS 13-14A Estimate (07/01/13 - 12/31/13)										
7	Beginning Available Fund Balance (Actual 07/01/13) (C, D, E, G, and I = 4 + 6, F = H4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ 2,783,531	\$ -	\$ 14,126	\$ 9,035	\$ -	\$ 2,806,692	
8	Revenue/Income (Estimate 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distributions from the County Auditor-Controller						1,104,383	140,000	\$ 1,244,383	
9	Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)			2,783,531			1,106,296	140,000	\$ 4,029,827	
10	Retention of Available Fund Balance (Estimate 12/31/13) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14A								\$ -	
11	Ending Estimated Available Fund Balance (7 + 8 - 9 -10)	\$ -	\$ -	\$ -	\$ -	\$ 14,126	\$ 7,122	\$ -	\$ 21,248	