

**SPECIAL MEETING OF THE  
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
AVALON COMMUNITY IMPROVEMENT AGENCY  
TUESDAY, FEBRUARY 26, 2013 – 3:15 P.M.  
CITY COUNCIL CHAMBERS 410 AVALON CANYON ROAD, AVALON, CA 90704**

In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, please contact Denise Radde, City Clerk (310) 510-0220. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35.104 ADA Title II). All public records relating to an agenda item on this agenda are available for the public inspection at the time the records are distributed to all, or a majority of all, members of the Oversight Board. Such records shall be available at City of Avalon City Hall located at 410 Avalon Canyon Rd.

CALL TO ORDER / PLEDGE OF ALLEGIANCE / INVOCATION / ROLL CALL

ANNOUNCEMENTS / WRITTEN COMMUNICATIONS

ORAL COMMUNICATION

Members of the public may address the Oversight Board at this time. No action will be taken on non-agenda items at this meeting. Speakers should limit comments to three (3) minutes each.

GENERAL BUSINESS- PUBLIC COMMENT

1. Minutes from the February 1, 2013 Oversight Board Meeting

Although the live recording is the official record of Oversight Board meetings, minutes are prepared for the Board's approval. Present at the meeting: Robert Kennedy, Julie Moore, Christopher Blehm, Eric Huart and James Novak.

Recommended Action

That the Oversight Board adopt a resolution approving minutes from the February 1, 2013 Oversight Board Meeting.

2. ROPS 13-14A and Successor Agency Administrative Budget

Health and Safety Code Section 34177(m) requires the Successor Agency to prepare and submit a Recognized Obligation Payment Schedule (ROPS), prior to each six-month fiscal period, to the Oversight Board, County Auditor-Controller, State Controller's Office (SCO), and State Department of Finance (DOF) for review and approval.

Recommended Action

That the Oversight Board: 1) Adopt a resolution approving the Recognized Obligation Payment Schedule for the Six-Month Fiscal period beginning July 1, 2013 and Ending December 31, 2013 and 2) Approve the Successor Agency Administrative Budget for the Six-Month Fiscal period beginning July 1, 2013 and Ending December 31, 2013

ADJOURN

NOTICE OF POSTING

I, Denise Radde, declare that the Oversight Board Agenda for the February 26, 2013 special meeting was posted at 2:30 p.m. on Monday, February 25, 2013, on the City of Avalon's website [www.cityofavalon.com](http://www.cityofavalon.com), and at City Hall, 410 Avalon Canyon Road. Copies of agendas and staff reports are available at City Hall.



Denise A. Radde, Oversight Board Secretary/City Clerk

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE AVALON  
COMMUNITY IMPROVEMENT AGENCY

MEETING DATE: February 26, 2013

AGENDA ITEM: 1

ORIGINATING DEPARTMENT: Successor Agency

CITY MANAGER: SH

PREPARED BY: Denise Radde

SUBJECT: Minutes to Two Oversight Board Meetings

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**RECOMMENDED ACTION**

That the Oversight Board adopts the resolution approving minutes from the Oversight Board Meeting on February 1, 2013.

**REPORT SUMMARY:**

Although the live recording is the official record of the Oversight Board meetings, minutes are prepared for the Board's approval.

**FISCAL IMPACTS:** N/A

**CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION:** N/A

**FOLLOW UP ACTION:** N/A

**ADVERTISING, NOTICE AND PUBLIC CONTACT:** This item was properly listed on the posted agenda.

**ATTACHMENTS:** Minutes and resolution for February 1, 2013.

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
AVALON COMMUNITY IMPROVEMENT AGENCY  
MINUTES OF FEBRUARY 1, 2013**

**CALL TO ORDER:** 12:49 p.m.

**ROLL CALL:** Present - Oversight Board members Robert Kennedy, Christopher Blehm, Eric Huart, Julie Moore and James Novak. Absent: Gabrielle Morones and Mark Taylor. Also present- City Clerk Denise Radde and Director of Finance Betty Jo Garcia. (Elizabeth Hull, Best Best & Krieger and Ken Lee, RGS Consultant were unable to make this meeting.)

