



City of La Quinta

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LA QUINTA REDEVELOPMENT AGENCY AGENDA

La Quinta City Council Chambers
78-495 Calle Tampico, La Quinta, CA

Regular Meeting on Wednesday, January 20, 2016 at 2:00 p.m.

CALL TO ORDER

Roll Call:

Board Members: Henderson, Howell, Marshall, Maysels, Novak, Vice-Chairperson Nelson,
Chairperson Osborne

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

This is the time set aside for public comment on any matter not listed on the agenda. Please complete a "Request to Speak" form and limit your comments to three minutes. When addressing the Oversight Board, please state your name and address.

CONFIRMATION OF AGENDA

PRESENTATIONS - NONE

WRITTEN COMMUNICATIONS - NONE

CONSENT ITEMS

1. MINUTES OF SEPTEMBER 16, 2015

BUSINESS ITEMS

1. ADOPT RESOLUTION APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2016 THROUGH JUNE 30, 2017. [Resolution No. OB 2016-001]
2. ADOPT RESOLUTION APPROVING SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR JULY 1, 2016 THROUGH JUNE 30, 2017 [Resolution No. OB 2016-002]
3. ADOPT A RESOLUTION REDUCING THE FREQUENCY OF OVERSIGHT BOARD MEETINGS [Resolution No. OB 2016-003]

STUDY SESSION - NONE

REPORTS AND INFORMATIONAL ITEMS - NONE

CHAIR AND BOARD MEMBERS' ITEMS

EXECUTIVE DIRECTOR ITEMS

1. VERBAL UPDATE ON SUCCESSOR AGENCY MATTERS

ADJOURNMENT

The next regular meeting of the Oversight Board will be held on February 17, 2016 commencing at 2:00 p.m. at the La Quinta City Hall Council Chambers, 78-495 Calle Tampico, La Quinta, CA 92253.

DECLARATION OF POSTING

I, Teresa Thompson, acting as Oversight Board Secretary for Pam Nieto, do hereby declare that the foregoing Agenda for the Oversight Board for Successor Agency to La Quinta Redevelopment Agency meeting of January 20, 2016 was posted on the outside entry to the Council Chamber at 78-495 Calle Tampico, and the bulletin boards at the Stater Brothers Supermarket at 78-630 Highway 111, and the La Quinta Cove Post Office at 51-321 Avenida Bermudas, on January 15, 2016.

Dated: January 15, 2016

TERESA THOMPSON for Pam Nieto
Oversight Board Secretary

Public Notices

The La Quinta City Hall Council Chambers is handicapped accessible. If special equipment is needed for the hearing impaired, please call the City Clerk's office at (760) 777-7103, twenty-four (24) hours in advance of the meeting and accommodations will be made.

If special electronic equipment is needed to make presentations to the Oversight Board, arrangements should be made in advance by contacting the City Clerk's office at (760) 777-7103. A one (1) week notice is required.

If background material is to be presented to the Oversight Board during a meeting, please be advised the ten (10) copies of all documents, exhibits, etc., must be supplied to the Oversight Board Secretary for distribution. It is requested that this take place prior to the beginning of the meeting.

Any writings or documents provided to a majority of the Oversight Board regarding any item on this agenda will be made available for public inspection at the City Clerk's counter at City Hall located at 78-495 Calle Tampico, La Quinta, CA 92253, during normal business hours.



**OVERSIGHT BOARD
OF THE SUCCESSOR AGENCY TO THE
LA QUINTA REDEVELOPMENT AGENCY
MINUTES**

WEDNESDAY, SEPTEMBER 16, 2015

A meeting of the Oversight Board of the Successor Agency to the La Quinta Redevelopment Agency was called to order at 2:01 p.m. by Chair Osborne.

PRESENT: Board Members Henderson, Howell, Marshall, Novak,
Chairperson Osborne
ABSENT: Board Members Maysels, Nelson
STAFF PRESENT: William Ihrke, City Attorney, Frank J. Spevacek, Executive
Director of the Successor Agency

PUBLIC COMMENT - None

CONFIRMATION OF AGENDA - Confirmed

PRESENTATIONS - None

APPROVAL OF MINUTES

Motion – A motion was made by Board Members Henderson/Howell to approve the Oversight Board Minutes of February 18, 2015, as submitted. Motion passed.

