

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
OF THE WEST COVINA
REDEVELOPMENT AGENCY**

A G E N D A

West Covina City Council Chambers, 1st Floor
1444 West Garvey Avenue, West Covina, CA 91790

**THURSDAY, FEBRUARY 7, 2013
4:00 p.m.**

Carrie A. Sutkin, Chairperson
Michael Touhey, Vice Chairperson
Luzmaria Chavez, Board Member
Robert R. Coghlan, Board Member
Mike Gregoryk, Board Member
Gerry Hertzberg, Board Member
Mike Lee, Board Member

AMERICANS WITH DISABILITIES ACT

The Board complies with the Americans with Disabilities Act (ADA). If you will need special assistance at Board Meetings, please call (626) 939-8433 (voice) or (626) 960-4422 (TTY) from 8 to 5 Monday through Thursday, at least 48 hours prior to the meeting make arrangements.

AGENDA MATERIAL

Agenda material is available for review at the West Covina City Clerk's Office, Room 317 in City Hall, 1444 W. Garvey Avenue and at www.westcovina.org. Any writings or documents regarding any item on this agenda not exempt from public disclosure, provided to a majority of the Oversight Board that is distributed less than 72 hours, before the meeting, will be made available for public inspection in the City Clerk's Office, Room 317 of City Hall during normal business hours.

PUBLIC COMMENT

Any member of the public may address the Board on items within the Board's subject matter jurisdiction during Public Comments. The Board may not take action on matters not listed on the posted agenda. If you would like to address the Board, please complete a Speaker Card and submit to the Board Secretary. All comments are limited to five (5) minutes per speaker. All speakers shall observe decorum and order as specified in the *Rules of Procedure of the Oversight Board to the Successor Agency of the West Covina Redevelopment Agency*.

REGULAR MEETING
AGENDA
Thursday, February 7, 2013
4:00 p.m.

I. CALL TO ORDER

A. Roll Call

Carrie A. Sutkin, Chairperson
Michael Touhey, Vice Chairperson
Luzmaria Chavez, Board member
Robert R. Coghlan, Board Member
Mike Gregoryk, Board member
Gerry Hertzberg, Board Member
Mike Lee, Board Member

B. Pledge of Allegiance

II. CHANGES TO THE AGENDA

III. PUBLIC COMMENT

This is the time set aside for public comments. Please step forward to the podium and state your name and city of residence for the record when recognized by the Chairperson. Comments are limited to five (5) minutes per speaker.

IV. CONSENT CALENDAR

All matters listed on the CONSENT CALENDAR are considered to be routine and can be acted on by one roll call vote. There will be no separate discussion of these items unless members of the Oversight Board request a specific item to be removed from the Consent Calendar for separate discussion or action.

A. Approval of Minutes (receive and file)

Regular meeting minutes of October 4, 2012
Special meeting minutes of October 11, 2012

B. Department of Finance Correspondence

It is recommended that the Oversight Board to the Successor Agency of the West Covina Redevelopment Agency receive and file this report.

ACTION ON CONSENT CALENDAR

Motion by _____ second by _____
to approve all items listed on the Consent Calendar as presented

except _____

V. BUSINESS ITEM(S)

A. Consideration of the Schedule of Distribution of Future Tax Revenues (Also Known as Recognized Obligation Payment Schedules "ROPS") and Successor Agency Administrative Budget Covering the Period of July 1, 2013 through December 31, 2013

Recommendation

It is recommended that the Oversight Board review and approve Resolution No. OB-0022 approving the Schedules of Distribution of Future Tax Revenues (also known as the Recognized Obligation Payment Schedules "ROPS") and the Successor Agency Administrative Budget for the period July 1, 2013 through December 31, 2013.

VI. EXECUTIVE DIRECTOR/SUCCESSOR AGENCY REPORTS

VII. BOARD MEMBERS' COMMENTS

VIII. ADJOURNMENT

Copies of staff reports or other written documentation, if any, relating to each item of business described above are on file in the West Covina City Hall, City Clerk's Office, 1444 West Garvey Avenue, West Covina CA 91790, and are available for public inspection upon request during regular business hours of 8:00 a.m. to 5:30 p.m., Monday through Thursday.

Should any person have a question concerning any of the above agenda items prior to the meeting described herein, he or she may contact Christopher J. Chung, City Manager, either in person in the City Manager's Office at West Covina City Hall, 1444 West Garvey Avenue, West Covina, CA 91790, or by calling via telephone at (626) 939-8401 during regular business hours.

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
OF THE WEST COVINA REDEVELOPMENT AGENCY**

AGENDA REPORT

Item No. IV-A

Date: February 7, 2013

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
OF THE WEST COVINA REDEVELOPMENT AGENCY**

MINUTES

Regular Meeting - Thursday, October 4, 2012

Audio recording of meeting is available upon request from the West Covina City Clerk's Office.

I. CALL TO ORDER:

Meeting was called to order at 4:01 p.m. by Chairperson Sutkin, followed by the Pledge of Allegiance.

Roll Call Chairperson Sutkin, Vice Chairperson Touhey
Board Members Chavez (arrived at 4:12 p.m.), Gregoryk, Hertzberg, Lee

Absent: Board Member Coghlan

Staff: City Manager/Executive Director Pasmant, Finance Director Bachman,
Oversight Board Secretary Rush, Community Development Director
Chung, Attorney Harper

II. CHANGES TO AGENDA No changes to the agenda.

III. PUBLIC COMMENT

Philip Moreno, West Covina resident, requested that the parking lots owned by the redevelopment agency at the Eastland Shopping Center should be sold stating that the tax payers should not be paying for parking lots for multi-million dollar businesses; and requested that the Oversight Board request an independent audit of the West Covina redevelopment agency and submitted news articles which supported his request, which included articles referencing the City of Bell auditing firm and Councilmembers trip to China

Ryan Leaderman, attorney representing Gateway Crescent, addressed the Lakes property in which Caltrans is proposing to condemn and stated his firm would like to work with all appropriate agencies involved to have a mutually beneficial outcome for all parties.

Mr. Leaderman responded to questions by board members. Chair Sutkin suggested that Mr. Leaderman's concerns be directed to the City Manager as the issue is currently not under the purview of the Oversight Board.

Carolyn Arndt, West Covina resident, addressed injunction filed regarding proposed development at the library Civic Center property.

IV. CONSENT CALENDAR

A. Approval of Minutes (receive and file)

Regular Meeting Minutes of July 5, 2013

B. Oversight Board Conflict of Interest Code

Recommendation to adopt the following resolution adopting a Conflict of Interest Code for the Oversight Board.

RESOLUTION NO. OB-0014 – A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF WEST COVINA REDEVELOPMENT AGENCY ADOPTING THE CONFLICT OF INTEREST CODE FOR THE OVERSIGHT BOARD

ACTION ON CONSENT CALENDAR

Motion by Gregoryk and seconded by Touhey to approve all items on the consent calendar as presented.

Motion carried 6-0.

V. BUSINESS ITEMS:

A. Due Diligence Review

Chair Sutkin and Oversight Board Attorney Harper stated that this portion of the meeting is for the board to formally receive the Due Diligence Review (DDR) of the Low and Moderate Income Housing Fund and to receive public comment. The Board has scheduled a special meeting for October 11, 2012 to formally adopt the DDR.

Finance Director Tom Bachman presented a report and stated AB 1484 required that each Successor Agency must employ a licensed accountant to conduct a due diligence review to determine the net balance of the low and moderate income housing fund and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities as of June 30, 2012. The accounting firm of White Nelson Diehl Evans was retained by the Successor Agency to conduct this DDR. Mr. Bachman outlined the review process. A revised copy of Exhibit 3 of the DDR was distributed to the board members. The revision is due to the County providing the corrected pass through obligation amount after the agenda and report was provided to the board members.

The Oversight Board engaged in discussion and Mr. Bachman responded to questions.

Chair Sutkin convened the public comment session to receive public comments. The following addressed the Board.

Lloyd Johnson, West Covina resident, stated he has a home loan through the city and explained to the board how the loans are handled.

Philip Moreno, West Covina resident, inquired into whether the developer who was provided funds for the development of senior housing retained the property, and why did we fund the project.