There were no announcements, written communications or oral communication from the audience.

**General Business**

1. Adopted Resolution 12-12 approving minutes from the Oversight Board meeting on November 29, 2012. Motion by James Novak, seconded by Chris Blehm. (3 Ayes-Kennedy, Blehm and Novak, 2 Abstain-Moore and Huart, 2 Absent-Morones and Taylor)
2. Adopted Resolution 12-13 approving minutes from the Oversight Board meeting on January 3, 2013. Motion by Chris Blehm, seconded by Eric Huart. (4 Ayes-Kennedy, Blehm, Huart, and Moore, 1 Abstain-Novak, 2 Absent-Morones and Taylor)
3. Adopted Resolution 12-14 approving the Due Diligence Review #2 prepared for the Non-Housing Funds in accordance with California Health and Safety Code Section 34179.5. Motion by James Novak, seconded by Eric Huart. (5 Ayes-Kennedy, Blehm, Moore, Novak and Huart, 2 Absent-Taylor and Morones)

Chairman Robert Kennedy adjourned the meeting at 12:58 p.m.

I, Denise Radde, Oversight Board Secretary/City Clerk of the City of Avalon, do hereby certify that the DVD videotape of the Oversight Board of the Successor Agency to the Avalon Community Improvement Agency meeting of January 3, 2013, is the official record of that Oversight Board Meeting and is on file and maintained in City Hall.

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Denise A. Radde, Oversight Board Secretary/City Clerk

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE AVALON  
COMMUNITY IMPROVEMENT AGENCY

MEETING DATE: February 26, 2013

AGENDA ITEM: 2

ORIGINATING DEPARTMENT: Successor Agency

CITY MANAGER: SH

PREPARED BY: Betty Jo Garcia, Finance Director  
Ken Lee, Consultant, RSG Inc.

SUBJECT: ROPS 13-14A and Successor Agency Administrative Budget

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### RECOMMENDED ACTION

That the Oversight Board adopt the resolution: (1) Approving the Recognized Obligation Payment Schedule for the Six-Month Fiscal Period Beginning July 1, 2013 and Ending December 31, 2013; and (2) Approving the Successor Agency Administrative Budget for the Six-Month Fiscal Period Beginning July 1, 2013 and Ending December 31, 2013."

### BACKGROUND

#### ROPS 13-14A

Health and Safety Code ("HSC") Section 34177(m) requires the Successor Agency to prepare and submit a Recognized Obligation Payment Schedule ("ROPS"), prior to each six-month fiscal period, to the Oversight Board, County Auditor-Controller, State Controller's Office ("SCO"), and State Department of Finance ("DOF") for review and approval. For the ROPS period of July 1, 2013 to December 31, 2013 ("ROPS 13-14A"), the statute requires that an Oversight Board-approved ROPS be submitted to the State by no later than March 1, 2013. If the ROPS is not submitted by that deadline, the City of Avalon (as the City and not as the Successor Agency) will be subject to a civil penalty of \$10,000 per day for each day it is late. These requirements for the ROPS took effect last year as a result of AB 1484 (Chapter 26, Statutes of 2012), which was enacted on June 27, 2012.

#### *Enforceable Obligations*

Beginning with this next ROPS period, DOF has provided a new template which restricts the Successor Agency's ability to make changes to existing "enforceable obligations," including items that DOF previously rejected (shaded rows). There was only one rejected item on the ROPS:

- Permitted Administrative Expense: This line item addressed property tax funding for "Permitted Administrative Expenses" from the County Auditor-Controller under

Amendment No. 1 to the City-County "Agreement for Reimbursement of Tax Increment Funds." This was a negotiated tax increment pass-through agreement executed in 2003. DOF rejected the item as an "enforceable obligation" and determined that, rather than listing this expense on the ROPS, the County Auditor-Controller should handle these funding requirements as part of its normal responsibilities administering taxing entity pass-through payments under ABX1 26 (Chapter 5, Statutes of 2011) and AB 1484.