BUSINESS SESSION

1. ADOPT RESOLUTION APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JANUARY 1 THROUGH JUNE 30, 2016 (**Resolution No. OB 2015-003**)

RESOLUTION NO. OB 2015 – 003

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY TO THE LA QUINTA REDEVELOPMENT
AGENCY ADOPTING RECOGNIZED OBLIGATION PAYMENT
SCHEDULE 15-16B FOR THE PERIOD OF JANUARY 1, 2016
THROUGH JUNE 30, 2016**

MOTION – A motion was made by Board Members Henderson/Marshall to adopt Resolution No. OB 2015-003. Motion passed 5 ayes, 0 noes, 2 absent.

2. ADOPT RESOLUTION APPROVING SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR JANUARY 1 THROUGH JUNE 30, 2016 (**Resolution No. OB 2015-004**)

RESOLUTION NO. OB. 2015-004

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LA QUINTA REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD OF JANUARY 1, 2016 THROUGH JUNE 30, 2016.

MOTION – A motion was made by Board Members Novak/Howell to adopt Resolution No. OB 2015-004. Motion passed 5 ayes, 0 noes, 2 absent.

REPORTS AND INFORMATION ITEMS – None

EXECUTIVE DIRECTOR ITEMS

City Attorney William Ihrke gave a report on Senate Bill 107 and the effects it will have on the City of La Quinta if signed.

ADJOURNMENT

There being no further business, it was moved by Board Members Henderson/Howell to adjourn the meeting at 2:34 p.m. Motion passed unanimously.

Respectfully submitted,

Pam Nieto
Oversight Board Secretary

City of La Quinta

OVERSIGHT BOARD MEETING: January 20, 2016

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LA QUINTA REDEVELOPMENT AGENCY APPROVING RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2016 THROUGH JUNE 30, 2017

RECOMMENDATION

Adopt a Resolution approving a Recognized Obligation Payment Schedule for the period of July 1, 2016 through June 30, 2017.

EXECUTIVE SUMMARY

- A Recognized Obligation Payment Schedule (ROPS) identifies the obligations of the former Redevelopment Agency (RDA) that must be paid.
- The Successor Agency to the former RDA must submit a ROPS to the Department of Finance (DOF), State Controller's Office, the County Administrative Officer, and the County Auditor-Controller annually.
- The ROPS (Exhibit A to the Resolution) identifies \$29,891,733 of Enforceable Obligations that must be funded during the Fiscal Year 2016/2017.

FISCAL IMPACT

The Successor Agency requests DOF authorization to expend \$8,997,830 from bond proceeds, and an allocation of \$20,622,721 of property tax revenue (RPTTF). The \$20,622,721 of RPTTF funding would be allocated as follows: \$250,000 for administrative expenses, \$2,283,601 to repay the City General Fund loan and \$18,089,120 is to pay bond interest and principal payments.

BACKGROUND/ANALYSIS

SB 107 changed the ROPS reporting process from two semi-annual submittals to one annual submittal due in February each year. The ROPS identifies the obligations of the former RDA that the Successor Agency must fund during Fiscal Year 2016/2017. These obligations include tax allocation bond debt service payments, third party contracts, administrative costs and repayment of the City General Fund loan.

The ROPS must be submitted to the above-mentioned entities by February 1, 2016. If the ROPS is submitted late, the City will be subject to a civil fine of \$10,000 per day. The DOF then has until April 15, 2016 to make its final determination regarding the enforceable obligations, the dollar amounts, and funding sources.

ALTERNATIVES

As this is a requirement of the DOF, staff does not recommend an alternative.

Prepared by: Rita Conrad, Finance Director
Approved by: Frank Spevacek, City Manager

RESOLUTION NO. OB 2016 - 001

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LA QUINTA REDEVELOPMENT AGENCY ADOPTING RECOGNIZED OBLIGATION PAYMENT SCHEDULE 16-17 FOR THE PERIOD OF JULY 1, 2016 THROUGH JUNE 30, 2017.

