

RESOLUTION NO. OB-24

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF VERNON ADOPTING, APPROVING, AND RATIFYING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JANUARY 1, 2014 THROUGH JUNE 30, 2014, AND APPROVING CERTAIN RELATED ACTIONS PURSUANT TO CALIFORNIA HEALTH & SAFETY CODE SECTIONS 34177(1), 34177(m) AND 34180(g)

WHEREAS, on September 5, 2013 the Oversight Board of the Successor Agency to the Redevelopment Agency to the City of Vernon ("Oversight Board") considered the adoption, approval and ratification of the Recognized Obligation Payment Schedule of the Successor Agency to the former Vernon Redevelopment Agency for the reporting period of January 1, 2014 through June 30, 2014 ("ROPS 5") also referred to as 13-14B, using the electronic-version of the recognized obligation payment schedule provided to the Successor Agency by the Department of Finance ("Finance"); and

WHEREAS, ROPS 5 contains, among other things, the request for the shortage in funding created by certain unexpected contingencies, partially incident to the sale of Angelus Can; and

WHEREAS, Oversight Board desires to adopt, approve, and ratify the ROPS 5 attached hereto and as transmitted by staff of the Successor Agency to meet the October 1, 2013 deadline imposed by Finance.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF VERNON AS FOLLOWS:

SECTION 1: The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Vernon hereby finds and

determines that the above recitals are true and correct.

SECTION 2: The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Vernon hereby adopts, approves, and ratifies ROPS 5, in the form attached to this Resolution as Exhibit A, pursuant to California Health & Safety Code sections 34177(1), 34177(m), and 34180(g).

SECTION 3: Pursuant to California Health & Safety Code section 34179(h), Finance may review an oversight board action. An action of the oversight board shall become effective five business days after notice in the manner specified by Finance is provided unless Finance requests review. The Assistant Executive Director of the Successor Agency, Mr. Alex Kung, c/o Vernon City Hall, 4305 Santa Fe Avenue, Vernon, CA 90058 Telephone (323) 583-8811 Extension 355 (akung@ci.vernon.ca.us) is designated as the official for notice of review by Finance. Except as otherwise provided in California Health & Safety Code section 34179(h), in the event Finance requests a review of a given oversight board action, Finance shall have 40 days from the date of this request to approve the oversight board action or return it to the oversight board for reconsideration; the oversight board shall resubmit the modified action for Finance approval and the modified oversight board action shall not become effective until approved by Finance.

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SECTION 4: The Interim Secretary of the Oversight Board, shall certify to the passage, approval and adoption of this resolution, and the Interim Secretary shall cause this resolution and the Interim Secretary's certification to be properly filed.

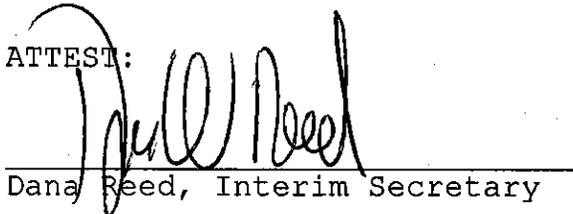
APPROVED AND ADOPTED this 5th day of September, 2013.



Name: W. Michael McCormick

Title: Chairman / ~~Vice Chairman~~

ATTEST:

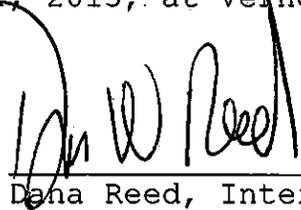


Dana Reed, Interim Secretary

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

I, Dana Reed, acting on behalf of the Oversight Board as its Interim Secretary, do hereby certify that the foregoing Resolution, being Resolution No. OB-24, was duly passed, approved and adopted by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Vernon at a regular meeting of the Oversight Board duly held on Thursday, September 5, 2013, and thereafter was duly signed by the Chairman or Vice Chairman of the Oversight Board.

Executed this 11 day of September, 2013, at Vernon, California.



