

**AGENDA**

Oversight Board of the City as Successor Agency  
for the Community Redevelopment Agency  
of the City of Moreno Valley

**Regular Meeting**

May 8, 2013 -2:00p.m.

**Moreno Valley City Hall, Council Chamber**

14177 Frederick Street, Moreno Valley

**CALL TO ORDER**

**ROLL CALL/INTRODUCTIONS**

**PUBLIC COMMENTS**

Those wishing to speak should complete and submit a BLUE speaker slip to the Board Secretary. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley and not to any individual Board member, staff member or other person.

**APPROVAL OF MINUTES**

1. Approval of Minutes

**REGULAR BUSINESS**

1. CONSIDERATION OF A RESOLUTION ADOPTING AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR JULY 1, 2013 THROUGH DECEMBER 31, 2013

**ADJOURNMENT**

*Materials related to an item on this Agenda submitted to the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley after distribution of the agenda packet are available for public inspection in the Community & Economic Development Department at 14177 Frederick Street during normal business hours.*

*Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Mel Alonzo, ADA Coordinator, at 951.413.3027 at least 48 hours before the meeting. The 48-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.*

**MINUTES  
OVERSIGHT BOARD OF THE CITY AS SUCCESSOR AGENCY  
FOR THE COMMUNITY REDEVELOPMENT AGENCY  
OF THE CITY OF MORENO VALLEY**

**SPECIAL MEETING – 2:00 P.M.  
February 27, 2013**

**CALL TO ORDER** - Meeting of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley (Oversight Board) was called to order at 2:00 p.m. by Vice Chair Carlson in the Council Chamber at Moreno Valley City Hall. Copies of the Agenda and items for review were made available to the public.

**ROLL CALL/INTRODUCTIONS**

Oversight Board:

Chris Carlson	Vice Chair
David Slawson	Board Member
Mays Kakish	Board Member
Jamil Dada	Board Member
John Strickler	Board Member

Absent:

Glenn Moss	Chairman
Henry Garcia	Board Member

Staff:

Barry Foster	Community & Economic Development Director
Dante Hall	Redevelopment & Neighborhood Programs Administrator
Rick Teichert	Financial & Administrative Services Director
Kathi Pierce	Board Secretary

Legal Representation:

Mark Huebsch	Successor Agency Counsel (Stradling, Yocca, Carlson & Rauth)
Jon Goetz	Oversight Board Counsel - KMTG (Kronick Moskowitz Tiedemann & Girard)

**PUBLIC COMMENTS**

No public comments.

1. APPROVAL OF MINUTES

**Motion to Approve Minutes of January 9, 2013 by m/Board Member Dada, s/Board Member Mays (Approved by a vote of 5-0-2).**

REGULAR BUSINESS

1. DISCUSSION REGARDING THE 2007 TAX ALLOCATION BONDS, SERIES A

Staff provided an update regarding the Fourth Recognized Obligation Payment Schedule (ROPS 4). The DOF has approved ROPS #1, #2 and #3. They are being approved in 6 month increments, and from this point forward, will be re-labeled by fiscal year, with this year being ROPS13-14A.

The City is in the 2<sup>nd</sup> distribution period of the annual tax levy. The 1<sup>st</sup> distribution was approximately 6 million. We are expecting approximately 2.7 million in the second distribution. The difference is in a pass through to the county that takes out a large portion of the 2<sup>nd</sup> pass through. What is reflected is a settling in of the activities of the first 3 ROPS and learning to understand the DOF's approval process.

The line items fall within the scope of the expected 2.7 million distribution. We are proposing to set money aside for the final housing payment for the Hemlock project with the anticipation of seeing the project paid in early 2014. Cash flow is expected to free up as items are being paid. This will be reflected on ROPS 5 and is anticipated to be in excess of 2 million a year that will go back to the taxing entities.

The Bond funded projects that the DOF had expected in ROPS 3 have not been included on ROPS 4. On February 12<sup>th</sup> The Successor Agency transferred proceeds to the City to complete the expenditure of the bond project. The RDA has relied on two prior agreements where the RDA relied upon the City to complete projects on their behalf. These relate to the Cooperative Agreements where the City does the projects and the RDA reimburses the City.