WHEREAS, the Oversight Board of the Successor Agency to the La Quinta Redevelopment Agency (“Oversight Board”) has been established to direct the Successor Agency to the La Quinta Redevelopment Agency (“Successor Agency”) to take certain actions to wind down the affairs of the former La Quinta Redevelopment Agency (“Agency”) in accordance with California Health and Safety Code; and

WHEREAS, the former La Quinta Redevelopment Agency (“Agency”) was engaged in activities to execute and implement the Project Area No. 1 Redevelopment Plan and the Project Area No. 2 Redevelopment Plan (collectively, the “Redevelopment Plans”) pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code § 33000, et seq.) (“CRL”); and

WHEREAS, as part of the 2011/2012 State budget bill, the California Legislature enacted and the Governor signed, Assembly Bill 26 (“ABx1 26”) requiring that each redevelopment agency be dissolved and Assembly Bill 27 (“ABx1 27”) that would have allowed redevelopment agencies to remain in existence if certain remittance payments were made; and

WHEREAS, an action challenging the constitutionality of ABx1 26 and ABx1 27 was filed in the California Supreme Court; and

WHEREAS, on December 29, 2011, the Court upheld ABx1 26 and struck down ABx1 27 as unconstitutional; and

WHEREAS, on January 2, 2012, the City Council adopted City Council Resolution No. 2012-002, affirmatively electing to be the “successor agency” to the Agency; and

WHEREAS, on June 27, 2012, the California Legislature enacted, and the Governor signed, Assembly Bill 1484 (“AB 1484”), and on September 22, 2015, Senate Bill 107 (“SB 107”), which, among other things, made certain revisions to certain of the statutes added by ABx1 26; and all other bills that have amended ABx1 26, are collectively referred to as the “redevelopment dissolution law” (Part 1.85 of Division 24 of the Health and Safety Code); and

WHEREAS, Health and Safety Code Section 34177 requires successor agencies to prepare and adopt, on an annual basis, a “Recognized Obligation Payment

Schedule” (“ROPS”) that lists all obligations of the former redevelopment agency that are enforceable within the meaning of subdivision (d) of Section 34171; and

WHEREAS, the Successor Agency has prepared and approved ROPS 16-17 for the period of July 1, 2016 through June 30, 2017; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, BE IT RESOLVED, by the Oversight Board of the Successor Agency to the La Quinta Redevelopment Agency, as follows:

SECTION 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

SECTION 2. Approval of ROPS 16-17. In order to enable the Successor Agency to strictly comply with ABx1 26, and based on the Recitals set forth above, the Oversight Board hereby approves ROPS 16-17 attached hereto as Exhibit A as the Recognized Obligation Payment Schedule for the period of July 1, 2016 through June 30, 2017. Pursuant to Health & Safety Section 34173(e), the Successor Agency’s liability, including, but not limited to, its liability for the obligations on the attached schedule, is limited to the total sum of property tax revenues it receives pursuant to Part 1.85 of AB x1 26.

SECTION 3. Implementation. The Oversight Board hereby authorizes and directs the Executive Director to take any action and execute any documents necessary to implement this Resolution, and further authorizes the Executive Director to forward ROPS 16-17 to the Department of Finance, State Controller, County Administrative Officer, and County Auditor-Controller.

SECTION 4. Severability. 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 irrespective of the invalidity of any particular portion thereof.

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

PASSED, APPROVED, AND ADOPTED at the meeting of the Oversight Board to the Successor Agency to the La Quinta Redevelopment Agency held this 20th of January 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PETER NELSON, Vice-Chairperson
Oversight Board of the Successor Agency to
the La Quinta Redevelopment Agency

ATTEST:

TERESA THOMPSON for Pam Nieto
Secretary to the Oversight Board

Recognized Obligation Payment Schedule (ROPS 16-17) - Summary
 Filed for the July 1, 2016 through June 30, 2017 Period

Successor Agency: La Quinta
 County: Riverside

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):	\$ 8,897,830	\$ 100,000	\$ 8,997,830
B	Bond Proceeds Funding	8,897,830	100,000	8,997,830
C	Reserve Balance Funding	-	-	-
D	Other Funding	-	-	-
E	Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 12,842,433	\$ 7,780,288	\$ 20,622,721
F	Non-Administrative Costs	12,717,433	7,655,288	20,372,721
G	Administrative Costs	125,000	125,000	250,000
H	Current Period Enforceable Obligations (A+E):	\$ 21,740,263	\$ 7,880,288	\$ 29,620,551

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

La Quinta Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(Report Amounts in Whole Dollars)