Dana Reed, Interim Secretary

(SEAL)

EXHIBIT A

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

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

Name of Successor Agency: Vernon
 Name of County: Los Angeles

		Six-Month Total
Current Period Requested Funding for Outstanding Debt or Obligation		
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding		
A	Sources (B+C+D):	\$ -
B	Bond Proceeds Funding (ROPS Detail)	-
C	Reserve Balance Funding (ROPS Detail)	-
D	Other Funding (ROPS Detail)	-
E	Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 4,249,239
F	Non-Administrative Costs (ROPS Detail)	4,118,253
G	Administrative Costs (ROPS Detail)	130,986
H	Current Period Enforceable Obligations (A+E):	\$ 4,249,239

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I	Enforceable Obligations funded with RPTTF (E):	4,249,239
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)	(35,729)
K	Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 4,213,511

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L	Enforceable Obligations funded with RPTTF (E)	4,249,239
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)	-
N	Adjusted Current Period RPTTF Requested Funding (L-M)	4,249,239

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.

 Name Title
 /s/_____
 Signature Date

Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Fund Balances
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K								
											Fund Sources						Total	Comments
											Bond Proceeds		Reserve Balance		Other			
Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Review balances retained for approved enforceable obligations	RPTTF balances retained for bond reserves	Rent, Grants, Interest, Etc.	Non-Admin	Admin												
Fund Balance Information by ROPS Period																		
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)									\$								
2	Revenue/Income (Actual 06/30/13) Note that the RPTTF amounts should tie to the ROPS III distributions from the County Auditor-Controller					297,440	3,191,076			\$	3,488,517							
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									\$								
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								21,927	\$	36,729							
6	Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$							
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)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$							
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					44,004	3,694,373			\$	3,738,377							
9	Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)									\$								
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)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$							

Leasee, Angelus Can (4900 Pacific Blvd), moved out of the property in July 2013. The property is now vacant and no rental income is being generated.

Recognized Obligation Payment Schedule 13-14B - Notes

January 1, 2014 through June 30, 2014

Item #	Notes/Comments
2	1st and 2nd Property Tax installments were paid in full in November 2012.
9	City is in the process of allocating insurance cost for the two Redevelopment properties
10	Oversight Board approved the hiring of Keyser Marston to prepare the Long Range Asset Management Plan
12	Legal fees over projected budget by \$8,522
13	Refund of leasee security deposit. Angelus Can moved out in July 2013. This will decrease rental income and require RPTTFs as a replacement
14	Last payment for Due Diligence Auditors
15	Payment for Appraisal for the Angelus Can property
16	Payment to LA County Auditor Controller's Office

CITY CLERK'S OFFICE
INTEROFFICE MEMORANDUM

DATE: September 12, 2013

TO: Alex Kung, Successor Agency Staff

FROM: Deborah Juarez, Records Management Assistant 

RE: Resolution No. OB-24 – A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Vernon Adopting, Approving, and Ratifying the Recognized Obligation Payment Schedule for the Period January 1, 2014 Through June 30, 2014, and Approving Certain Related Actions Pursuant to California Health & Safety Code Section 34177 (l), 34177 (m) and 34180 (g)

Transmitted herewith is a copy of Resolution No. OB-24 referenced above, which was approved by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Vernon on September 5, 2013.

Thank you.

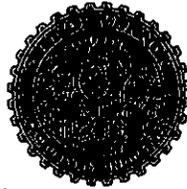
Attachment

c: William Fox
Gustavo Lamanna
Resolution No. OB-24

RECEIVED

AUG 29 2013

CITY CLERK'S OFFICE



OB 9/5/13

STAFF REPORT

SUCCESSOR AGENCY FOR THE VERNON REDEVELOPMENT AGENCY

DATE: September 5, 2013

TO: Honorable Chairperson and Members of the Oversight Board to the Successor Agency for the Vernon Redevelopment Agency

FROM: Alex Kung, Successor Agency Staff *AK*

RE: Adoption, approval, and ratification of Recognized Obligation Payment Schedule 5 for the period of January 1, 2014 to June 30, 2014, authorization to make modifications to conform with obligations, and approval of certain related actions pursuant to California Health & Safety Code Section 34177(l), 34177(m) and 34180(g)

Recommendations to the Oversight Board:

1. Find that adoption, approval, and ratification of the Recognized Obligation Payment Schedule ("ROPS") 5 is except under the California Environmental Quality Act ("CEQA") in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have an effect on the environment; and
2. Approve a Resolution to adopt, approve, and ratify ROPS 5, and authorize the Successor Agency Executive Director or his assignee to make revisions and modifications as necessary, and transmit on or before October 1, 2013 to Finance the final ROPS 5 in substantially the same form as Exhibit A to the resolution. Authorized staff to comply with all aspects of California Health & Safety Code sections 34177(l), 34177(m) and 34180(g). If there are any material changes to ROPS 5, Successor Agency staff may return to the Oversight Board following the ROPS 5 transmittal for ratification of the action.