The Successor Agency plans to resolve the current litigation related to the housing issue with the hope of getting a Finding of Completion. State will then allow us to spend the bond proceeds.

2. APPROVAL OF THE RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2013 THROUGH DECEMBER 31, 2013.

RESOLUTION NO. OB 2013-02

A Resolution of the Oversight Board of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving the Recognized Obligation Payment Schedule for the Period of July 1, 2013 through December 31, 2013, and Authorizing the Executive Director or his Designee to Make Modifications Thereto

**Motion to Adopt Resolution No. OB 2013-02, by m/Board Member Mays, s/Board Member Strickler. Board Member Slawson abstaining from any reference to Item 20 and Board Member Strickler abstaining from any reference to Items 13, 14, and 23. (Approved by a vote of 5-0-2 ).**

3. DISCUSSION REGARDING THE STATUS OF THE LOW AND MODERATE INCOME HOUSING FUND DUE DILIGENCE REPORT

Staff spoke briefly about the litigation that is in process. A lawsuit was filed on December 24<sup>th</sup> and we are in settlement discussions with the DOF and the Attorney General Staff in hopes of a resolution within the next two to four weeks. The underlying issue is the amount of money owed to Rancho Dorado and how it will be funded.

**ADJOURNMENT**

There being no further business to conduct, the meeting was adjourned at 4:15 p.m. by unanimous informal consent.

**NEXT MEETING**

The next Meeting of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley scheduled for March 13th, 2013 has been cancelled. The next scheduled Meeting is April 10, 2013 from 2 – 4 p.m. in the Council Chamber.

Submitted by:

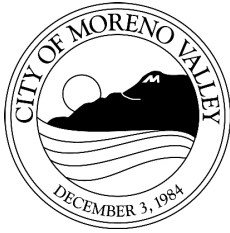
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Board Secretary, Kathi Pierce

Approved by:

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Vice Chair, Chris Carlson



## **Report to the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley**

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**TO:** Members of the Board

**FROM:** Barry Foster, Community & Economic Development Director

**AGENDA DATE:** May 8, 2013

**TITLE:** **CONSIDERATION OF A RESOLUTION ADOPTING AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR JULY 1, 2013 THROUGH DECEMBER 31, 2013**

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### **RECOMMENDED ACTION:**

Adopt a Resolution of the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving an Administrative Budget for the Successor Agency for the period of July 1, 2013 through December 31, 2013.

### **BACKGROUND:**

As part of the duties given to successor agencies under Chapter 3 of Part 1.85 of ABX 126, each successor agency, per Health and Safety Code Section 34177(j), is to "Prepare a proposed administrative budget and submit it to the oversight board for its approval." The administrative budget is to include: (1) estimated amounts for successor agency administrative costs for the upcoming six-month fiscal period; (2) proposed sources of payment for the items identified in item (1); and (3) proposals for arrangements for administrative and operations services provided by a city or other entity.

In the case of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, it is proposed by Successor Agency staff that administrative and operations services will continue to be provided by Successor Agency staff. Upon approval, Successor Agency staff will in turn inform the County Auditor-Controller as to those administrative costs to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, as required to be maintained by the County

Auditor-Controller, as provided under Health and Safety Code Section 34177(k).

**ALTERNATIVES:**

The alternatives available to the Oversight Board are:

1. Adopt a Resolution of the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving an Administrative Budget for the Successor Agency for the period of July 1, 2013 through December 31, 2013, in the form submitted by Successor Agency staff; or
2. Adopt a Resolution of the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving an Administrative Budget for the Successor Agency for the period of July 1, 2013 through December 31, 2013, in the form submitted by Successor Agency staff with those modifications as made by the Oversight Board; or
3. Provide staff with alternative direction.

**FISCAL IMPACT:**

The Successor Agency has incurred and will incur administrative expenses in the preparation of the materials being presented to the Oversight Board. The Successor Agency will seek reimbursement for the costs related to administration of the Oversight Board. The Administrative Budget, as prepared by Successor Agency staff, reflects the current estimates for anticipated costs in the views of Successor Agency staff. Costs are as estimated in the proposed Administrative Budget submitted with this report.