A Item #	B Project Name/Debt Obligation	C Obligation Type	D Contract/Agreement Execution Date	E Contract/Agreement Termination Date	F Payee	G Description/Project Scope	H Project Area	I Total Outstanding Debt or Obligation	J Retired	K ROPS 16-17 Total	16-17A					Q 16-17A Total	16-17B					W 16-17B Total
											Non-Redevelopment Property Tax Trust			RPTTF			Non-Redevelopment Property Tax Trust			RPTTF		
											L Bond Proceeds	M Reserve Balance	N Other Funds	O Non-Admin	P Admin		R Bond Proceeds	S Reserve Balance	T Other Funds	U Non-Admin	V Admin	
								\$ 379,466,729		\$ 29,620,551	\$ 8,897,830	\$ -	\$ -	\$ 12,717,433	\$ 125,000	\$ 21,740,263	\$ 100,000	\$ -	\$ -	\$ 7,655,288	\$ 125,000	\$ 7,880,288
7	2011 Tax Allocation Bonds - Taxable	Bonds Issued After 12/31/10	7/3/2005	9/1/2036	US Bank	Bonds to fund projects		44,983,097	N	\$ 2,673,198				1,639,859		\$ 1,639,859				1,033,339		\$ 1,033,339
8	2011 Tax Allocation Bonds - Taxable	Bonds Issued After 12/31/10	7/3/2005	9/1/2039	US Bank	Bonds to fund projects		14,406,700	N	\$ 509,631				275,353		\$ 275,353				234,278		\$ 234,278
9	Annual Continuing Disclosure Statements	Fees	1/17/2012	9/1/2039	Willdan Financial Services	Preparation of annual continuing disclosure reports per Federal regulations		4,000	N	\$ 4,000						\$ -				4,000		\$ 4,000
10	Bond Holder Fees	Fees	6/16/2005	9/1/2039	US Bank	Fees for holding administration and distribution of bond proceeds		8,000	N	\$ 8,000				4,000		\$ 4,000				4,000		\$ 4,000
12	Construction of Washington Street Apartments Site Improvements & Rehabilitation Project	OPA/DDA/Construction	10/1/2008	11/30/2032	La Quinta Housing Authority	Written commitment to US Department of Agriculture-Rural Development to rehabilitate & construct improvements to Washington Street Apartments		18,529,850	N	\$ 2,142,038	2,142,038					\$ 2,142,038						\$ -
15	Construction of Washington Street Apartments Site Improvements & Rehabilitation Project	Professional Services	7/3/2011	7/31/2016	Tall Man Group	Project & Construction Management for Washington Street Apartments Site Improvements & Rehabilitation Project		756,780	N	\$ 200,000	100,000					\$ 100,000	100,000					\$ 100,000
17	Washington Street Apartments Rehabilitation Project	Project Management Costs	1/1/2014	9/1/2032	City of La Quinta	Project Management Costs - Staff Time, Non Personnel to administer rehab of 72 affordable units and addition of 24 senior units		300,000	N	\$ 50,000	50,000					\$ 50,000						\$ -
18	Washington Street Apartments Rehabilitation Project	Project Management Costs	7/1/2012	7/1/2016	Rutan & Tucker	Project Management Costs - Legal		30,000	N	\$ 30,000	30,000					\$ 30,000						\$ -
22	Administrative Allowance	Admin Costs	1/1/2014	9/1/2039	City of La Quinta	Administrative Allowance per ABx1 26 (3% of ROPS)		610,822	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
23	Series A 2013 TARB	Bonds Issued After 12/31/10	12/23/2013	9/1/2033	US Bank	Refund 1998, 2001, 2002, 2003 TABs		131,517,744	N	\$ 7,769,362				5,672,231		\$ 5,672,231				2,097,131		\$ 2,097,131
24	Series B 2013 TARB	Bonds Issued After 12/31/10	12/23/2013	9/1/2032	US Bank	Refund 1998, 2001, 2002, 2003 TABs		31,903,343	N	\$ 1,896,504				1,392,740		\$ 1,392,740				503,764		\$ 503,764
25	Advances from City General Fund approved for repayment by Oversight Board	City/County Loans On or Before 6/27/11	6/30/1994	9/1/2030	City of La Quinta	Loans made from the General Fund to the former RDA		31,382,101	N	\$ 2,283,601						\$ -				2,283,601		\$ 2,283,601
27	2014 Bonds	Bonds Issued After 12/31/10	7/9/2014	9/1/2034	US Bank	Refund 2004 Bonds		98,458,500	N	\$ 5,228,425				3,733,250		\$ 3,733,250				1,495,175		\$ 1,495,175
28	SilverRock Infrastructure	Professional Services	6/11/2005	12/31/2020	Various	Roadwork and improvements to support development		6,575,792	N	\$ 6,575,792	6,575,792					\$ 6,575,792						\$ -
29	2014 Bonds requesting funding for unfunded obligations due to certain circumstances	Bonds Issued After 12/31/10	7/9/2014	9/1/2034	US Bank	Refund 2004 Bonds - correction for March 2015 debt service			Y	\$ -						\$ -						\$ -
30	Administrative Allowance for ROPS 14-15A requesting funding for unfunded obligations due to certain circumstances	Admin Costs	1/1/2014	9/1/2039	City of La Quinta	Administrative Allowance per ABx1 26 (3% of ROPS) for ROPS14-15A insufficient tax increment			Y	\$ -						\$ -						\$ -
31									N	\$ -						\$ -						\$ -
32									N	\$ -						\$ -						\$ -
33									N	\$ -						\$ -						\$ -
34									N	\$ -						\$ -						\$ -
35									N	\$ -						\$ -						\$ -
36									N	\$ -						\$ -						\$ -
37									N	\$ -						\$ -						\$ -
38									N	\$ -						\$ -						\$ -
39									N	\$ -						\$ -						\$ -