The ROPS 13-14A provides estimated expenditures for all other approved enforceable obligations for the July through December 2013 period. In addition, pursuant to HSC Section 34176(g), the ROPS 13-14A includes a new \$500,000 line item (#21) to provide funding from bond proceeds to the Avalon Housing Authority for its Low and Moderate Income Down Payment Assistance Program.

*Request for Designation of Housing Bond Proceeds – HSC Section 34176(g)*

AB 1484 established a process by which the successor housing entity can request funding from housing bond proceeds from the successor agency through the ROPS preparation and approval process. It is important to emphasize that this affects only bond proceeds and does not involve or impact property tax revenues in the Redevelopment Property Tax Trust Fund ("RPTTF"), and therefore has no impact on the distribution of residual RPTTF revenues to the taxing entities. HSC Section 34176(g)(1)(B) also provides that "The review of these designations and commitments by the successor agency, oversight board, and Department of Finance shall be limited to a determination that the designations and commitments are consistent with bond covenants and that there are sufficient funds available."

The Avalon Housing authority has provided notice to the Successor Agency for the designation of \$500,000 from the 2003 Housing Bond proceeds. The funds would be used to provide funding for the Housing Authority's Low and Moderate Income Down Payment Assistance Program, including anticipated down payment assistance for the purchase of three to four newly-constructed affordable housing units in the "Triana at Avalon" development project by low and/or moderate income individuals or families. Down payment assistance is expected to range between \$95,000 and \$120,000, based on prior down payment assistance provided in prior years from the program. On February 19, 2013, the Successor Agency approved the addition of the new \$500,000 line item on the ROPS 13-14A for the Low and Moderate Income Down Payment Assistance Program.

Legal counsel from Best Best & Krieger has reviewed the bond covenants and concluded that the proposed designation of funding is consistent with those covenants. Sufficient unspent 2003 Housing Bond proceeds are available. According to the Due Diligence Review for Housing Funds prepared by the Successor Agency and approved by the Oversight Board and DOF, there is a total of \$4,349,924 in unspent bond proceeds for the 2003 Series B Bonds.

### *Prior Period Payment "True-Up"*

The Successor Agency is required to itemize all prior period ROPS payments for enforceable obligations and administrative costs. The prior period for included in this next ROPS is July through December 2012. This requirement provides a "true-up" process that compares estimated ROPS payments versus actual payments. If the Successor Agency spent less than it originally estimated, and that was approved by DOF, under AB 1484, the County Auditor-Controller will adjust down the distribution of property taxes to the Successor Agency for this next ROPS period by the surplus amount.

### *DOF Review*

Upon submittal of an Oversight Board-approved ROPS, DOF has 45 days to make its determination of the enforceable obligations, including amounts and funding sources. Within five business days of DOF's determination, the Successor Agency may request additional review and an opportunity to meet and confer on disputed items. DOF has until 15 days prior to the date for property tax distribution to make its final decision. The property tax distribution date for ROPS 13-14A is June 1, 2013.

### FY 2013-14 SUCCESSOR AGENCY ADMINISTRATIVE BUDGET

HSC Section 34177(j) requires the Successor Agency to prepare a proposed administrative budget for each six-month fiscal period and submit it to the Oversight Board for approval. The minimum Administrative Cost Allowance to the Successor Agency provided for under the dissolution legislation is \$250,000 annually. This is not a guaranteed funding source since funding is only provided where sufficient property taxes are available. The Successor Agency also anticipates \$489,541 in additional funding for administrative costs pursuant to Amendment No. 1 to the City-County "Agreement for Reimbursement of Tax Increment Funds." Administrative costs may include: personnel, supplies/travel, noticing, professional services, legal services, financial services, and overhead, including property-related fees.

On February 19, 2013, the Successor Agency approved a proposed budget of \$673,230 for fiscal year 2013-14, and a six-month estimated budget of \$336,615 for the fiscal period beginning July 1, 2013 and ending December 31, 2013. Successor Agency staff is recommending that the Oversight Board approve the proposed six-month Successor Agency Administrative Budget.

### **ENVIRONMENTAL REVIEW**

The action taken by the Successor Agency to approve ROPS 13-14A and the Successor Agency Administrative Budget does not commit the Successor Agency to any actions that may have a significant effect on the environment. As a result, such actions do not constitute projects subject to the requirements of the California Environmental Quality Act.