Mr. Bachman stated to make the units affordable over an extended period of time. Board Member Touhey further explained the 99 year affordability convent.

No further public comments were offered.

Motion by Gregoryk and seconded by Touhey to approve the following resolution:

RESOLUTION NO. OB-0015 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE WEST COVINA REDEVELOPMENT AGENCY ACKNOWLEDGING RECEIPT OF THE DUE DILIGENCE REVIEW OF THE LOW AND MODERATE INCOME HOUSING FUND PURSUANT TO HEALTH AND SAFETY CODE SECTION 34179.5

Motion carried 6-0.

VI. EXECUTIVE DIRECTOR/SUCCESSOR AGENCY REPORTS

A. Updates on Communications between Successor Agency and Department of Finance

Finance Director Bachman provided a verbal report on communication between the City and the Department of Finance (DOF). Correspondence is as follows:

- 09/18/12 – Letter from DOF relating to Housing Asset Transfer Form submitted on August 1.
- 10/01/12 – Correspondence from City regarding the City meeting compliance with 34179.6 regarding the submittal of the ROPS III along with DDR to the DOF.
- 10/01/12 correspondence from the County Auditor-Controller to the Successor Agency, Oversight Board and DOF with their findings on the ROPS III.

Board engaged in discussion regarding the County Auditor-Controller letter on the ROPS III and their findings. Mr. Bachman reiterated as to what the line items are as identified in the letter.

VII. STUDY SESSION

No items.

VIII. BOARD MEMBER COMMENTS

Board Member Touhey responded to speaker's comment regarding trip to view MAGLEV train in China and stated the trip was a joint venture with SCAG and other

valley cities and the related expenses. Touhey also commented on the Lakes property and CALTRANS condemnation.

Board Member Lee expressed his displeasure with Caltrans's actions at the last meeting and their being allowed to provide a presentation and speak for 45 minutes. Lee reminded the board members that the By-laws adopted by the board allow for a limited speaking time.

Board Member Hertzberg continued with comments regarding the presence of Caltrans at the previous meeting and his concern with the possibility of losing funding over the unresolved issues.

Board Member Gregoryk stated he would like to adhere to the speaking limitations.

Board Members continued expressing concerns regarding Caltrans presentation at the previous meeting.

IX. CLOSED SESSION No items.

X. ADJOURNMENT

Motion by Gregoryk and seconded by Sutkin to adjourn the meeting 5:30 p.m.

Submitted by

Susan Rush
Oversight Board Secretary

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
OF THE WEST COVINA REDEVELOPMENT AGENCY**

MINUTES

Special Meeting - Thursday, October 11, 2012

Audio recording of meeting is available upon request from the West Covina City Clerk's Office.

I. CALL TO ORDER:

Meeting was called to order at 4:00 p.m. by Vice Chairperson Touhey, followed by the Pledge of Allegiance.

Roll Call Vice Chairperson Touhey
Board Members Coghlan, Gregoryk, Lee

Absent: Chairperson Sutkin, Board Members Chavez, Hertzberg

Staff: City Manager/Executive Director Pasmant, Finance Director Bachman, Oversight Board Secretary Rush, Community Development Director Chung, Attorney Harper

II. CHANGES TO AGENDA No changes to the agenda.

III. PUBLIC COMMENT

Philip Moreno, West Covina resident, addressed the auditing firms cover statement of the Due Diligence Report which states the firm "did not conduct an audit ..." and inquired as to what did the firm audit.

Attorney Harper stated that the firm was required by statute and procedures set forth by the Department of Finance [agreed-upon procedures] in the manner of conducting their review, that it is not an audit of funds.

Board Member Gregoryk inquired as to whether the audit of the non-housing funds will be more thorough. Finance Director Bachman responded the review was to determine what was set forth in AB 1484, procedures were set forth by Department of Finance, State Controller's Office.

IV. BUSINESS ITEMS:

A. Due Diligence Review

Motion by Gregoryk and seconded by Lee to adopt the following resolution:

RESOLUTION NO. 0B-0016 – A RESOLUTION OF THE SUCCESSOR
AGENCY OF THE WEST COVINA REDEVELOPMENT AGENCY
APPROVING THE LOW AND MODERATE INCOME HOUSING FUND DUE
DILIGENCE REVIEW PURSUANT TO HEALTH AND SAFETY CODE

SECTION 34179.6, SUBJECT TO CERTAIN ADJUSTMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

Motion carried 4-0.

Motion by Gregoryk and seconded by Lee to also approve the following as recommended:

- Authorize the Successor Agency to delete the amount of \$1,522,889 necessary for retention to fund enforceable obligation (the amount listed on the Revised Exhibit 3 of the White Nelson Diehl Evans Report) pursuant to Health and Safety Code Sections 34179.6(c) and 34179.5(c)(5)(D) and (E)
- Authorize the Executive Director to transmit the Due Diligence Review with the adjustment to the Department of Finance and the County Auditor-Controller on behalf of the Oversight Board

Motion carried 4-0

V. BOARD MEMBER COMMENTS

No comments offered.

No items.

X. ADJOURNMENT

Motion by Gregoryk and seconded by Lee to adjourn the meeting at 4:07 p.m.

Submitted by

Susan Rush
Oversight Board Secretary

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
OF THE WEST COVINA REDEVELOPMENT AGENCY**

AGENDA REPORT
Item No. IV - B
Date: February 7, 2013

TO: Chairman and Members of the Oversight Board to the Successor Agency
of the West Covina Redevelopment Agency

FROM: Christopher J. Chung, Executive Director

BY: Thomas Bachman, Finance Director

SUBJECT: **DEPARTMENT OF FINANCE CORRESPONDENCE**

RECOMMENDED ACTION:

It is recommended that the Oversight Board to the Successor Agency of the West Covina Redevelopment Agency receive and file this report.

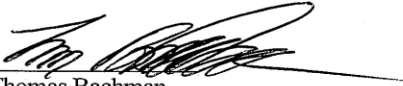
DISCUSSION:

Below (and attached) are the correspondence between the West Covina Successor Agency and the State Department of Finance.

1. 01-17-13 – Email from DOF requesting additional information re: Non-housing DDR.
2. 01-24-13 – City email response to DOF re: Non-housing DDR additional information.
3. 01-17-03 – Email from DOF requesting additional information re: Property Transfer.
4. 01-17-13 – City email response to DOF re: Property Transfer (with attachment).

Successor Agency staff will be prepared to discuss these correspondences with the board at the meeting.

Prepared By:


Thomas Bachman
Finance Director

Attachments: Correspondence #1 - 4 as noted above.

Thomas Bachman

From: Luo, Iris [Iris.Luo@dof.ca.gov]
Sent: Thursday, January 17, 2013 1:51 PM
To: Thomas Bachman
Cc: Sue Rush; Chris Chung; Denise Bates; Barr, Michael
Subject: Your Due Diligence Review recently submitted to the Department of Finance

Importance: High

Dear Mr. Bachman,

I am in the process of reviewing your Other Funds DDR. Please provide the following to me no later than **COB 1/25/2013**.

- Comprehensive Annual Financial Reports (CAFR) for FY 2012
- A Chart of Accounts (listing of all accounting funds) identifying all RDA related funds.
- Accounting Records (general ledger or trial balance) for the RDA related funds (excluding housing), showing the detail of expenditures and transfers from 1/1/11 through 6/30/11, and from 7/1/11 through 6/30/12.
- A summary of revenue by type from 7/1/11 to 6/30/12 (e.g., rental income, parking lot revenue, etc.).
- Bank Statement(s) or Fiscal Trustee Statement(s) reflecting unexpended bond proceeds balances as of 12/31/11.
- A detailed listing of the composition of non-liquid assets
- A detailed cash flow analysis showing:
 - a. The projected property tax and any other general revenues to be received by the successor agency through June 30, 2014.
 - b. The amount and timing of the successor agency's bond debt service payments through June 30, 2014.

Please confirm receipt of this email and provide an estimated time when I can expect to receive these documents. In the meantime, I am continuing to review your DDR and will notify you if other documents are necessary. If you have any questions or concerns please do not hesitate to contact me.