**La Quinta 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)	9,062,329	27,979,947			690,238	1,177,136	125,927
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		645	-	-			11,716,243
3	Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)	10,560				690,238	16,586	11,842,170
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)	\$ 9,051,769	\$ 27,980,592	\$ -	\$ -	\$ 1,160,550	\$ -	
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)	\$ 9,051,769	\$ 27,980,592	\$ -	\$ -	\$ 1,160,550	\$ -	
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					420,062		7,681,139
9	Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)					60,350		7,681,139
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)	\$ 9,051,769	\$ 27,980,592	\$ -	\$ -	\$ 1,520,262	\$ -	

City of La Quinta

OVERSIGHT BOARD MEETING: January 20, 2016

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LA QUINTA REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2016 THROUGH JUNE 30, 2017.

RECOMMENDATION

Adopt a resolution approving the Successor Agency Administrative Budget for the period of July 1, 2016 through June 30, 2017.

EXECUTIVE SUMMARY

- The La Quinta Successor Agency (SA) administers the former Redevelopment Agency's wind-down activities and the Oversight Board (OB).
- SB 107 provides for an administrative allowance to carry out these wind-down activities, which may not exceed three percent of the prior fiscal year's adjusted RPTTF (Redevelopment Property Tax Trust Fund) allocation. SB 107 requires the SA to prepare an administrative budget annually.
- Once the budget is approved by the SA, the OB is required to review and approve it.

FISCAL IMPACT

For the period of July 1, 2016 through June 30, 2017 estimated costs related to Successor Agency and Oversight Board administration are \$250,000. The maximum amount allowed by the new formula specified in SB 107 is \$505,016.

BACKGROUND/ANALYSIS

SB 107 provides an administrative allowance for all successor agencies to carry out wind-down activities of the former redevelopment agencies and to administer the oversight boards. The maximum allowance is three percent of the prior year's adjusted RPTTF distribution which is \$16,833,891. Three percent of the adjusted prior year's RPTTF is \$506,016. Estimated costs associated with administration of the SA and OB are \$250,000.

The estimates below include staff time required to carry out SA and OB activities:

PERSONNEL	\$99,700
SUPPLIES & SERVICES	\$2,000
CONTRACT SERVICES	\$120,300
SUPPLIES AND PUBLICATIONS	\$4,000
PRINTING/MAILING/ADVERTISING	\$1,000
INFORMATION TECHNOLOGY	\$6,000
OFFICE & EQUIPMENT	\$17,000
	<hr/>
	\$250,000

The two major cost components are personnel costs and professional contract services. Personnel costs are related to City staff time required to manage SA affairs. The contract services costs are legal counsel, audit, bond administration, and consulting services (as may be required). The detailed administrative budget for this time period is included as Exhibit A to the resolution. Once the SA reviews and approves the administrative budget, the budget must be reviewed and approved by the OB.