## **FISCAL IMPACT**

Approval of the draft ROPS and Administrative Budget is necessary for the Successor Agency to continue administrative operations and make payments for debt service, contracts, and other enforceable obligations. By not adopting the ROPS and Administrative Budget, the Successor Agency would risk defaulting on loans and other debt agreements, and not being able to fund certain expenses and operations, which would also impact the City's General Fund. Failure to submit an Oversight Board-approved ROPS to DOF March 1, 2013 will also result in a \$10,000 per day penalty assessed against the City for each day the ROPS is late.

Attachment:

- A. Oversight Board Resolution Approving ROPS 13-14A and Six-Month Successor Agency Administrative Budget

**OVERSIGHT BOARD RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO  
THE AVALON COMMUNITY IMPROVEMENT AGENCY APPROVING THE  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND SUCCESSOR AGENCY  
ADMINISTRATIVE BUDGET FOR THE SIX-MONTH FISCAL PERIOD BEGINNING  
JULY 1, 2013 AND ENDING DECEMBER 31, 2013**

**WHEREAS**, pursuant to Health and Safety Code Section 34177(m), the Successor Agency is required to prepare and submit for Oversight Board approval a Recognized Obligation Payment Schedule (“ROPS”) prior to each six-month fiscal period, in a manner prescribed by the California Department of Finance (“DOF”); and

**WHEREAS**, Assembly Bill 1484 (“AB 1484”) (Chapter 26, Statutes of 2012) established new procedural requirements for the preparation, review, and approval of ROPS by the Successor Agency, including clarifications regarding “enforceable obligations”; and

**WHEREAS**, Exhibit “A” to this resolution establishes a ROPS for the six-month fiscal period beginning July 1, 2013 and ending December 31, 2013 (“ROPS 13-14A”), in a manner consistent with that prescribed by DOF; and

**WHEREAS**, pursuant to Health and Safety Code Section 34176(g), the Avalon Housing Authority provided notice to the Successor Agency of the designation of \$500,000 in unspent 2003 Series B Bond proceeds to be used to fund the Housing Authority’s Low and Moderate Income Down Payment Assistance Program, which is consistent with the 2003 Series B Bond covenants, and for which sufficient funding is available; and

**WHEREAS**, Health and Safety Code Section 34177(j) requires the Successor Agency to prepare and submit a Successor Agency Administrative Budget (“Administrative Budget”) for approval by an oversight board; and

**WHEREAS**, the Successor Agency will be allocated an “Administrative Cost Allowance,” as defined in Health and Safety Code Section 34171(b), which provides for an annual minimum of \$250,000 and an annual cap of three percent (3%) of the total annual allocation of property tax revenues by the Los Angeles County Auditor-Controller from the Redevelopment Property Tax Trust Fund to the Successor Agency’s Redevelopment Obligation Retirement Fund for the payment of enforceable obligations contained in the Successor Agency’s Recognized Obligation Payment Schedule (“ROPS”), prepared and approved pursuant to Health and Safety Code Section 34177(l); and

**WHEREAS**, the Successor Agency will receive additional funding for administrative costs pursuant to Amendment No. 1 to the “Agreement for Reimbursement of Tax Increment Funds,” entered into in 2003 by and between the County of Los Angeles, City of Avalon, and Avalon Community Improvement Agency; and

**WHEREAS**, Exhibit “B” to this resolution presents an Administrative Budget of \$336,615 the six-month fiscal period beginning July 1, 2013 and ending December 31, 2013, based on a \$673,230 budget for fiscal year 2013-14.;

**NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. CEQA Compliance. The action of the Oversight Board to approve the ROPS 13-14A and Successor Agency Administrative Budget does not commit the Oversight Board to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

Section 3. Approval of ROPS 13-14A. The Oversight Board hereby approves the Recognized Obligation Payment Schedule for the six-month fiscal period beginning July 1, 2013 and ending December 31, 2013 in substantially the form attached hereto as Exhibit “A,” as required by ABX1 26, enacted during the 2011 legislative year, and AB 1484, enacted during the 2012 legislative year.