Iris Luo
Department of Finance
915 L Street
Sacramento, CA 95814
Phone (916) 445-1546 Ext. 3744

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 Save Paper. Think Before You Print.

Thomas Bachman

From: Thomas Bachman
Sent: Thursday, January 24, 2013 4:53 PM
To: 'Luo, Iris'
Cc: Sue Rush; Chris Chung; Denise Bates; Barr, Michael
Subject: RE: Your Due Diligence Review recently submitted to the Department of Finance
Attachments: chart of accounts.pdf; loan repayments 07-01-11 - 06-30-12.pdf; expenditures 01-01-11 - 06-30-11.pdf; expenditures 07-01-11 - 06-30-12.pdf; loan repayments 01-01-11 - 06-30-11.pdf; revenues 07-01-11 - 06-30-12.pdf; bond trustee statements 12-31-11.pdf; capital assets 06-30-12.pdf; bond debt service schedules.pdf

See responses below. Please let me know if you have further questions.

Tom Bachman
Assistant City Manager/Finance Director
(626) 939-8449

From: Luo, Iris [mailto:Iris.Luo@dof.ca.gov]
Sent: Thursday, January 17, 2013 1:51 PM
To: Thomas Bachman
Cc: Sue Rush; Chris Chung; Denise Bates; Barr, Michael
Subject: Your Due Diligence Review recently submitted to the Department of Finance
Importance: High

Dear Mr. Bachman,

I am in the process of reviewing your Other Funds DDR. Please provide the following to me no later than **COB 1/25/2013**.

- Comprehensive Annual Financial Reports (CAFR) for FY 2012 - Due to the additional requirements of preparing two Due Diligence Reviews, our auditors were not able to finish up the audit work and CAFR in our normal timeframe. We are finalizing review of the CAFR now and will provide to you once completed.
- A Chart of Accounts (listing of all accounting funds) identifying all RDA related funds. Attached (in Expenditure Summary format).
- Accounting Records (general ledger or trial balance) for the RDA related funds (excluding housing), showing the detail of expenditures and transfers from 1/1/11 through 6/30/11, and from 7/1/11 through 6/30/12. Attached (4 documents titled "loan repayments" and "expenditures").
- A summary of revenue by type from 7/1/11 to 6/30/12 (e.g., rental income, parking lot revenue, etc.). Attached (one document titled "revenues").
- Bank Statement(s) or Fiscal Trustee Statement(s) reflecting unexpended bond proceeds balances as of 12/31/11. Attached (one document titled "bond trustee statements").
- A detailed listing of the composition of non-liquid assets Attached (one document titled "capital assets"). The remaining non-liquid assets are described as follows:
 - Fair market value adjustment of \$36,464 adjusts the cost value of investments to market value of investments.

- Prepaid costs of \$5,480 consist of \$3,300 for Trustee fees for FY 2012/13 and \$2,180 for disclosure and reporting administrative fees for the Community Facilities District ("CFD") for July - Sept. 2012.
- Assessments receivable \$34,290,000 represent the estimated future special tax assessments to be levied on the CFD and which will be used to fund a portion of the debt service on the CFD bonds. This amount is offset by a deferred revenue on the balance sheet of the Successor Agency.
- The notes receivable of \$14,671,967 consists of:
 - \$10,229,768 of court judgment awards against Hassan Imports Partnership and interest thereon through June 30, 2012
 - \$1,401,506 of judgments on a related matter and interest through June 30, 2012
 - \$1,997,861 of sales tax guaranty shortfall amounts owed by Hassan Imports Partnership
 - \$1,042,832 for a delinquent auto dealership loan
 - All of the receivables have been offset by an allowance for uncollectable notes.
 - The land held for resale of \$67,040 represents the historical allocated costs to a remnant parcel purchased by the former redevelopment agency and still retained by the agency.
- A detailed cash flow analysis showing:
 - a. The projected property tax and any other general revenues to be received by the successor agency through June 30, 2014.
 - The property tax and administrative allowance to be received will be determined by DOF in an amount sufficient to fund whatever obligations the deem enforceable.
 - We estimate receiving \$60,000 annually in interest income and \$50,000 in rental income.
 - Any revenues received by the CFD (sales tax, property tax, special assessment, interest) are generated through specific formulas and are contractually obligated to repayment of outstanding bonds and developer advances.
 - b. The amount and timing of the successor agency's bond debt service payments through June 30, 2014. Attached (one document titled "bond debt service schedule"). The 1988 and 1999 bonds have variable rate interest which is paid monthly and is estimated for purposes of these schedules.

Please confirm receipt of this email and provide an estimated time when I can expect to receive these documents. In the meantime, I am continuing to review your DDR and will notify you if other documents are necessary. If you have any questions or concerns please do not hesitate to contact me.

Iris Luo

Department of Finance

915 L Street

Sacramento, CA 95814

Phone (916) 445-1546 Ext. 3744

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Thomas Bachman

Subject: FW: West Covina Oversight Board resolution approving transfer of assets to City - Resolution No. OB 0020

From: Yip, Jessica [mailto:Jessica.Yip@dof.ca.gov]

Sent: Thursday, January 17, 2013 1:52 PM

To: Sue Rush

Cc: Barr, Michael

Subject: West Covina Oversight Board resolution approving transfer of assets to City - Resolution No. OB 0020

Hello Sue,

I am reviewing the OB resolution and am wondering what exactly is the real property being transferred. Is it the shopping center? If not, please provide the specifics and nature of the real property.

Thank you.

Jessica Yip, Analyst
Department of Finance, Local Government Unit
(916) 445-1546 ext. 3723

Thomas Bachman

Subject: FW: West Covina Oversight Board resolution approving transfer of assets to City - Resolution No. OB 0020
Attachments: ParkwayPP(1).pdf

From: Chris Chung
Sent: Thursday, January 17, 2013 2:25 PM
To: Yip, Jessica
Cc: Barr, Michael; Thomas Bachman; Sue Rush
Subject: RE: West Covina Oversight Board resolution approving transfer of assets to City - Resolution No. OB 0020

Please find power point which should also help. In essence, it is landscaping, sidewalk, curb and gutter which has several easements.

From: Sue Rush
Sent: Thursday, January 17, 2013 1:55 PM
To: Yip, Jessica
Cc: Barr, Michael; Chris Chung; Thomas Bachman
Subject: RE: West Covina Oversight Board resolution approving transfer of assets to City - Resolution No. OB 0020

Hi Jessica,

I have attached the staff report which should detail the property. Please let me know if you need anything else.

Sue Rush
Assistant City Clerk
City of West Covina
1444 W. Garvey Avenue
West Covina, CA 91790
626-939-8433 Office
626-939-8682 Fax

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From: Yip, Jessica [<mailto:Jessica.Yip@dof.ca.gov>]
Sent: Thursday, January 17, 2013 1:52 PM
To: Sue Rush
Cc: Barr, Michael
Subject: West Covina Oversight Board resolution approving transfer of assets to City - Resolution No. OB 0020

Hello Sue,

I am reviewing the OB resolution and am wondering what exactly is the real property being transferred. Is it the shopping center? If not, please provide the specifics and nature of the real property.

Thank you.