While SB 107 does not require administrative budgets to be submitted to the DOF, the DOF does review the actions of oversight boards. Therefore, the DOF may question an oversight board's approval of a successor agency's administrative budget.

ALTERNATIVES

As this is a requirement of the DOF, staff does not recommend an alternative.

Prepared by: Rita Conrad, Finance Director
Approved by: Frank Spevacek, City Manager

RESOLUTION NO. OB 2016 - 002

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LA QUINTA REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2016 THROUGH JUNE 30, 2017.

WHEREAS, the Oversight Board of the Successor Agency to La Quinta Redevelopment Agency (“Oversight Board” or “Successor Agency,” as applicable) has been established to direct the Successor Agency to take certain actions to wind down the affairs of the former La Quinta Redevelopment Agency (“Agency”) in accordance with the California Health and Safety Code; and

WHEREAS, the Agency was engaged in activities to execute and implement the Project Area No. 1 Redevelopment Plan and the Project Area No. 2 Redevelopment Plan (collectively, the “Redevelopment Plans”) pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code § 33000, et seq.) (“CRL”); and

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature enacted and the Governor signed, ABx1 26 requiring that each redevelopment agency be dissolved; and

WHEREAS, an action challenging the constitutionality of ABx1 26 and companion bill ABx1 27 was filed in the California Supreme Court by the California Redevelopment Association, the League of California Cities, and two individual cities; and

WHEREAS, on December 29, 2011, the Court upheld ABx1 26; and

WHEREAS, Health and Safety Code Section 34177(j) requires each Successor Agency to prepare a proposed administrative budget annually setting forth the Successor Agency’s estimated administrative costs of carrying out the wind-down activities of the former redevelopment agency, proposing sources of payment for such estimated administrative costs, and proposing for arrangements for administrative and operations services provided by a city, county and/or other entity; and

WHEREAS, the Successor Agency has prepared a proposed administrative budget for the period July 1, 2016 – June 30, 2017 (the “Administrative Budget”) attached hereto as Exhibit A; and

WHEREAS, on January 19, 2016 the Successor Agency reviewed and approved the Administrative Budget; and;

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, BE IT RESOLVED, by the Oversight Board of Successor Agency to La Quinta Redevelopment Agency, does hereby resolve as follows:

SECTION 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

SECTION 2. Approval of Administrative Budget. The Oversight Board hereby approves the Administrative Budget, which is attached hereto as Exhibit A and is on file with the Secretary of the Oversight Board and the Secretary of the Successor Agency.

SECTION 3. Severability. 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 irrespective of the invalidity of any particular portion thereof.

SECTION 4. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED at the meeting of the Oversight Board of the Successor Agency to La Quinta Redevelopment Agency held this 20th day of January, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Peter Nelson, Vice-Chairperson
Oversight Board of the Successor Agency
to La Quinta Redevelopment Agency

ATTEST:

TERESA THOMPSON for Pam Nieto
Secretary to the Oversight Board

EXHIBIT A

SUCCESSOR AGENCY/OVERSIGHT BOARD ADMINISTRATIVE BUDGET

JULY 2016 TO JUNE 2017

<u>PERSONNEL</u>		\$99,700
City Manager		\$23,700
Accounting Manager		\$21,100
Finance Director		\$18,800
Management Assistant		\$7,400
Deputy City Clerk		\$3,400
City Clerk		\$6,600
Financial Services Specialist		\$18,700
<u>SUPPLIES & SERVICES</u>		\$2,000
<u>CONTRACT SERVICES</u>		\$120,300
This account provides for legal, consulting, and audit services plus a portion of League of California Cities and California Redevelopment Agency dues related to technical assistance and training.		
Audits as required by ABx1 26		\$10,000
League of California Cities Dues & Seminars/Webinars related to ABx1 26		\$1,900
Legal Services for Successor Agency		\$45,200
Consulting Services for Successor Agency		\$63,200
<u>SUPPLIES AND PUBLICATIONS</u>		\$4,000
This account provides for various office supplies and publications to be used by SA and OB staff and board members		
Successor Agency Supplies & Publications		\$2,500
Oversight Board Supplies & Publications		\$1,500
<u>PRINTING/MAILING/ADVERTISING</u>		\$1,000
This account provides for required mailings, agenda printing, and legal advertising		
<u>INFORMATION TECHNOLOGY</u>		\$6,000
This account provides for annual replacement charges for information technology items such as computers, printers, and computer related items attributable to SA/OB; and support/hosting for SA/OB web pages, which are required by ABx1 26		
		\$3,500
Computer Document Storage related to Successor Agency		\$2,000
On-Line Muni Code related to Successor Agency		\$500
<u>OFFICE & EQUIPMENT</u>		\$17,000
This account provides for office space rental and equipment usage in City Hall		
Rent		\$15,000
Equipment		\$2,000
TOTAL ADMINISTRATIVE BUDGET		\$250,000