Section 4. Designation of Housing Bond Proceeds. The Oversight Board hereby determines that: (1) the designation of unspent bond proceeds totaling \$500,000 by the Avalon Housing Authority to fund the Low and Moderate Income Down Payment Assistance Program is consistent with the 2003 Series B Bond covenants; and (2) There are sufficient unspent bond proceeds for such designation.

Section 5. Approval of Six-Month Administrative Budget. The Oversight Board hereby approves the Successor Agency Administrative Budget for the six-month fiscal period beginning July 1, 2013 and ending December 31, 2013, in substantially the form attached hereto as Exhibit “B,” as required by ABX1 26, enacted during the 2011 legislative year, and AB 1484, enacted during the 2012 legislative year.

Section 6. Transmittal to Appropriate Agencies. The Oversight Board hereby directs staff to transmit, by mail or electronic means, to the Los Angeles County Auditor-Controller, State Department of Finance, and the State Controller’s Office a copy of the ROPS and Administrative Budget documents for review, and to post the ROPS on the Successor Agency’s Internet Web site.

Section 7. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 8.     Certification. The City Clerk of the City of Avalon, acting on behalf of the Oversight Board as its Secretary, shall certify to the adoption of this Resolution.

Section 9.     Effective Date. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

**PASSED, APPROVED AND ADOPTED** this 26th day of February, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Robert Kennedy  
Oversight Board Chairperson

ATTEST:

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Denise Radde  
Oversight Board Secretary

**EXHIBIT A**

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
**JULY 1, 2013 – DECEMBER 31, 2013**

**SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

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

Name of Successor Agency: **AVALON (LOS ANGELES)**

Outstanding Debt or Obligation	Total
Total Outstanding Debt or Obligation	\$59,529,751
<b>Current Period Outstanding Debt or Obligation</b>	
A Available Revenues Other Than Anticipated RPTTF Funding	\$1,302,049
B Enforceable Obligations Funded with RPTTF	\$1,631,666
C Administrative Allowance Funded with RPTTF	\$125,000
D Total RPTTF Funded (B + C = D)	\$1,756,666
E Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i>	\$3,058,715
F Enter Total Six-Month Anticipated RPTTF Funding	\$1,756,666
G Variance (F - D = G) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$0

Prior Period (July 1, 2012 through December 31, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))	Six-Month Total
H Enter Estimated Obligations Funded by RPTTF (lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)	\$1,630,145
I Enter Actual Obligations Paid with RPTTF	\$1,574,074
J Enter Actual Administrative Expenses Paid with RPTTF	\$74,015
K Adjustment to Redevelopment Obligation Retirement Fund (H - (I + J) = K)	\$0
L Adjustment to RPTTF (D - K = L)	\$1,756,666

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

**AVALON (LOS ANGELES)  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE (809113-JJA)  
July 1, 2013 through December 31, 2013**