Jessica Yip, Analyst
Department of Finance, Local Government Unit
(916) 445-1546 ext. 3723

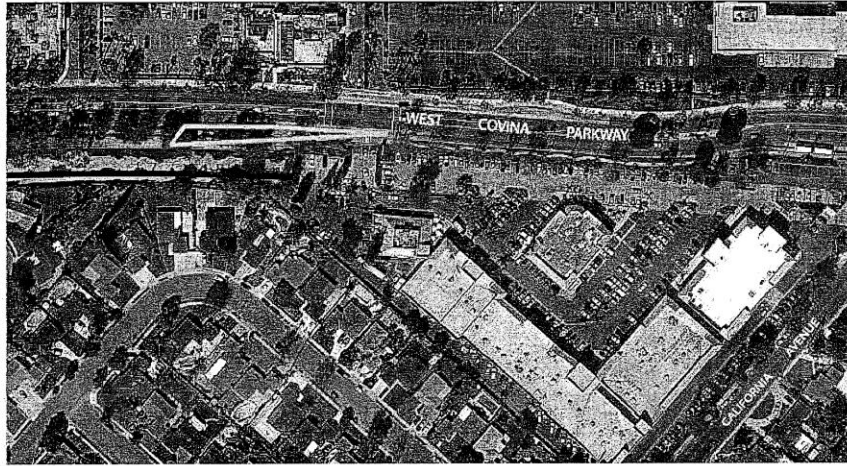
The City of West Covina
Successor Agency
to the
West Covina Redevelopment Agency

Transfer of Assets

January 10, 2013



West Covina Parkway

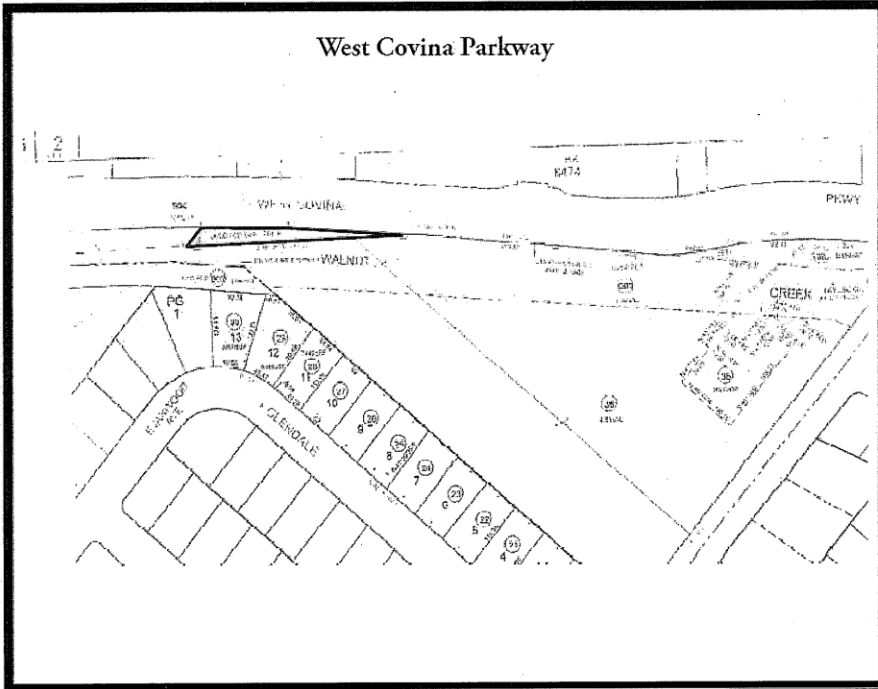


PARCEL OWNED BY REDEVELOPMENT AGENCY

| | | | |
|--------------|---------|--------|-------|
| APN: | ZONING: | USE: | SF: |
| 8473-002-904 | WCCR | PUBLIC | 5,856 |

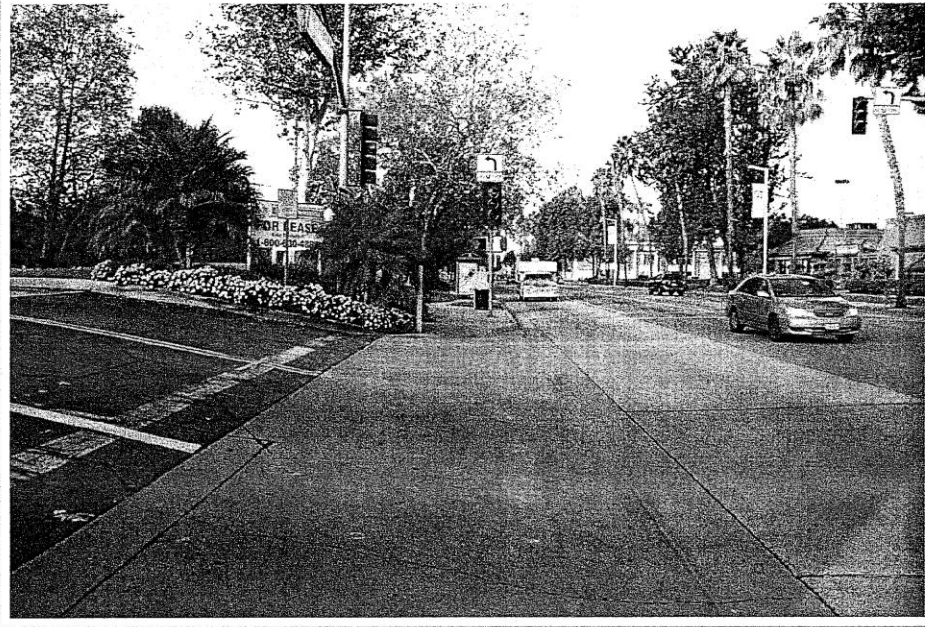


West Covina Parkway



Parkway Plaza

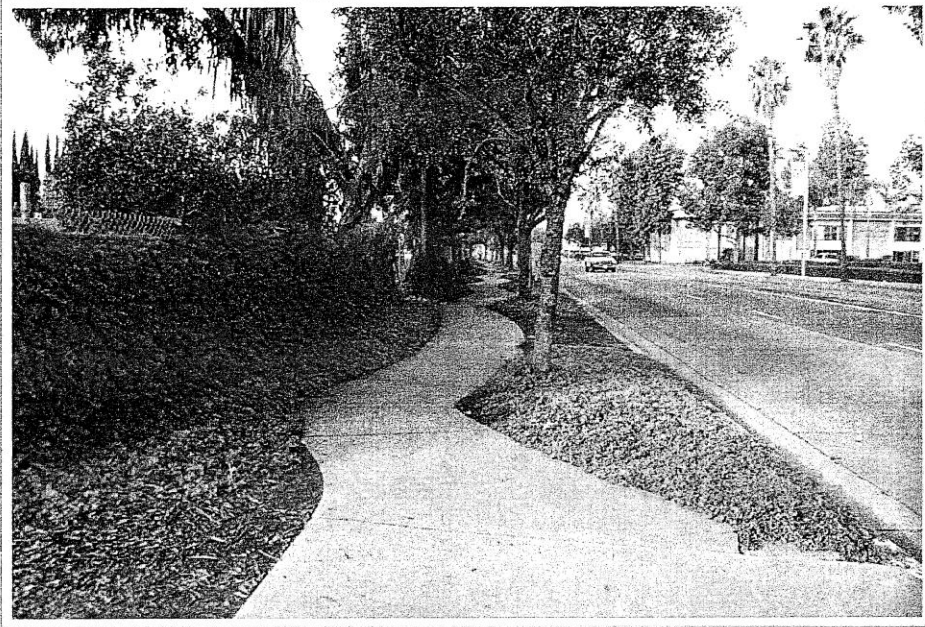
- The parcel is currently being utilized as a meandering, public sidewalk with landscaping.
- The parcel also provides access to the Los Angeles County Flood Control and to the Parkway Plaza Shopping Center.
- The parcel has recorded easements for ingress and egress (shopping center), Edison and LA County Flood Control easements.
- It is not clear how or why the former redevelopment agency become ownership of the parcel.
- The parcel should have been transferred to the City just based on its use as a sidewalk.