**ATTACHMENTS:**

Attachment 1: Resolution No. OB 2013-03  
Exhibit A: Administrative Budget

**SUCCESSOR AGENCY STAFF:**

Prepared by:

Annie Clark  
Sr. Financial Analyst

Reviewed by:

Dante Hall  
Redevelopment & Neighborhood  
Programs Administrator

Approved by:

Barry Foster  
Community & Economic  
Development Department Director



**RESOLUTION NO. OB 2013-03**

**A RESOLUTION OF THE OVERSIGHT BOARD  
OF SUCCESSOR AGENCY TO THE MORENO  
VALLEY REDEVELOPMENT AGENCY  
ADOPTING AN ADMINISTRATIVE BUDGET FOR  
THE SUCCESSOR AGENCY**

**WHEREAS**, the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley ("Oversight Board", as applicable) has been established to direct the Successor Agency to take certain actions to wind down the affairs of the Redevelopment Agency in Accordance with the California Health and Safety Code; and

**WHEREAS**, Health and Safety Code Section 34177(j) provides, in part, that a Successor Agency is to "Prepare a proposed administrative budget and submit it to the oversight board for its approval", and that such administrative budget is to include: (1) estimated amounts for successor agency administrative costs for the upcoming six-month fiscal period; (2) proposed sources of payment for the items identified in item (1); and (3) proposals for arrangements for administrative and operations services provided by a city or other entity; and

**WHEREAS**, the Successor Agency has submitted a proposed administrative budget for the period of July 1, 2013 to December 31, 2013, as approved by the Executive Director of the Successor Agency on behalf of the Successor Agency, for consideration and approval by the Oversight Board; and

**WHEREAS**, the Successor Agency has duly considered the proposed administrative budget for the period of July 1, 2013 to December 31, 2013;

**NOW, THEREFORE**, the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley does hereby resolve as follows:

**SECTION 1.** The Oversight Board approves as the administrative budget for the Successor Agency the proposed administrative budget for the period of July 1, 2013 to December 31, 2013, in the form as submitted by the Successor Agency as attached hereto as Exhibit "A" together with such additions, deletions and modifications as made by the Oversight Board at its meeting of May 8, 2013. The official records of the Oversight Board shall reflect all such additions, deletions and modifications.

**SECTION 2.** The Secretary shall certify to the adoption of this Resolution.

Resolution No. OB 2013-03  
Date Adopted: May 8, 2013

**APPROVED AND ADOPTED** this 8th day of May, 2013.

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Chairperson  
Oversight Board of Successor  
Agency to Community  
Redevelopment Agency of the  
City of Moreno Valley

**ATTEST:**

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Oversight Board Secretary

Resolution No. OB 2013-03  
Date Adopted: May 8, 2013

**RESOLUTION JURAT**

STATE OF CALIFORNIA     )  
COUNTY OF RIVERSIDE     ) ss.  
CITY OF MORENO VALLEY    )

I, Kathi Pierce, Secretary of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that Resolution No. OB 2013-03 was duly and regularly adopted by the Board Members of the Successor Agency Oversight Board at a regular meeting thereof held on the 8<sup>th</sup> day of May, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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SECRETARY