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				SP-Months Total
									Bond Proceeds	Revenue Bonds	Admin Allowance	Other	
1	2003 Tax Allocation Bonds Series A	12/15/2003	9/1/2014	U.S. Bank National Association	Bonds issued to fund non-housing projects	Community Project Area	741,562,328	1,112,281	0	0	0	1,735,211	6
2	2003 Tax Allocation Bonds Series B	12/15/2003	9/1/2014	U.S. Bank National Association	Bonds issued to fund housing projects	Community Project Area	1,124,426	515,744	0	0	0	313,081	0
3	Fiscal Agent Fee	12/15/2003	9/1/2014	U.S. Bank National Association	Fees for fiscal agent services	Community Project Area	154,000	7,400	0	0	0	7,400	6
4	Sewer Repairs	3/7/2011	Project Completion	BBF Consulting	Contract for construction management services for sewer repair project	Community Project Area	1,052,312	1,052,312	526,485	0	0	526,485	6
5	Wastewater Treatment Plant Repairs	3/7/2011	Project Completion	Empcon Strategy	Contract for repairs for wastewater treatment plant, collection system, and sewer distribution system	Community Project Area	175,393	175,393	175,393	0	0	175,393	6
6	Pebbly Beach Road Construction (Under Disposal)	3/7/2011	Project Completion	Sanita Carolina Island Company	Contract for roadway improvements pursuant to agreement with Santa Catalina Island Company	Community Project Area	1,000,000	200,000	200,000	0	0	200,000	0
7	Project Management for Sewer Repairs, Wastewater Treatment Plant Repairs, and Pebbly Beach Road Construction	9/7/2010	9/6/2013	Charlie Wagner	Contract staff services for project management of public facility projects	Community Project Area	43,200	43,200	0	0	0	43,200	0
8	Project Management for Sewer Repairs, Wastewater Treatment Plant Repairs, and Pebbly Beach Road Construction	9/7/2010	9/6/2013	Charlie Wagner	Contract staff services for project management of public facility projects	Community Project Area	43,200	43,200	0	0	0	43,200	0
9	Employee Costs	7/1/2012	9/1/2014	Employers of Successor Agency	Payroll and benefits for employees	Community Project Area	0	0	0	0	0	0	0
10	Audit and Accounting services	8/1/2005	9/1/2014	Bills, Lyons & Company, State of California	Contract for annual financial audit and accounting services, including related costs with State Controller's Office	Community Project Area	0	0	0	0	0	0	0
11	Legal services (limited to general implementation of enforceable obligations)	9/1/2009	Project Completion	Ben Best & Knigge	General Counsel legal services	Community Project Area	2,246,127	88,434	0	0	0	44,217	0
12	Legal services (limited to general administration)	9/1/2009	9/1/2014	Ben Best & Knigge	General Counsel legal services	Community Project Area	0	0	0	0	0	0	0
13	Contract for General Plan, Housing Element, Local Coastal Plan Update, and SESEA	9/8/2010	Project Completion	Birch Consultants	Contract for Consulting Services for General Plan Update, Housing Element Update, Local Coastal Plan Update, and CEQA	Community Project Area	21,056	21,056	0	0	0	21,056	0
14	SESEA Loan Repayment	7/7/2005	7/7/2014	Low and Middle Income Housing Fund	Repayment to Housing Fund for suspension of 20% set-aside to make SESEA payment	Community Project Area	1,000,000	250,000	0	0	0	0	0
15	Successor Agency Financial Services	1/18/2012	9/1/2014	Horjavec Spensiek Group, Inc.	Contract for consulting services for successor agency operations	Community Project Area	0	0	0	0	0	0	0
16	Continuing Bond Disclosure	12/15/2003	9/1/2014	Harnett & Co. Advisors	Continuing disclosure reporting requirements for 2003 Tax Allocation Bonds Series A & B	Community Project Area	53,602	2,681	0	0	0	2,681	0

Overight Board Approval Date: \_\_\_\_\_

**AVALON (LOS ANGELES)**  
**RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS H-34A)**  
 July 1, 2013 through December 31, 2023

Item #	Project Name / Cost Obligation to County of Los Angeles	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				State/Local Total
									Bond Proceeds	Reserve Balance	Admin Allowance	RTTE	
17	Completed Deferred Payments to County of Los Angeles	12/1/2013	9/1/2014	County of Los Angeles	Completed Deferred Payments to County of Los Angeles pursuant to 2007 Amendment No. 1 to Tax Sharing Agreement	Community Improvement Project Area	2,535,112	0	0	0	0	0	0
18	Operational and Administrative Support of Successor Agency, Property Management and Maintenance, Office and Hardware Supplies	7/1/2013	9/1/2014	Various Vendors	Operational and Administrative Support of Successor Agency, Property Management and Maintenance, Office and Hardware Supplies, financial reporting services, and property management and maintenance	Community Improvement Project Area	0	0	0	0	0	0	0
19	Successor Agency Administrative Costs	7/1/2013	9/1/2014	Employees of Successor Agency, Legal Counsel, Consultants, Various Other vendors	All administrative/operational costs of the Successor Agency, including staffing, overhead, legal counsel, financial consulting, property maintenance, etc.	Community Improvement Project Area	5,250,000	250,000	175,000	0	0	175,000	175,000
21	Low and Moderate Income Housing Down Payment Assistance Program	7/25/2013	11/31/2014	Avalon Housing Authority	Pursuant to HSC Section 4076(g), the Avalon Housing Authority requested funding from the 2003 Housing Bond proceeds to replenish available funding in the Low and Moderate Income Housing Down Payment Assistance Program.	Community Improvement Project Area	500,000	500,000	500,000	0	0	0	500,000