West View



West View



West View



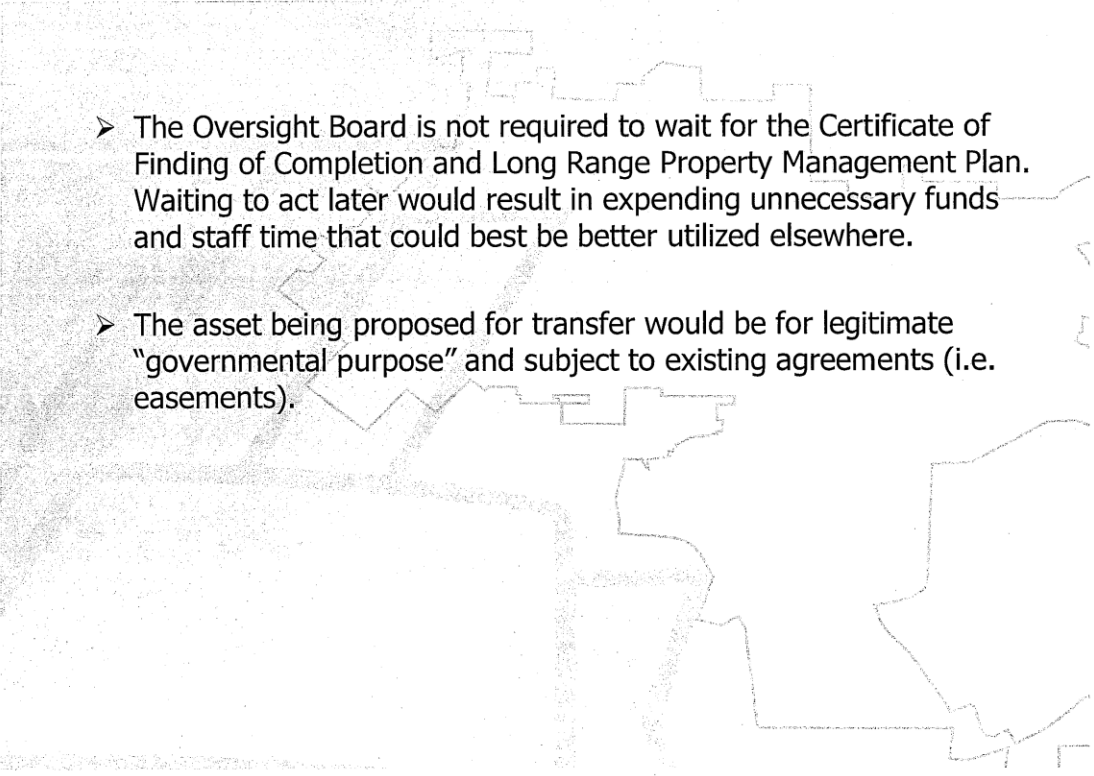
West View

Staff is recommending the transfer of one (1) parcel of land to the City of West Covina based on the following:

1. The use of the one parcel is for public sidewalk and landscaping.
2. The parcel is subject to Edison easements and Los Angeles County Flood Control for waterway and access.
4. Public sidewalk is a "*governmental purpose*," similar to roads.
5. The City of West Covina is the appropriate public jurisdiction to continue the intended goal of providing free public sidewalk and already owns a majority of sidewalk in the City, especially along West Covina Parkway.
5. Such transfer would be in compliance with sections 34177 (e) and 34181 (a) of the Health and Safety Code.

Conclusion

- The Successor Agency is charged with expeditiously winding down the affairs of the redevelopment agency pursuant to Section 34177 (h) and in accordance with the direction of the oversight board. The transfer of assets would assist in expediting the winding down of the affairs of the former redevelopment agency and fulfills the primary fundamental goal set by the State of California.
- The Oversight Board would be following the appropriate process established by the Department of Finance that the Oversight Board should consider the approval/direction of transfer of assets for "Governmental Purpose" prior to the Finding of Completion and the Long Range Property Management Plan. Upon review, if DOF does not approve the transfer of asset for governmental purpose, the retained asset would be included within the Long Range Property Management Plan.

- 
- The Oversight Board is not required to wait for the Certificate of Finding of Completion and Long Range Property Management Plan. Waiting to act later would result in expending unnecessary funds and staff time that could best be better utilized elsewhere.
 - The asset being proposed for transfer would be for legitimate "governmental purpose" and subject to existing agreements (i.e. easements).

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
OF THE WEST COVINA REDEVELOPMENT AGENCY**

AGENDA REPORT

Item No. V - A

Date: February 7, 2013

TO: Chairman and Members of the Oversight Board to the Successor Agency
of the West Covina Redevelopment Agency

FROM: Christopher J. Chung, Executive Director

BY: Thomas Bachman, Finance Director

**SUBJECT: CONSIDERATION OF THE SCHEDULE OF
DISTRIBUTION OF FUTURE TAX REVENUES (ALSO
KNOWN AS RECOGNIZED OBLIGATION PAYMENT
SCHEDULES "ROPS") AND SUCCESSOR AGENCY
ADMINISTRATIVE BUDGET COVERING THE PERIOD OF
JULY 1, 2013 THROUGH DECEMBER 31, 2013.**

RECOMMENDATION:

It is recommended that the Oversight Board review and approve Resolution No. OB-0022 (Attachment No. 1), approving the Schedules of Distribution of Future Tax Revenues (also known as the Recognized Obligation Payment Schedules "ROPS") and the Successor Agency Administrative Budget for the period July 1, 2013 through December 31, 2013.

PURPOSE:

Assembly Bills 1X 26 ("AB 26") and 1484 ("AB 1484") require the preparation of a Schedules of Distribution of Future Tax Revenues also known as the Recognized Obligation Payment Schedules (ROPS) for a six (6) month period. Included within the ROPS is the Successor Agency Administrative Budget for the same six-month period. The ROPS lists enforceable obligations of the Successor Agency and must be approved by the Oversight Board, and thereafter submitted to the Los Angeles County Auditor Controller, the State Controller and the State Department of Finance (DOF) by March 1, 2013.

DISCUSSION:

The CDC Staff will provide an overview of the ROPS, which includes the Successor Agency Administrative Budget of \$240,539 covering the period of July 1, 2013 through December 31, 2013. As the wind down process of the redevelopment agencies has evolved over the last year, so has the reporting process for enforceable obligations. DOF has continually made changes to the reporting format and this submittal contains the latest version. It has a new naming convention, this one is 13-14A, which reflects the first six months of

the 2013-14 fiscal year and the January 2014 through June 2014 will be named 13-14B. This form is also pre-populated by DOF, which means that all items on ROPS 3 (January 2013 – June 2013) are still included on this form, whether they were approved or not. If they were not approved by DOF, such as the City loans (Items 23 – 26), they are listed on this ROPS with no amounts associated with them. They are notated on the Notes Worksheet with a pending Finding of Completion status and the total amount outstanding.


Following this new format, items 1 – 44 are exactly the same as was presented on ROPS 3, except items that were denied by DOF do not have amounts listed. Items 45 – 55 are additions to what was previously submitted. Items 45 – 48 are ongoing bond administrative costs that were previously included with the debt service payments on lines 1 – 5. Item 49 pertains to ongoing litigation related to a slope failure at the former BKK landfill site. Items 50 and 51 represent unfunded pension obligations and other retirement benefits for former redevelopment agency employees.

Item 52 is the reconciliation amount from ROPS 1 listed on ROPS 3 that was withheld by the County from the City's ROPS 3 payment. This \$1,453,446 amount is not seeking RPTTF funds but rather seeking to use reserve funds on hand with the Successor Agency. This amount was also listed on the Non-housing DDR as a cash balance that needed to be retained to satisfy ROPS in the current fiscal year.

Item 53 is for outstanding pass through obligations to other taxing entities from the former redevelopment agency. Item 54 is for the retention of a consultant to assist in the ROPS process and with the property management plan. Item 55 is for future contractual obligations related to the closure of the former BKK landfill. There is no funds requested on this ROPS for this item.

The total amount of RPTTF funding requested for enforceable obligations on this ROPS is \$7,279,803. The administrative allowance at 3% of RPTTF funding is \$212,033. Any administrative costs above this amount would be bourn by the City. Finally, this ROPS requested the retention of \$1,453,446 of cash balances on hand for payment of ROPS 3 enforceable obligations.

Prepared By:


Thomas Bachman
Finance Director

Attachments: Attachment No. 1 – Resolution OB-0011
Exhibit A - ROPS July 1, 2013 to December 31, 2013
Exhibit B - Administrative Budget for July 1, 2013 to December 31, 2013

RESOLUTION NO. OB-0022

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY FOR THE WEST COVINA REDEVELOPMENT AGENCY APPROVING A SCHEDULES OF DISTRIBUTION OF FUTURE TAX REVENUES, ALSO KNOWN AS THE RECOGNIZED OBLIGATION PAYMENT SCHEDULES (ROPS) AND RELATED ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2013 AND ENDING DECEMBER 31, 2013, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, Health and Safety Code Section 34177 provides that before each six-month fiscal period, successor agencies to former redevelopment agencies must prepare a Schedules of Distribution of Future Tax Revenues also known as the Recognized Obligation Payment Schedules ("ROPS") for the enforceable obligations of the former redevelopment agency in accordance with the requirements of Section 34177;

WHEREAS, California Health and Safety Code Section 34177(j)(1) provides that a successor agency must prepare an administrative budget for every six-month fiscal period;

WHEREAS, the ROPS identifies each enforceable obligation on which payments will be required during the period of July 1, 2013 through December 31, 2013 and identifies the minimum payment amounts and due dates of payments required by each such enforceable obligation.