Background:

Pursuant to Community Redevelopment Law and specifically those obligations imposed on the City of Vernon acting as the Successor Agency to the former Vernon Redevelopment Agency ("Successor Agency") by the dissolution statutes, Successor Agency staff is to prepare and present the recognized obligation payment schedule listing the obligations of the former Vernon Redevelopment Agency and identifying the amount of former tax increment necessary to service the obligations therein; Successor Agency staff has presented four separate recognized obligation payment schedules, through and including the current first half of the 2013 – 2014 fiscal year,

i.e., the period July 1, 2013 through December 31, 2013. These schedules include a reconciliation of prior period payments to show the budget versus the actual former tax increment received and obligations paid.

The Department of Finance has set October 1, 2013 as the deadline to electronically file the recognized obligation payments schedule for the period January 1, 2014 through June 30, 2014 also referred to as 13-14B ("ROPS 5"). The proposed ROPS 5 to be transmitted is attached as Exhibit A to the resolution affixed to this staff report.

Successor Agency staff has prepared the attached resolution and ROPS 5 for your review and consideration. Because the Oversight Board meeting occurs prior to the Successor Agency meeting, staff is presenting this matter to the Oversight Board first with a request for authority to modify ROPS 5 if necessary and appropriate; in the event of material changes, the modified ROPS 5 will return to the Oversight Board for formal ratification.

Successor Agency staff reports that activity in implementing ROPS 3 and 4 have and are being implemented as planned. There were a few overages and shortages faced and identified in the ROPS 5 where and as appropriate. Since submitting the ROPS 4 which covers July 1, 2013 through December 31, 2013, also referred to as 13-14A, the Successor Agency faced a few contingencies related to the long-range property management plan and the Angelus Can transaction. While these will be highlighted with more detail at the meeting, it would be relevant to report that the plan was submitted in July however the budgeting appears to have been included in the prior period which closed June 30th. In addition, the Successor Agency received possession of Angelus Can in July and staff is evaluating how to properly and efficiently secure the property during the escrow period.

Attachment:
Resolution and ROPS 5

RESOLUTION NO. OB-

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF VERNON ADOPTING, APPROVING, AND RATIFYING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JANUARY 1, 2014 THROUGH JUNE 30, 2014, AND APPROVING CERTAIN RELATED ACTIONS PURSUANT TO CALIFORNIA HEALTH & SAFETY CODE SECTIONS 34177(1), 34177(m) AND 34180(g)

WHEREAS, on September 5, 2013 the Oversight Board of the Successor Agency to the Redevelopment Agency to the City of Vernon ("Oversight Board") considered the adoption, approval and ratification of the Recognized Obligation Payment Schedule of the Successor Agency to the former Vernon Redevelopment Agency for the reporting period of January 1, 2014 through June 30, 2014 ("ROPS 5") also referred to as 13-14B, using the electronic-version of the recognized obligation payment schedule provided to the Successor Agency by the Department of Finance ("Finance"); and

WHEREAS, ROPS 5 contains, among other things, the request for the shortage in funding created by certain unexpected contingencies, partially incident to the sale of Angelus Can; and

WHEREAS, Oversight Board desires to adopt, approve, and ratify the ROPS 5 attached hereto and as transmitted by staff of the Successor Agency to meet the October 1, 2013 deadline imposed by Finance.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF VERNON AS FOLLOWS:

SECTION 1: The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Vernon hereby finds and

determines that the above recitals are true and correct.

SECTION 2: The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Vernon hereby adopts, approves, and ratifies ROPS 5, in the form attached to this Resolution as Exhibit A, pursuant to California Health & Safety Code sections 34177(1), 34177(m), and 34180(g).