City of La Quinta

OVERSIGHT BOARD MEETING: JANUARY 20, 2016

STAFF REPORT

AGENDA TITLE: ADOPT A RESOLUTION REDUCING THE FREQUENCY OF MEETINGS

RECOMMENDATION

Adopt Resolution No. 2016-003 reducing the frequency of Oversight Board meetings.

EXECUTIVE SUMMARY

- At its initial meeting in March 2012 the Board established a meeting schedule of two meetings per month (to follow Successor Agency meetings) to be held at 2:00 p.m. at City Hall.
- During the past year and going forward, the Successor Agency (SA) business has decreased resulting in less Oversight Board (OB) meetings; this is because the La Quinta Redevelopment Agency (RDA) liquidation activities are nearly complete.
- In 2015, 24 of the OB's regular 26 meetings per year were cancelled.

FISCAL IMPACT – None

BACKGROUND/ANALYSIS

In the early years of the OB, two meetings per month were necessary to meet statutory time deadlines, wind down a multitude of projects underway and determine the disposition of a number of properties held by the dissolved RDA. After almost four years, much of that work is done and the need for frequent meetings no longer exists.

The OB oversees the actions of the SA. Almost two years ago the SA reduced its bi-monthly meeting schedule to meet as-needed when action is required on matters within its jurisdiction.

ALTERNATIVES

Retain the twice per month meeting schedule set in 2012, or set an alternative meeting schedule.

Prepared by: Monika Radeva, Executive Assistant

Approved by: Frank J. Spevacek, Oversight Board Executive Director

RESOLUTION NO. OB 2016-003

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO LA QUINTA REDEVELOPMENT AGENCY REDUCING THE FREQUENCY OF OVERSIGHT BOARD MEETINGS

WHEREAS, the Oversight Board of Successor Agency to La Quinta Redevelopment Agency (“Oversight Board” as applicable) adopted Resolution 2012-001 on March 7, 2012 which set the date, time and location of its meetings. Resolution 2012-001 set meetings at twice per month; and

WHEREAS, the Oversight Board and Successor Agency it oversees has wound down the majority of the former La Quinta Redevelopment Agency matters; and

WHEREAS, the remaining business to be heard by the Oversight Board can be efficiently conducted in one to three meetings per year as matters arise; and

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

SECTION 1. The Oversight Board shall meet as needed beginning February 2016 and continuing until such time as the body is disbanded. All meetings shall be open to the public. Meetings may be adjourned by the presiding officer or by the Secretary if a quorum is not present.

SECTION 2. The location of the Oversight Board meetings shall continue to be at La Quinta City Hall, 78-495 Calle Tampico, La Quinta, California.

SECTION 3. The time of the Oversight Board meetings shall continue to be 2:00 p.m.

SECTION 4. Special, as-needed meetings will be called by the Chairperson or by four (4) board members, and notice thereof shall be provided by the Oversight Board Secretary in accordance with the Brown Act.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Oversight Board of Successor Agency to La Quinta Redevelopment Agency, held on this the 20th day of January 2016 by the following vote, to wit:

AYES: Board Members

NOES:

ABSENT:

ABSTAIN:

PETER NELSON, Vice-Chairperson
Oversight Board of Successor Agency
to La Quinta Redevelopment Agency

Resolution No. OB 2016-003
Reducing Meeting Frequency
Adopted: January __, 2016

ATTEST:

TERESA THOMPSON, for Pam Nieto
Oversight Board Secretary