WHEREAS, the Oversight Board to the Successor Agency for the West Covina Redevelopment Agency desires to adopt this Resolution approving a ROPS and related Administrative Budget in accordance with Health and Safety Code Section 34177 for the six-month fiscal period that commences on July 1, 2013 and ends on December 31, 2013.

NOW, THEREFORE, the Oversight Board to the Successor Agency of the West Covina Redevelopment Agency hereby resolves:

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 34177.

SECTION 3. The Board hereby approves the ROPS substantially in the form attached as Exhibit A and Administrative Budget substantially in the form attached as Exhibit B to this Resolution and incorporated herein by reference. The Executive Director of the Successor Agency, in consultation with the Successor Agency's legal counsel, may modify the ROPS and Administrative Budget as the Executive Director or the Successor Agency's legal counsel deems necessary or advisable.

SECTION 4. The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including, but not limited to, submitting the ROPS and Administrative Budget to the State Department of Finance, the State Controllers Office and the County Auditor-Controller and posting the ROPS and Administrative Budget on the City website, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

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

APPROVED AND ADOPTED on this 7th day of February, 2013.

Carrie A. Sutkin, Chairperson
Oversight Board to the Successor Agency
of the West Covina Redevelopment Agency

ATTEST

Susan Rush, Secretary
Oversight Board to the Successor Agency
of the West Covina Redevelopment Agency

I HEREBY CERTIFY that the foregoing resolution was duly adopted by the by the Oversight Board to the Successor Agency of the West Covina Redevelopment Agency at its regular meeting held on the 7th day of February by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Susan Rush, Secretary
Oversight Board to the Successor Agency
of the West Covina Redevelopment Agency

EXHIBIT A

ROPS

(July 1, 2013 through December 31, 2013)

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Filed for the July 1, 2013 to December 31, 2013 Period

Name of Successor Agency: WEST COVINA (LOS ANGELES)

| <u>Outstanding Debt or Obligation</u> | Total |
|---|-----------------|
| Total Outstanding Debt or Obligation | \$313,066,621 |
| | |
| <u>Current Period Outstanding Debt or Obligation</u> | Six-Month Total |
| A Available Revenues Other Than Anticipated RPTTF Funding | \$5,636,746 |
| B Enforceable Obligations Funded with RPTTF | \$7,067,770 |
| C Administrative Allowance Funded with RPTTF | \$212,033 |
| D Total RPTTF Funded (B + C = D) | \$7,279,803 |
| E Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i> | \$12,916,549 |
| F Enter Total Six-Month Anticipated RPTTF Funding | \$7,279,803 |
| G Variance (F - D = G) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i> | \$0 |
| | |
| <u>Prior Period (July 1, 2012 through December 31, 2012) Estimated vs. Actual Payments</u> (as required in HSC section 34186 (a)) | |
| H Enter Estimated Obligations Funded by RPTTF (<i>lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed</i>) | \$5,616,065 |
| I Enter Actual Obligations Paid with RPTTF | \$4,795,449 |
| J Enter Actual Administrative Expenses Paid with RPTTF | \$241,173 |
| K Adjustment to Redevelopment Obligation Retirement Fund (H - (I + J) = K) | \$579,443 |
| L Adjustment to RPTTF (D - K = L) | \$6,700,360 |

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

WEST COVINA (LOS ANGELES)
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS IS-14A)
 July 1, 2013 through December 31, 2013