SECTION 3: Pursuant to California Health & Safety Code section 34179(h), Finance may review an oversight board action. An action of the oversight board shall become effective five business days after notice in the manner specified by Finance is provided unless Finance requests review. The Assistant Executive Director of the Successor Agency, Mr. Alex Kung, c/o Vernon City Hall, 4305 Santa Fe Avenue, Vernon, CA 90058 Telephone (323) 583-8811 Extension 355 (akung@ci.vernon.ca.us) is designated as the official for notice of review by Finance. Except as otherwise provided in California Health & Safety Code section 34179(h), in the event Finance requests a review of a given oversight board action, Finance shall have 40 days from the date of this request to approve the oversight board action or return it to the oversight board for reconsideration; the oversight board shall resubmit the modified action for Finance approval and the modified oversight board action shall not become effective until approved by Finance.

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SECTION 4: The Interim Secretary of the Oversight Board, shall certify to the passage, approval and adoption of this resolution, and the Interim Secretary shall cause this resolution and the Interim Secretary's certification to be properly filed.

APPROVED AND ADOPTED this 5th day of September, 2013.

Name: _____

Title: Chairman / Vice Chairman

ATTEST:

Dana Reed, Interim Secretary

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

I, Dana Reed, acting on behalf of the Oversight Board as its Interim Secretary, do hereby certify that the foregoing Resolution, being Resolution No. OB- , was duly passed, approved and adopted by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Vernon at a regular meeting of the Oversight Board duly held on Thursday, September 5, 2013, and thereafter was duly signed by the Chairman or Vice Chairman of the Oversight Board.

Executed this day of September, 2013, at Vernon, California.

Dana Reed, Interim Secretary

(SEAL)

EXHIBIT A

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

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

Name of Successor Agency: Vernon
 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) Funding	
A Sources (B+C+D):	\$ -
B Bond Proceeds Funding (ROPS Detail)	-
C Reserve Balance Funding (ROPS Detail)	-
D Other Funding (ROPS Detail)	-
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 4,249,239
F Non-Administrative Costs (ROPS Detail)	4,126,775
G Administrative Costs (ROPS Detail)	122,464
H Current Period Enforceable Obligations (A+E):	\$ 4,249,239

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	4,249,239
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)	(35,729)
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 4,213,511

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	4,249,239
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	4,249,239

Certification of Oversight Board Chairman:
 Pursuant to Section 3417(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.

 Name
 Title

 Signature

 Date

Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Fund Balances
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177(1), 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	Fund Sources		H	I	J	K
						G	Other				
		Bond Proceeds	Bond Proceeds	Reserve Balance	Reserve Balance	Other	RPTTF			Total	Comments
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Review balances retained for approved enforceable obligations	RPTTF balances retained for bond reserves	Rent, Grants, Interest, Etc.	RPTTF	Non-Admin	Admin		
ROPS III Actuals (07/01/13 - 6/30/13)											
Beginning Available Fund Balance (Actual 07/01/13) Note that for the RPTTF, 1 + 2 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)											
1	Revenue/Income (Actual 06/30/13)										\$ -
2	Controller										\$ -
3	Expenditures for ROPS III Enforceable Obligations (Actual 06/30/13)										\$ -
4	Retention of Available Fund Balance (Actual 06/30/13)										\$ -
5	ROPS III RPTTF Prior Period Adjustment										\$ -
6	Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)										\$ 3,452,788
ROPS 13-14A Estimate (07/01/13 - 12/31/13)											
7	Beginning Available Fund Balance (Actual 07/01/13)										\$ 3,488,517
8	Revenue/Income (Estimate 12/31/13)										\$ 3,738,377
9	Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)										\$ -
10	Retention of Available Fund Balance (Estimate 12/31/13)										\$ 2,628,602
11	Ending Estimated Available Fund Balance (7 + 8 - 9 - 10)										\$ 4,598,292

Leasee, Angelus Can (4900 Pacific Blvd), moved out of the property in July 2013. The property is now vacant and no rental income is being generated.

Recognized Obligation Payment Schedule 13-14B - Notes

January 1, 2014 through June 30, 2014

Item #	Notes/Comments
2	1st and 2nd Property Tax installments were paid in full in November 2012.
9	City is in the process of allocating insurance cost for the two Redevelopment properties
10	Oversight Board approved the hiring of Keyser Marston to prepare the Long Range Asset Management Plan
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