AVADOR (LOS ANGELES)  
 PURCHASE TO MAINTAIN AND SKINNY CODE SECTION 3185 (P)  
 PRICE PERIOD ESTIMATED QUANTITIES OR ACTUAL PAYMENTS  
 RECORDED OR LIAISON PAYMENT SCHEDULE (RDS II)  
 July 1, 2012 through December 31, 2012

Item #	Project Name / Item Description	Payee	Description/Project Name	Project Area	UMHF		Bond Proceed		Return on Investment		MFTF		Other	
					Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual		
1	2007 Tax Allocation Bond Series A	U.S. Bank National Association	Bonds issued to fund financing project	Community Improvement Project Area	50	50	5,282,079	5,282,079	571,011	571,011	51,335,851	51,335,851	3,217,951	3,217,951
2	2007 Tax Allocation Bonds Series B	U.S. Bank National Association	Bonds issued to fund financing projects	Community Improvement Project Area							330,323	330,323		
3	Fixed Asset Fund	U.S. Bank National Association	Fees for oil agent revision	Community Improvement Project Area					0	0	7,000	7,000		
4	Street Repair	RBC Consulting	Contract for construction management services for sewer repair project	Community Improvement Project Area			1,352,283	1,352,284						
5	Waterways Treatment Plant Repairs	Environ Strategy	Contract for repairs to wastewater treatment plant, including systems, and wastewater distribution system	Community Improvement Project Area			45,522	40,235						
6	Pebly Beach Road Construction	Street Credible Bond Company	Contract for road construction management pursuant to agreement with Street Credible Bond Company	Community Improvement Project Area			1,002,000	0						
7	Project Management to Show Repairs, Waterway Treatment Plant Repairs, and Pebley Beach Road Construction	Street Credible Bond Company	Contract for services for project management of public facility projects	Community Improvement Project Area			15,000	0						
8	Waterway Treatment Plant Repairs, and Pebley Beach Road Construction	Charles Wagner	Contract for project management of public facility project	Community Improvement Project Area							15,000	15,000		
9	Employee Costs	Employees of Successor Agency	Payroll and benefits for employees	Community Improvement Project Area										746,088
10	Audit and Accounting Services	DuSh, Evans & Company, State of California	Contract for annual financial audit and accounting services, including related costs with State Controller's Office	Community Improvement Project Area					0	0	8,000	8,000		
11	Legal Services (Related to Project Implementation of Successor Obligations)	Bert Dietz & Kruger	General Counsel legal services	Community Improvement Project Area										34,133
12	Legal Services (Related to General Administration)	Bert Dietz & Kruger	General Counsel legal services	Community Improvement Project Area					86,700	86,700	31,342	31,342		
13	Contract for Green of Pace, Housing Element, Local Coastal Plan Update, and CEQA	Nicom Consultants	Contract for Consulting Services for General Plan Update, Housing Element Update, LCP Amendment, and CEQA	Community Improvement Project Area										87,748
14	SEBAF Loan Repayment	Low and Madere Income Housing Fund	Repayment to Housing Fund for suspension of 2008 schedule to make SEBAF payment	Community Improvement Project Area										0
15	Successor Agency Financial Services	Business Services Group, Inc.	Contract for consulting services for successor agency operations	Community Improvement Project Area					10,500	10,500	71,553	71,553		
16	Continuing Bond Disclosure	Herrill & Co. Advisors	Continuing disclosure reporting requirements for 2007 Tax Allocation Bonds Series A & B	Community Improvement Project Area					0	0	1,700	1,700		
17	Cumulative Deferred Prolongation to County of Los Angeles	County of Los Angeles	Cumulative Deferral of Prolongation Payment to County of Los Angeles Pursuant to 2008 Amendment No. 1 to Sharing Agreement	Community Improvement Project Area										0
18	Permit or Administrative Expense	City of Avalon	Administrative Expenses	Community Improvement Project Area										239,972
19	Operational and Administrative Support of Successor Agency, Property Management and Maintenance, Office and Hardware Supplies	Various Vendors	Supplies, professional services, financial reporting services, and property management and maintenance	Community Improvement Project Area					41,463	41,463	1,572	1,572		