Overight Board Approval Date: _____

| Item # | Project Name / Debt Obligation | Contract/Agreement Execution Date | Contract/Agreement Termination Date | Payee | Description/Project Scope | Project Area | Total Outstanding Debt or Obligation | Total Due During Fiscal Year 2013-14 | Funding Source | | | | | Six-Month Total |
|--------|--|-----------------------------------|-------------------------------------|----------------------------|---|----------------|--------------------------------------|--------------------------------------|----------------|-----------------|-----------------|-----------|-------|-----------------|
| | | | | | | | | | Bond Proceeds | Reserve Balance | Admin Allowance | PTTT | Other | |
| 1 | 1989 Tax Allocation Bonds | 11/7/1989 | 11/7/2009 | US Bank | Fund capital projects in Merged Area | Merged | 4,998,083 | 154,400 | 0 | 0 | 0 | 7,200 | 0 | 7,200 |
| 2 | 2000 Tax Allocation Bonds | 6/1/2000 | 6/1/2013 | US Bank | Refund outstanding 1993 bonds | Merged | 11,344,574 | 863,110 | 0 | 0 | 0 | 746,394 | 0 | 746,394 |
| 3 | 2006 Lease Revenues Bonds | 9/19/2006 | 6/1/2036 | City of West Covina | Reimburses City for BLD Debt Service | Merged/Outside | 28,555,749 | 1,135,196 | 0 | 0 | 0 | 567,588 | 0 | 567,588 |
| 4 | 1988 Housing Set Aside Bonds | 4/2/1988 | 9/3/2015 | US Bank | Acquisition and rehab of a housing pool | Merged | 5,423,816 | 432,882 | 0 | 0 | 0 | 338,679 | 0 | 338,679 |
| 5 | 2005 Housing Set Aside Bonds | 12/1/2005 | 5/3/2050 | US Bank | Development of a senior housing unit | Merged | 10,596,627 | 770,195 | 0 | 0 | 0 | 595,718 | 0 | 595,718 |
| 6 | SEMAP 2010 Housing Loan | 2/16/2010 | 6/30/2015 | Housing Successor Agency | Repay SEMAP to the housing fund | Merged | 4,894,981 | 1,632,138 | 0 | 0 | 0 | 816,164 | 0 | 816,164 |
| 7 | SEMAP 2011 Housing Loan | 12/16/2011 | 6/30/2016 | Housing Successor Agency | Repay SEMAP to the housing fund | Merged | 1,076,381 | 268,554 | 0 | 0 | 0 | 134,287 | 0 | 134,287 |
| 8 | DOCA - Tax Loans | 6/26/1987 | 6/30/2018 | Caltrans District 10 | Allocated bond costs & interest for park structure | Merged | 1,380,000 | 250,000 | 0 | 0 | 0 | 150,000 | 0 | 150,000 |
| 9 | CFD Tax Increment Pledge | 6/26/1989 | 9/3/2012 | Fashion Plaza CFD | Tax increment pledged Re CFD | Merged | 14,427,095 | 1,495,000 | 0 | 0 | 0 | 725,000 | 0 | 725,000 |
| 10 | CFD - CFD | 10/23/2004 | 10/23/2004 | Coast Sage South CFD | CFD Assessment | Merged | 4,684,058 | 74,831 | 0 | 0 | 0 | 37,418 | 0 | 37,418 |
| 11 | Revery County Loan | 6/28/1990 | 6/30/2021 | County of Los Angeles | Repay Loan of Deferred Tax Increment | Merged | 12,171,800 | 1,864,844 | 0 | 0 | 0 | 1,864,844 | 0 | 1,864,844 |
| 12 | LA Administrative Budget | | | LA staff, various | Operations for both project areas | Merged | 18,520,309 | 484,861 | 0 | 0 | 212,019 | 0 | 0 | 212,019 |
| 13 | City Cooperative Agreement | | | City of West Covina | Manufacturing of approved SA expenses | Merged | 900,000 | 150,000 | 0 | 0 | 0 | 75,000 | 0 | 75,000 |
| 14 | Anticipated/Existing Litigation | 3/16/2008 | | Squire Sanders & Dempsey | Enforcement of judgments/obligations | Merged | 2,400,000 | 1,200,000 | 0 | 0 | 0 | 600,000 | 0 | 600,000 |
| 15 | Anticipated/Existing Litigation | | | Alvarez-Gilman Colvin | Enforcement of judgments/obligations | Merged | 340,000 | 120,000 | 0 | 0 | 0 | 60,000 | 0 | 60,000 |
| 16 | Anticipated/Existing Litigation | | | Eminent Domain Law Group | ADA property litigation | Merged | 300,000 | 100,000 | 0 | 0 | 0 | 50,000 | 0 | 50,000 |
| 17 | Anticipated/Existing Litigation | | | Hurtaker Goldstein | ADA property litigation | Merged | 100,000 | 50,000 | 0 | 0 | 0 | 25,000 | 0 | 25,000 |
| 18 | Project Administrative Costs | | | Various | Project specific related costs | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 | AB 1484 Auditing Fees | | | White Nelson Dehti Evans | AB 1484 Auditing Fees | Merged | 262,500 | 15,000 | 0 | 0 | 0 | 15,000 | 0 | 15,000 |
| 20 | Overnight Board Legal Services | | | TBD | Overnight Board Legal Services | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21 | Successor Agency Legal Services | | | Alvarez-Gilman Colvin | Successor Agency Legal Services | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 22 | Property Management Plan | | | TBD | Long Range Property Management Plan per AB 1484 | Merged | 300,000 | 300,000 | 0 | 0 | 0 | 300,000 | 0 | 300,000 |
| 23 | City Noise Administration | 6/19/1978 | 6/30/2025 | City of West Covina | Repay City for noise construction | Merged | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 1,000,000 | 0 | 1,000,000 |
| 24 | City Noise CAP | 2/28/1978 | 6/30/2025 | City of West Covina | Repay City for capital projects | Merged | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 1,000,000 | 0 | 1,000,000 |
| 25 | City Noise Recording | 12/28/2005 | 6/30/2025 | City of West Covina | Repay City for recording credits | Merged | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 1,000,000 | 0 | 1,000,000 |
| 26 | City Noise Enforcement | 7/25/2005 | 6/30/2025 | City of West Covina | Repay City for noise enforcement | Merged | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 1,000,000 | 0 | 1,000,000 |
| 27 | South Coast Agreements | 6/21/2001 | 6/30/2025 | Various | South Coast Agreements | Merged | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 1,000,000 | 0 | 1,000,000 |
| 28 | 1998 CFD Refunding Bonds | 7/1/1998 | 9/1/2012 | US Bank | Refund function phase improvements | Merged | 43,711,800 | 3,944,350 | 0 | 0 | 0 | 3,038,600 | 0 | 3,038,600 |
| 29 | 1998 Lease Refunding Bonds | 8/21/1998 | 8/21/2018 | Wells Fargo Bank | Fund Lease Refunding Project | Merged | 3,811,000 | 539,900 | 0 | 0 | 0 | 503,300 | 0 | 503,300 |
| 30 | CPA - CFD | 6/26/1989 | 9/2/2022 | Westfield Corporation | CPD admin and developer repayment | Merged | 95,123,669 | 650,000 | 0 | 0 | 0 | 650,000 | 0 | 650,000 |
| 31 | Anticipated/Existing Litigation | 8/26/2006 | | Squire Sanders & Dempsey | Enforcement of judgments/obligations Feb-Jun 2012 | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32 | Anticipated/Existing Litigation | 8/26/2006 | | Squire Sanders & Dempsey | Enforcement of judgments/obligations Jul-Dec 2012 | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | Anticipated/Existing Litigation | 8/26/2006 | | Alvarez-Gilman Colvin | Enforcement of judgments/obligations Feb-Jun 2012 | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 34 | Anticipated/Existing Litigation | 9/28/2006 | | Alvarez-Gilman Colvin | Enforcement of judgments/obligations Jul-Dec 2012 | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35 | Anticipated/Existing Litigation | | | Eminent Domain Law Group | ADA property litigation Feb-Jun 2012 | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 36 | Anticipated/Existing Litigation | | | Eminent Domain Law Group | ADA property litigation Jul-Dec 2012 | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 37 | Anticipated/Existing Litigation | | | Hurtaker Goldstein | ADA property litigation Feb-Jun 2012 | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38 | Anticipated/Existing Litigation | | | Hurtaker Goldstein | ADA property litigation Jul-Dec 2012 | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 39 | Successor Agency Legal Services | | | Alvarez-Gilman Colvin | Successor Agency Legal Services Feb-Jun 2012 | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40 | Successor Agency Legal Services | | | Alvarez-Gilman Colvin | Successor Agency Legal Services Jul-Dec 2012 | Merged | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 41 | City Noise Administration | 6/19/1978 | 6/30/2025 | City of West Covina | Repay City for noise construction | Merged | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 1,000,000 | 0 | 1,000,000 |
| 42 | City Noise CAP | 2/28/1978 | 6/30/2025 | City of West Covina | Repay City for capital projects | Merged | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 1,000,000 | 0 | 1,000,000 |
| 43 | City Noise Recording | 12/28/2005 | 6/30/2025 | City of West Covina | Repay City for recording credits | Merged | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 1,000,000 | 0 | 1,000,000 |
| 44 | City Noise Enforcement | 7/25/2005 | 6/30/2025 | City of West Covina | Repay City for noise enforcement | Merged | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 1,000,000 | 0 | 1,000,000 |
| 45 | 1998 - 2006 Bonds | Per bond documents | Individual bond dates | US Bank | Bond Fiscal Agent Fees | Merged | 16,000 | 0 | 0 | 0 | 0 | 7,500 | 0 | 7,500 |
| 46 | 1998 - 2006 Bonds | Per bond documents | Individual bond dates | Wells Fargo Bank | Bond Letter of Credit Fees | Merged | 58,300 | 0 | 0 | 0 | 0 | 30,000 | 0 | 30,000 |
| 47 | 1998 - 2006 Bonds | Per bond documents | Individual bond dates | Wells Fargo Bank | Bond Remarketing Fees | Merged | 4,800 | 0 | 0 | 0 | 0 | 2,400 | 0 | 2,400 |
| 48 | 1998 - 2006 Bonds | Per bond documents | Individual bond dates | Standard and Poor's | Bond Credit Agency Surveillance Fees | Merged | 3,000 | 0 | 0 | 0 | 0 | 2,000 | 0 | 2,000 |
| 49 | Anticipated/Existing Litigation | | | Law Office of Robert Cooke | Risk property litigation - Risk note future | Merged | 375,000 | 300,000 | 0 | 0 | 0 | 300,000 | 0 | 300,000 |
| 50 | Unfunded Pension Obligations | ongoing | | CalPERS | Payment for unfunded pension obligations | Merged | 1,341,967 | 88,464 | 0 | 0 | 0 | 44,732 | 0 | 44,732 |
| 51 | Retirement Benefits | ongoing | | Farmers Annuity | Payment for retirement obligations | Merged | 1,937,234 | 25,524 | 0 | 0 | 0 | 12,961 | 0 | 12,961 |
| 52 | ROP's ROP Reserve | | | City of West Covina | Adjustments to Redesignated Obligation Retirement Fund | Merged | 1,453,446 | 1,453,446 | 0 | 1,453,446 | 0 | 0 | 0 | 1,453,446 |
| 53 | Outstanding PAs Through Obligations | | | Various lending entities | Outstanding PAs Through Obligations to lending entities | Merged | 168,682 | 168,682 | 0 | 0 | 0 | 168,682 | 0 | 168,682 |
| 54 | Contractual Services ROP's Property Plan | | | Consultants and firms | Consultant for ROP's and property management plan | Merged | 31,000 | 36,000 | 0 | 0 | 0 | 18,000 | 0 | 18,000 |
| 55 | BLD Landfill Closure Agreements | | | Various | Landfill closure mitigation to approved recreation use | Merged | 45,378,311 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