Resolution No. OB 2013-03  
Date Adopted: May 8, 2013

**City of Moreno Valley  
Budget Worksheet Report**

<b>Account Number</b>		<b>FY 2013-14 Budget</b>	<b>For the period July 1, 2013 - December 31, 2013</b>	<b>For the period January 1, 2014 - June 30, 2014</b>
<b>Fund</b>	<b>4800 SUCCESSOR AGENCY ADMINISTRATION</b>			
<b>Department</b>	<b>20 Community &amp; Economic Development</b>			
<b>Division</b>	<b>31 CEDD - Business Support &amp; Neighborhood Programs</b>			
<b>Section</b>	<b>20801 Successor Agency Administration</b>			
<u>Personnel Services</u>				
<u>Regular</u>				
611110	Salaries, Regular	\$ 139,494.00	\$ 69,747.00	\$ 69,747.00
<b>Total: Regular</b>		\$ 139,494.00	\$ 69,747.00	\$ 69,747.00
<u>Additional</u>				
611699	Salaries, Addl - Other	\$ 2,800.00	\$ 1,400.00	\$ 1,400.00
<b>Total: Additional</b>		\$ 2,800.00	\$ 1,400.00	\$ 1,400.00
<u>Benefits</u>				
612110	Benefits - PERS & ERPD Def Comp	\$ 37,500.00	\$ 18,750.00	\$ 18,750.00
612120	Benefits - Bank	\$ 19,296.00	\$ 9,648.00	\$ 9,648.00
612130	Benefits - Medicare	\$ 2,010.00	\$ 1,005.00	\$ 1,005.00
612140	Benefits - Group Life Insurance	\$ 971.00	\$ 485.50	\$ 485.50
612145	Benefits - ST/LT Disability	\$ 243.00	\$ 121.50	\$ 121.50
612150	Benefits - Addl % Mgmt Pkg	\$ 482.00	\$ 241.00	\$ 241.00
612160	Benefits - Annuity	\$ 457.00	\$ 228.50	\$ 228.50
<b>Total: Benefits</b>		\$ 60,959.00	\$ 30,479.50	\$ 30,479.50
<b>Total: Personnel Services</b>		\$ 203,253.00	\$ 101,626.50	\$ 101,626.50
<u>Contractual Services</u>				
<u>Professional</u>				
620230	Professional Svcs - Legal Svcs	\$ 35,000.00	\$ 17,500.00	\$ 17,500.00
620299	Professional Svcs - Other	\$ 947.00	\$ 473.50	\$ 473.50
<b>Total: Professional</b>		\$ 35,947.00	\$ 17,973.50	\$ 17,973.50
<u>Communications</u>				
620410	Communications	\$ 500.00	\$ 250.00	\$ 250.00
<b>Total: Communications</b>		\$ 500.00	\$ 250.00	\$ 250.00
<u>Training &amp; Travel</u>				
620510	Training & Travel	\$ 500.00	\$ 250.00	\$ 250.00
<b>Total: Training &amp; Travel</b>		\$ 500.00	\$ 250.00	\$ 250.00
<b>Total: Contractual Services</b>		\$ 36,947.00	\$ 18,473.50	\$ 18,473.50
<u>Materials &amp; Supplies</u>				
<u>Materials &amp; Supplies-Postage &amp;</u>				
630120	Postage - Overnight	\$ 100.00	\$ 50.00	\$ 50.00
<b>Total: Materials &amp; Supplies-Postage</b>		\$ 100.00	\$ 50.00	\$ 50.00
<u>Materials &amp; Supplies-Operating</u>				
630210	Oper Suppl - Office	\$ 2,500.00	\$ 1,250.00	\$ 1,250.00
630214	Oper Suppl - Printing & Binding	\$ 200.00	\$ 100.00	\$ 100.00
<b>Total: Materials &amp; Supplies-</b>		\$ 2,700.00	\$ 1,350.00	\$ 1,350.00
<b>Total: Materials &amp; Supplies</b>		\$ 2,800.00	\$ 1,400.00	\$ 1,400.00
<u>Fixed Charges</u>				
<u>ISF Charges</u>				
690220	ISF - Risk - Workers Comp	\$ 3,000.00	\$ 1,500.00	\$ 1,500.00
<b>Total: ISF Charges</b>		\$ 3,000.00	\$ 1,500.00	\$ 1,500.00
<u>Administrative Charges</u>				
692012	Admin Chrg - OPEB	\$ 4,000.00	\$ 2,000.00	\$ 2,000.00
<b>Total: Administrative Charges</b>		\$ 4,000.00	\$ 2,000.00	\$ 2,000.00
<b>Total: Fixed Charges</b>		\$ 7,000.00	\$ 3,500.00	\$ 3,500.00
<b>Total: Successor Agency Administration</b>		\$ 250,000.00	\$ 125,000.00	\$ 125,000.00