AVALON (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	2003 Tax Allocation Bonds Series A	
2	2003 Tax Allocation Bonds Series B	
3	Fiscal Agent Fees	
4	Sewer Repairs	
5	Wastewater Treatment Plant Repairs	
6	Pebble Beach Road Construction (Under Dispute)	
7	Project Management for Sewer Repairs, Wastewater Treatment Plant Repairs, and Pebble Beach Road Construction	
8	Project Management for Sewer Repairs, Wastewater Treatment Plant Repairs, and Pebble Beach Road Construction	
9	Employee Costs	All Successor Agency Administrative Costs have been consolidated into a single line item under Item #20.
10	Audit and Accounting Services	All Successor Agency Administrative Costs have been consolidated into a single line item under Item #20.
11	Legal Services (Related to Project Implementation of Enforceable Obligations)	
12	Legal Services (Related to General Administration)	All Successor Agency Administrative Costs have been consolidated into a single line item under Item #20.
13	Contract for General Plan, Housing Element, Local Coastal Plan Update, and CEQA	
14	SERAF Loan Repayment	
15	Successor Agency Financial Services	All Successor Agency Administrative Costs have been consolidated into a single line item under Item #20.
16	Continuing Bond Disclosure	
17	Cumulative Deferred Pass-throughs to County of Los Angeles	
18	Permitted Administrative Expense	
19	Operational and Administrative Support of Successor Agency, Property Management and Maintenance, Office and Hardware Supplies	All Successor Agency Administrative Costs have been consolidated into a single line item under Item #20.
20	Successor Agency Administrative Costs	All Successor Agency Administrative Costs have been consolidated into this single line item and covers employee salaries/benefits, overhead, legal, consulting, auditing costs, etc.
21	Low and Moderate Income Housing Down Payment Assistance Program	Pursuant to Health and Safety Code Section 34176(g), the Avalon Housing Authority provided notice to the Successor Agency of the designation of \$500,000 in unspent 2003 Series B Bond proceeds to be used to fund the Housing Authority's Low and Moderate Income Down Payment Assistance Program, which is consistent with the 2003 Series B Bond covenants, and for which sufficient funding is available.

**EXHIBIT B**

**SUCCESSOR AGENCY ADMINISTRATIVE BUDGET**  
**JULY 1, 2013 – DECEMBER 31, 2013**

SUCCESSOR AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY

DRAFT ANNUAL & FIRST SIX-MONTH ADMINISTRATIVE BUDGETS

FISCAL YEAR 2013-14

		ANNUAL FY 2013-14	SIX-MONTH JUL - DEC 2013
<b>Expenses</b>			
Salaries	\$	251,553	\$ 125,777
Benefits/Insurance		107,809	53,904
	<b>Personnel</b>	<b>\$ 359,362</b>	<b>\$ 179,681</b>
Supplies & Travel	\$	10,000	\$ 5,000
Noticing		2,000	1,000
Professional Services		75,000	37,500
Legal Services		176,868	88,434
Financial Services		25,000	12,500
Overhead & Property Related Fees		25,000	12,500
	<b>Other Line Items</b>	<b>\$ 313,868</b>	<b>\$ 156,934</b>
<b>Total Expenses</b>	<b>\$</b>	<b>673,230</b>	<b>\$ 336,615</b>

NOTES:

\* Sources of payment for proposed expenditures are: (1) Successor Agency annual Administrative Cost Allowance of \$250,000; and (2) Permitted Administrative Expense under County Agreement for Reimbursement of Tax Increment of \$489,541. Available revenue sources total \$739,541.

\*\* Successor Agency will reimburse the City for operational and administrative costs (staffing, overhead).