WEST COVINA (LOS ANGELES)
 Pursuant to Health and Safety Code section 86309 (4)
 FIRE PREVENTION ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) II
 July 1, 2012 through December 31, 2012

| Item # | Project Name / Debt Obligation | Payee | Description/Project Scope | Project Area | 2012 | | Bond Proceeds | | Reserve Balances | | Admin Allowance | | RPFF | | Other | Actual |
|--------|--------------------------------|---------------------|---|--------------|----------|--------|---------------|--------|------------------|--------|-----------------|------------|------------|--------|-------|-------------|
| | | | | | Estimate | Actual | Estimate | Actual | Estimate | Actual | Estimate | Actual | Estimate | Actual | | |
| | | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1 | 1996 Tax Allocation Bonds | US Bank | Plant capital projects in West Covina | Merged | | | | | | | | 55,374,853 | 54,755,449 | | | \$1,618,700 |
| 2 | 2006 Tax Allocation Bonds | US Bank | Plant capital projects, 2010 bonds | Merged | | | | | | | | 171,650 | 157,599 | | | 2,794,700 |
| 3 | 1996 CIP Parking Bonds | US Bank | Plant Parking Facilities | Merged | | | | | | | | 781,281 | 761,188 | | | |
| 4 | 1996 CIP Parking Bonds | US Bank | Plant Parking Facilities | Merged | | | | | | | | 0 | 0 | | | |
| 5 | 1996 Lease Rev Bonds | City of West Covina | Firehouse City for B/D Debt Service | Merged | | | | | | | | 491,749 | 0 | | | |
| 6 | 1996 Lease Rev Bonds | City of West Covina | Firehouse City for B/D Debt Service | Merged | | | | | | | | 593,455 | 563,500 | | | |
| 7 | 1997 Housing Loan | US Bank | Acquisition and purchase of a residential | Merged | | | | | | | | 361,278 | 296,149 | | | |
| 8 | 1997 Housing Loan | US Bank | Development of a senior housing unit | Merged | | | | | | | | 361,277 | 291,747 | | | |
| 9 | 1997 Housing Loan | US Bank | Development of a senior housing unit | Merged | | | | | | | | 505,584 | 418,184 | | | |
| 10 | 1997 Housing Loan | US Bank | Development of a senior housing unit | Merged | | | | | | | | 131,207 | 118,297 | | | |
| 11 | 1997 Housing Loan | US Bank | Development of a senior housing unit | Merged | | | | | | | | 130,800 | 118,207 | | | |
| 12 | 1997 Housing Loan | US Bank | Development of a senior housing unit | Merged | | | | | | | | 0 | 0 | | | |
| 13 | 1997 Housing Loan | US Bank | Development of a senior housing unit | Merged | | | | | | | | 0 | 0 | | | 883,000 |
| 14 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 15 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 16 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 17 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 18 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 19 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 20 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 21 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 22 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 23 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 24 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 25 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 26 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 27 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 28 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 29 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 30 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 31 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 32 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 33 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 34 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 35 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 36 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 37 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 38 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 39 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 40 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 41 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 42 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 43 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 44 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 45 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 46 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 47 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 48 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 49 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |
| 50 | 1997 Tax Incremental Finance | West Covina | Tax Incremental Finance | Merged | | | | | | | | 0 | 0 | | | |

WEST COVINA (LOS ANGELES)
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-14A) -- Notes (Optional)
 July 1, 2013 through December 31, 2013

| Item # | Project Name / Debt Obligation | Notes/Comments |
|--------|---------------------------------|--|
| 1 | 1999 Tax Allocation Bonds | |
| 2 | 2002 Tax Allocation Bonds | |
| 3 | 2005 Lease Revenues Bonds | |
| 4 | 1998 Housing Set Aside Bonds | |
| 5 | 2001 Housing Set Aside Bonds | |
| 6 | SERAF 2010 Housing Loan | |
| 7 | SERAF 2011 Housing Loan | |
| 8 | DDA - The Lakes | |
| 9 | CFD Tax Increment Pledge | |
| 10 | CSS - CFD | |
| 11 | Repay County Loan | |
| 12 | SA Administrative Budget | |
| 13 | City Cooperative Agreement | |
| 14 | Anticipated/Existing Litigation | |
| 15 | Anticipated/Existing Litigation | |
| 16 | Anticipated/Existing Litigation | |
| 17 | Anticipated/Existing Litigation | |
| 18 | Project Administrative Costs | |
| 19 | AB 1484 Auditing Fees | |
| 20 | Oversight Board Legal Services | |
| 21 | Successor Agency Legal Services | |
| 22 | Property Management Plan | |
| 23 | City Note - Administration | Pending Finding of Completion. Amount outstanding \$12,859,463 |
| 24 | City Note - CIP | Pending Finding of Completion. Amount outstanding \$ 2,252,898 |
| 25 | City Note Revolving | Pending Finding of Completion. Amount outstanding \$ 4,824,791 |
| 26 | Sales Tax Reimbursement | |
| 27 | Golf Course Agreement | Pending Finding of Completion. Amount outstanding \$22,856,769 |
| 28 | 1996 CFD Refunding Bonds | |
| 29 | 1988 Lease Rev Refunding Bonds | |
| 30 | OPA - CFD | |
| 31 | Anticipated/Existing Litigation | |
| 32 | Anticipated/Existing Litigation | |
| 33 | Anticipated/Existing Litigation | |
| 34 | Anticipated/Existing Litigation | |
| 35 | Anticipated/Existing Litigation | |
| 36 | Anticipated/Existing Litigation | |
| 37 | Anticipated/Existing Litigation | |
| 38 | Anticipated/Existing Litigation | |
| 39 | Successor Agency Legal Services | |
| 40 | Successor Agency Legal Services | |

WEST COVINA (LOS ANGELES)
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-14A) -- Notes (Optional)
 July 1, 2013 through December 31, 2013

| Item # | Project Name / Debt Obligation | Notes/Comments |
|--------|---|--|
| 41 | City Note - Administration | |
| 42 | City Note - Administration | |
| 43 | City Note - CIP | |
| 44 | City Note - CIP | |
| 45 | 1998 - 2006 Bonds | Fiscal Agent Fees for multiple bonds approved as enforceable obligations. Amounts previously included with individual bond issue on lines 1,2,4, & 5. |
| 46 | 1998 - 2006 Bonds | Letter of Credit Fees for 1999 bonds approved as enforceable obligation. Amounts previously included with individual bond issue on line 1. |
| 47 | 1998 - 2006 Bonds | Remarketing Fees for 1999 bonds approved as enforceable obligation. Amounts previously included with individual bond issue on line 1. |
| 48 | 1998 - 2006 Bonds | Rating Agency Fees for 1999 bonds approved as enforceable obligation. Amounts previously included with individual bond issue on line 1. |
| 49 | Anticipated/Existing Litigation | Litigation costs related to slope failures caused by construction defects on a detention basin on land owned by the former redevelopment agency at the BKK Landfill site. |
| 50 | Unfunded Pension Liabilities | Liability for unfunded pension obligations of former redevelopment agency employees |
| 51 | Retirement Benefits | Liability for unfunded retirement obligations of former redevelopment agency employee |
| 52 | ROPS 1 RORF Reserve | Amount deducted as the adjustment to the ROPS 3 funding for the ROPS 1 period. This amount was also listed on the Non-housing DDR as an amount that must be retained by the Successor Agency in order to pay ROPS 3 enforceable obligations. |
| 53 | Outstanding Pass Through Obligations | These are outstanding pass through obligations to other taxing entities for periods that occurred prior to June 30, 2011. |
| 54 | Contractual Services ROPS/Property Plan | Consultant to assist the Successor Agency with the ROPS and Property Management Plan processes. |
| 55 | BKK Landfill Closure Agreements | Future services to perform the contractual obligations of the Successor Agency in relation to closing the BKK Landfill. |

EXHIBIT B

**ADMINISTRATIVE BUDGET
(July 1, 2013 through December 31, 2013)**

**Successor Agency to the West Covina Redevelopment Agency Administrative Budget
Used for Jan. - June 2013 ROPS**

**Successor Agency to the West Covina Redevelopment
Agency
Administrative Budget
Used for July-Dec 2013 ROPS**

| | Annual Amount | July-Dec 2013 |
|---------------------|------------------|------------------|
| Salaries & Benefits | 340,150 | 170,075 |
| M & O | | |
| Consultants | 25,000 | 12,500 |
| Legal Fees | 30,000 | 15,000 |
| Phone | 908 | 454 |
| Cell Phone | 720 | 360 |
| Supplies | 2,500 | 1,250 |
| | | - |
| A & O | 65,000 | 32,500 |
| Liability Insurance | 16,800 | 8,400 |
| Subtotal | 140,928 | 70,464 |
| Total Budget | <u>481,078</u> | <u>240,539</u> |